

KINNELOA IRRIGATION DISTRICT
ADJOURNED MEETING – BOARD OF DIRECTORS
1999 KINCLAIR DRIVE, PASADENA, CA 91107
WEDNESDAY – May 23, 2012
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. REVIEW PROPOSED AMENDMENTS TO CALTRUST INVESTMENT POLICY**

- 4. REVIEW GENERAL MANAGER’S REPORT**

- 5. REVIEW MINUTES** – April 17, 2012

- 6. REVIEW FINANCIAL REPORTS** – April 30, 2012

- 7. ITEMS FOR NEXT AGENDA**

- 8. CALENDAR** – June 19, 2012
July 17, 2012
August 21, 2012

- 9. 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. 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 <http://www.kinneloairrigationdistrict.info>.



Good Morning,

You are receiving this email as your agency is a Participant of the Investment Trust of California (CalTRUST) Joint Powers Authority investment program.

As per Article IX, Section 9.8 of the CalTRUST Joint Exercise of Powers Agreement, amendments to the Investment Policy require the approval of Participants holding at least a majority of the outstanding Shares or negative consent of Participants.

At the April 25, 2012 Board of Trustees Meeting, the Board directed staff to seek approval from CalTRUST participants as outlined in the CalTRUST JPA to amend the Investment Policy with the following revisions:

- ε **Section C.** Updating the medium-term fund benchmark to the Merrill Lynch and U.S. Corporate & Government 1-3 Years, based on Board action at the September 14, 2011 meeting;
- ε **Section C.** Adding the Barclays Short-Term U.S. Government/Corporate Index as second benchmark for the short-term account;
- ε **Section F.** Grammatical correction;
- ε **Section F.** Inserting authorized investments section consistent with current language of California Government Code Section 53601;
- ε **Section F.** Inserting language to allow for a federally-licensed branch of a foreign bank as opposed to only state-licensed;
- ε **Section F.** Updating language from reference to legislative body of any Participant to CalTRUST Board of Trustees as they are the governing body;
- ε **Section F.** Updating references from California Government Code Section 53601(i) to 53601(j) as appropriate.

[Click here for a redlined copy of the investment policy.](#)

[Vote Now](#)

Voting will be open for sixty (60) days or until the Board is ratified by a majority number of members. After the voting period, the Board will be deemed ratified either by approval from a majority of members or negative consent if objections are

not received from a majority of members.

We appreciate your taking the time to vote. If you have any questions or if there is someone else who should be the primary contact please contact me at 916.327.7500 x536 or llabanieh@counties.org.

Best Regards,

Laura Labanieh Campbell
CSAC Finance Corporation



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**INVESTMENT TRUST OF CALIFORNIA,
doing business as**

A JOINT POWERS AUTHORITY



INVESTMENT POLICY

FOR THE SHARES PROGRAM

EFFECTIVE AS OF:

FEBRUARY 24, 2005
(Updated April 25, 2012)

INVESTMENT POLICY FOR THE SHARES PROGRAM

The following are the investment objectives, policies and restrictions (collectively, the “Investment Policy”) for each of the three separately managed programs (each, a “Series”) within the investment program offered by Investment Trust of California, doing business as *CalTRUST* (“CalTRUST”), whereby participants (“Participants”) invest in shares issued by *CalTRUST* (the “Shares Program”).

The three Programs of the Shares Program are the “*CalTRUST* Short-Term Fund” Series (the “Short-Term Fund”), the “*CalTRUST* Medium-Term Fund” Series (the “Medium-Term Fund”) and the “*CalTRUST* Long-Term Fund” Series (the “Long-Term Fund”).

All capitalized terms used, but not otherwise defined, herein shall have the meanings ascribed to such terms in the Information Statement for the Shares Program (the “Information Statement”) or the Joint Exercise of Powers Agreement (the “Agreement”). THE INFORMATION STATEMENT AND AGREEMENT PROVIDE FURTHER DETAILED INFORMATION ABOUT THE SHARES PROGRAM AND *CALTRUST*. PARTICIPANTS SHOULD READ THEM BOTH CAREFULLY PRIOR TO PARTICIPATING IN THE SHARES PROGRAM.

A. PURPOSE

CalTRUST is a California joint powers authority and public agency established under the provisions of Title 1, Division 7, Chapter 5 of the California Government Code (the “Joint Exercise of Powers Act”), to provide Public Agencies with consolidated investment activities thereby reducing duplication, achieving economies of scale and carrying out coherent and consolidated investment strategies.

B. WHO MAY INVEST

Each Participant must be: (1) a California “Public Agency” as that term is defined in Section 6509.7 of Title 1, Division 7, Chapter 5, Article 1 of the California Government Code (the “Joint Exercise of Powers Act”), which, as of the date hereof, is defined as “the federal government or any federal department or agency, this state, another state or any state department or agency, a county, county board of education, county superintendent of schools, city, public corporation, public district, or regional transportation commission of the State of California or another state, or any joint powers authority formed pursuant to [article 1 of the Joint Exercise of Powers Act] by any of these agencies,” and includes “a nonprofit corporation whose membership is confined to public agencies or public officials;” and (2) either the United States, a State, or any political subdivision of a State, or any agency, authority or instrumentality of any one or more of the foregoing, or any corporation which is wholly owned directly or indirectly by any one or more of the foregoing, as those terms are used in the Investment Company Act of 1940, as amended.

C. SERIES BENCHMARKS

The performance benchmarks for the Short-Term Fund, Medium-Term Fund and Long-Term Fund are specified below:

Short-Term Fund:	Local Agency Investment Fund Barclays Short-Term U.S. Government/Corporate Index
Medium-Term Fund:	Merrill Lynch U.S. Corporate & Government 1- 5 3 Years, “A” Rated or Above Index
Long-Term Fund:	Merrill Lynch U.S. Government Treasury & Agency 5-10 Years, “AAA” Rate Index

D. MINIMUM PURCHASE

A Participant must purchase a total of at least \$250,000 of Shares through one or more Series in order to participate in the Shares Program. Whenever a Participant's investment is less than the minimum established from time to time by CalTRUST's Board of Trustees, such Participant will be required to sell its Shares, provided, however, that thirty (30) days prior notice is given to such Participant. If the Board changes the minimum investment to an amount greater than the investment of any Participant at the time that such change becomes effective, such Participant shall not be required to sell its Shares.

E. INVESTMENT BENEFITS

By purchasing Shares in any Series, the Investment Advisor seeks to provide the following benefits:

- **Preservation of Principal.** Preserve principal to the extent reasonably possible in accordance with the applicable investment strategy by investing only in fixed-income oriented Authorized Investments, and in accordance with an investment strategy designed to preserve capital.
- **Liquidity.** Provide liquidity so that Participants have ready access to their Shares to the extent described in this Information Statement.
- **Income.** Provide as high a level of current income in each Series as is consistent with preserving principal and maintaining liquidity.
- **Professional Management.** Investments are managed by investment professionals that follow both general economic and current market conditions affecting interest rates and the value of fixed-income oriented investments
- **Diversification.** Each Participant in a Series will own Shares in a diversified portfolio of high quality securities.
- **Accounting, Safekeeping and Separate Series.** The Participants' investments are accounted for in compliance with governmental accounting and auditing requirements, and Participants will be provided with all necessary information to do the bookkeeping and safekeeping associated with the ownership of the Shares. Participants will have secure online access to their accounts, as well as being provided with monthly statements.

There can be no assurance that the investment objectives of any particular Program will be achieved.

F. AUTHORIZED INVESTMENTS

The Shares purchased by the Investment Advisor will be comprised exclusively of the following investments (the "Authorized Investments"). These investments are authorized investments under the California Government Code, as may be amended from time to time, for money not required for the immediate needs of Local Agencies. The California Government Code limits the amount of surplus money of a Local Agency which may be invested in certain of the investments described below. Each Participant shall be responsible for monitoring the aggregate amount of its investments in any of these kinds of investments, to assure its own compliance with the California Government Code. None of the Investment Advisor, the Administrator or CalTRUST shall be responsible for such monitoring. *The Board may revise this Investment Policy from time to time subject to Section 4.2(a) of the Agreement.* Pursuant to the Agreement, the Board shall cause the amended Investment Policy to be delivered to each Participant.

- 1) United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.

- 2) Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state.
- 3) Bonds, notes, warrants, or other evidences of indebtedness of any local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.
- ~~3~~4) Registered treasury notes or bonds of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California.
- 4)5) Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
- ~~5~~6) Bankers acceptances otherwise known as bills of exchange or time drafts that are drawn on and accepted by a commercial bank. Purchases of bankers acceptances may not exceed 180 days' maturity or 40 percent of the assets in a Series. However, no more than 30 percent of the assets in a Series may be bankers acceptances of any one commercial bank.
- ~~6~~7) Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical-rating organization ("NRSRO"). The entity that issues the commercial paper shall meet all of the following criteria in either clause (a) or (b): (a)(i) is organized and operating in the United States as a general corporation, (ii) has total assets in excess of five hundred million dollars (\$500,000,000) and (iii) has debt other than commercial paper, if any, that is rated "A" or higher by a NRSRO; or (b)(i) is organized within the United States as a special purpose corporation, trust, or limited liability company, (ii) has programwide credit enhancements including, but not limited to, overcollateralization, letters of credit, or surety bond and (iii) has commercial paper that is rated "A-1" or higher, or the equivalent, by a NRSRO. Eligible commercial paper shall have a maximum maturity of 270 days or less. No more than 25 percent of the assets in a Series may be eligible commercial paper. No more than 10 percent of the assets in a Series may be outstanding commercial paper of any single issuer. No more than 10 percent of the outstanding commercial paper of any single issuer may be purchased for a Series.
- ~~7~~8) Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the California Financial Code), ~~or~~ a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit may not exceed 30 percent of the assets in a Series. Purchases shall not exceed the shareholder's equity of any depository bank. Shareholder's equity shall be determined in accordance with Section 118 of the California Financial Code, but shall be deemed to include capital notes and debentures. Purchases shall not exceed the total of the net worth of any savings association or federal association, except that deposits not exceeding a total of five hundred thousand dollars (\$500,000) may be made to a savings association or federal association without regard to the net worth of that depository, if such deposits are insured or secured as required by law. Purchases of negotiable certificates of deposit from any regularly chartered credit union shall not exceed the total of the unimpaired capital and surplus of the credit union, as defined by rule of the California Commissioner of Financial Institutions, except that the deposit to any credit union share account in an amount not exceeding five hundred thousand dollars (\$500,000) may be made if the share accounts of that credit union are insured or guaranteed pursuant to Section 14858 of the California Financial Code or are secured as required by law. Purchases of negotiable certificates of deposit issued by a state or federal credit union are prohibited if a member of the legislative body of any ParticipantCalTRUST Board of Trustees, or any person with investment decision making authority for any ParticipantCalTRUST, also serves on the board of directors, or any committee appointed by the board of directors, or the credit committee or the supervisory committee of the state or federal credit union issuing the negotiable certificates of deposit.
- ~~8~~9) Investments in repurchase agreements of Authorized Investments as long as the agreements are subject to the requirements of California Government Code Section 53601(~~i~~), including the delivery requirements

specified in California Government Code Section 53601(~~h~~). “Repurchase agreement” means a purchase of securities by the local agency pursuant to an agreement by which the counterparty seller will repurchase the securities on or before a specified date and for a specified amount and the counterparty will deliver the underlying securities to the local agency by book entry, physical delivery, or by third-party custodial agreement. The transfer of underlying securities to the counterparty bank’s customer book-entry account may be used for book-entry delivery. Investments in repurchase agreements may be made, on any Authorized Investments, when the term of the agreement does not exceed one year. The market value of securities that underlay a repurchase agreement shall be valued at 102 percent or greater of the funds borrowed against those securities and the value shall be adjusted no less than quarterly. Since the market value of the underlying securities is subject to daily market fluctuations, the investments in repurchase agreements shall be in compliance if the value of the underlying securities is brought back up to 102 percent no later than the next business day.

~~9~~10) Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment under this subsection shall be rated “A” or better by a nationally recognized rating service. Purchases of medium-term notes (not including other Authorized Investments) may not exceed 30 percent of the assets in a Series.

~~10~~11) Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940. Such companies shall have attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs or retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years’ experience managing money market mutual funds with assets under management in excess of five hundred million dollars (\$500,000,000). The purchase price of shares of beneficial interest purchased pursuant to this subsection shall not include any commission that the companies may charge and shall not exceed 20 percent of the assets in a Series.

~~11~~12) Notes, bonds, or other obligations that are at all times secured by a valid first priority security interest in securities of the types listed by California Government Code Section 53651 as eligible securities for the purpose of securing local agency deposits having a market value at least equal to that required by California Government Code Section 53652 for the purpose of securing local agency deposits. The securities serving as collateral shall be placed by delivery or book entry into the custody of a trust company or the trust department of a bank which is not affiliated with the issuer of the secured obligation, and the security interest shall be perfected in accordance with the requirements of the Uniform Commercial Code or federal regulations applicable to the types of securities in which the security interest is granted

~~12~~13) Any mortgage passthrough security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable passthrough certificate, or consumer receivable-backed bond of a maximum of five years maturity. Securities eligible for investment under this subsection shall be issued by an issuer having an “A” or higher rating for the issuer’s debt as provided by a nationally recognized rating service and rated in a rating category of “AA” or its equivalent or better by a nationally recognized rating service. Purchase of securities authorized by this subsection may not exceed 20 percent of the assets in a Series.

Funds invested through a Series will be invested by the Investment Advisor in accordance with the prudent investor standard of the California Government Code. Any investments consisting of notes, bonds, bills, certificates of indebtedness, warrants, or registered warrants shall be legal investments for savings banks in the State. Funds invested through a Series will not be invested in any inverse floaters, range notes or mortgage-derived, interest-only strips, or in any security that could result in zero interest accrual if held to maturity.

G. DURATION OF SERIES AND MATURITY OF INVESTMENTS

Each Series seeks to attain as high a level of current income as is consistent with the preservation of principal.

Each Series will invest in only fixed-income oriented Authorized Investments. The Short-Term Fund seeks a target portfolio duration of 0 to 2 years. The Medium-Term Fund seeks a target portfolio duration of 1 ½ to 3 ½ years. The Long-Term Fund seeks a target portfolio duration of 5 to 7 years.

Each Series will invest in a diversified portfolio of fixed-income oriented investments of varying maturities with a different portfolio “duration.” Duration is a measure of the expected life of a fixed-income oriented investment that was developed as a more precise alternative to the concept of “term to maturity.” Duration incorporates a bond’s yield, coupon interest payments, final maturity, call and put features and prepayment exposure into one measure. Traditionally, a fixed-income oriented investment’s “term to maturity” has been used to determine the sensitivity of the investment’s price to changes in interest rates (which is the “interest rate risk” or “volatility” of the investment). However, “term to maturity” measures only the time until a fixed-income oriented investment provides its final payment, taking no account of the pattern of the investment’s payments prior to maturity. Duration is used in the management of Series as a tool to measure interest rate risk. For example, a Series with a portfolio duration of two years would be expected to change in value 2% for every 1% move in interest rates.

H. INVESTMENT RESTRICTIONS

The Board has adopted the following investment restrictions for the Shares Program, which may not be changed in a material way by the Board, except as may be required by applicable law, without the approval of the Participants holding a majority of the Shares in the affected Series. Funds invested through a Series will not be used to:

- 1) Purchase any securities other than those described under “Authorized Investments,” unless California law at some future date redefines the types of securities which are legal investments for all classes of Participants, in which case the permitted investments for the Series may be changed by the Board to conform to California law.
- 2) Invest in securities of any issuer in which a Trustee, officer, employee, agent or adviser of CalTRUST is an officer, director or 5% shareholder unless such investment is periodically authorized by resolution adopted by the Board, excluding officers, directors or 5% shareholders of such issuer.
- 3) Make loans, except that repurchase agreements may be entered into as specified under “Authorized Investments.”
- 4) Borrow money or pledge, hypothecate or mortgage the assets in a Series or otherwise engage in any transaction that has the effect of creating leverage with respect to a Series; *provided, however*, that short-term credits necessary for the settlement of securities trades may be used, and forward purchases and sales of securities that are expected to settle beyond a normal “T+3” basis may be entered into.
- 5) Purchase the securities of any issuer (other than obligations issued and guaranteed as to principal and interest by the government of the United States, its agencies or instrumentalities) if, as a result, more than 10% of the total assets in a series would be invested in the securities of any one issuer.

I. APPLICATION OF PERCENTAGES

Any percentage limitation or rating requirement described in this Investment Policy will be applied at the time of purchase

General Manager's Report for the Board of Directors Meeting on May 23, 2012

I. Capital Improvement, Preventative Maintenance and Repair Projects

- A. K-3 chlorine generator – The reinstallation of the sodium hypochlorite generator, water softener, solution and salt tanks has been completed.
- B. Tree trimming and brush clearance – Miller Tree Service has completed work at 13 sites to trim trees and clear brush for fire protection and improved access to our facilities.
- C. Tank Maintenance – Utility Services Company will be repainting the exterior of the Holly Tanks as scheduled in our tank maintenance agreement.

II. Customer Account Status

- A. Delinquent accounts –

30 accounts received late charges in the total amount of \$414.31
 12 accounts received door hanger shut off notice
 0 accounts were shut off for non-payment
 1 account remains off for non-payment

- B. Aged Receivables as of April 30, 2012 –

Current	30 days	60 days	90 days or greater	Total
\$72,438.67	\$39,318.34	\$1,610.72	\$1,045.30	\$114,413.03

III. General Manager's Projects and Activities

- A. Billing system conversion – We will continue to operate both systems in a parallel fashion until final confirmation that all meter reading, billing, accounting and reporting functions are working properly and synchronized and we have completed all the initial training on the new system. Customized manuals and checklists for the Utility Star system are being prepared by Bernadette and me to facilitate the performance of all necessary tasks and the preparation of monthly reports. I am also working on procedures for onsite and offsite backup of the database and critical programs to maintain business continuity in the event of equipment failure or disaster.
- B. Audit – The final draft representing all requested changes will be published by the auditor this month.
- C. CSDA – I participated in the Finance Committee meeting held on April 25, 2012.
- D. RBMB – As a member of the Finance and Administration committee, we prepared and presented our recommended 2012-2013 budget which was approved at the April 18, 2012 board meeting. The approved budget maintains the current watermaster fees for next year. A strategic planning session will be held in May to identify and prioritize future projects that will increase the water level in the Raymond Basin. Unfortunately, the necessary grants and matching funds for worthwhile projects have not been readily available from Federal, State and local governments in recent years.

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
KINNELOA IRRIGATION DISTRICT
APRIL 17, 2012**

MEMBERS PRESENT: Directors Barkhurst, Eldridge, Griffith, and Kilburn
Director Sorell was absent due to a prior engagement.

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

CALL TO ORDER: The Meeting was called to order by the President, Gerrie Kilburn, at 1930 hours. She noted that there was a quorum present. The Agenda was unanimously approved as presented.

PUBLIC COMMENT: No members of the public wished to speak.

DISCUSSION AND APPROVAL OF 2011 AUDIT:

The Chair introduced the Auditor, Gail Egan, who reviewed the draft audit for year 2011. She noted that there were no adjustments or differences of management in question and no reportable conditions to report. She reported that she had experienced difficulty in submitting the State's Controllers Report electronically by the required date of March 31st but that it was finally accepted by the Controller.

Following a short question and answer period, Director Barkhurst stated that he wished to make a motion.

It was M/S/C-(Barkhurst/Eldridge-4/0)

“That the Board approve the Draft Audit as presented with the understanding that the Auditor and General Manager will determine the status of the CALTRUST account as to whether it is uncollateralized.”

DISCUSSION AND APPROVAL OF JPIA/HBA MERGER:

The Board reviewed the documents as presented in the Board Packet and Director Barkhurst questioned the General Manager as to whether he recommended this Merger and the General Manager replied that he was in favor of the merger.

It was M/S/C/-(Griffith/Eldridge-4/0)

“That the Board approves the merger of JPIA and HBA.”

REVIEW OF THE GENERAL MANAGER'S REPORT:

The report was reviewed by the Board and accepted as presented.

REVIEW OF MINUTES:

The minutes of March 20, 2012 were unanimously approved as submitted.

Director Griffith requested that a comment he thought he had made at the last meeting be included in the minutes. Director Barkhurst suggested that he email that statement to the Secretary to be included in the minutes.

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
KINNELOA IRRIGATION DISTRICT
APRIL 17, 2012**

Page 2:

REVIEW OF FINANCIAL REPORTS:

Director Barkhurst reviewed the reports and questioned whether the District would be continuing to sell water to the City of Pasadena and the **General Manager** replied that the District would be selling water through the month of June.

Director Kilburn questioned whether the District would be able to purchase water next year to sell to Pasadena and the **General Manager** replied that he thought a similar agreement would be negotiated although the amount is yet to be decided.

It was suggested that the Aged Receivable Report be deleted.

The Financial Reports were unanimously approved for filing.

ITEM FOR NEXT AGENDA:

Discussion of auditor for year 2012

Discussion of Annual formalized Risk Assessment

ADJOURNMENT:

The meeting was adjourned at 2040 hours. The next meeting will be on May 23, 2012.

Director Griffith stated that he will not be at the May 23rd Board Meeting.

Respectfully submitted,

Shirley Burt
Secretary to the Board

Kinneloa Irrigation District
Income Statement
For the Four Months Ending April 30, 2012

		Current Month Actual	Current Month Budget	Year to Date Actual	Year to Date Budget
Revenues					
4000	Water Sales	\$ 86,982.10	\$ 77,000.00	\$ 335,720.30	\$ 270,000.00
4015	Wholesale Water Sales	34,152.93	0.00	97,750.25	0.00
4020	Service Charges	1,845.48	833.33	4,442.35	3,333.32
4035	Interest-Reserve Fund	276.58	333.33	1,399.22	1,333.32
4060	Disaster Assistance	2,016.80	0.00	2,016.80	0.00
	Total Revenues	125,273.89	78,166.66	441,328.92	274,666.64
Expenses					
5005	Electricity	7,676.77	7,700.00	30,935.32	24,200.00
5010	Maintenance Supplies	2,438.68	2,500.00	11,163.97	10,000.00
5012	Safety Equipment	0.00	133.33	0.00	533.32
5015	Operations & Maintenance Labor	10,675.40	13,500.00	44,995.52	52,500.00
5016	Operations & Maintenance OT	897.39	0.00	2,745.39	0.00
5020	Stand-by Compensation	630.00	625.00	2,310.00	2,500.00
5022	Training/Certification	0.00	133.33	0.00	533.32
5025	Water Treatment/Analysis	1,158.78	1,833.33	5,753.59	7,333.32
5030	Maintenance Contractors	14,958.95	9,750.00	54,877.65	39,000.00
5034	Equipment Maintenance	0.00	500.00	3,318.43	2,000.00
5035	Vehicle Maintenance	279.16	500.00	546.10	2,000.00
5036	Fuel - All Equipment	900.81	1,250.00	3,442.90	5,000.00
5045	Insurance-Workers Compensation	0.00	0.00	(3,944.00)	3,000.00
5046	Insurance-Liability	1,158.50	1,833.33	4,351.00	7,333.32
5048	Insurance-Property	184.00	208.33	324.81	833.32
5049	Insurance-Medical	3,779.41	3,666.67	15,117.64	14,666.68
6000	Engineering Services	1,250.00	3,750.00	4,990.00	15,000.00
6005	Watermaster Services	878.92	1,000.00	3,515.68	4,000.00
6015	Administrative Salary	10,214.50	10,609.64	40,214.50	40,622.84
6016	Administrative Bonus	0.00	0.00	3,000.00	0.00
6017	Administrative Travel	79.08	416.67	1,290.60	1,666.68
6020	BofD Compensation	300.00	400.00	1,800.00	2,000.00
6021	Administrative & Board Expense	0.00	208.33	0.00	833.32
6022	BofD-Election	0.00	0.00	292.60	0.00
6024	Customer/Public Info. Prog.	0.00	333.33	295.30	1,333.32
6025	PERS - KID	1,142.12	1,166.67	4,548.55	4,666.68
6030	Social Security - KID	2,114.33	2,416.67	8,595.58	9,666.68
6035	Office/Computer Supplies	284.56	750.00	2,175.64	3,000.00
6036	Postage/Delivery	333.68	500.00	1,059.88	2,000.00
6040	Professional Dues	552.99	625.00	2,796.96	2,500.00
6045	Legal Services	0.00	1,250.00	563.75	5,000.00
6050	Telephone	578.43	458.33	1,781.18	1,833.32
6051	Mobile Telephone	184.65	208.33	746.27	833.32
6052	Pagers	19.00	20.00	76.00	80.00
6053	Internet Service	84.94	125.00	339.76	500.00
6059	Computer/Software Maintenance	1,143.91	833.33	7,821.33	20,333.32
6061	Office Equipment Maintenance	0.00	83.33	0.00	333.32
6065	Accounting Services	0.00	0.00	0.00	6,000.00
6070	Office Labor	4,921.00	4,000.00	17,295.24	16,000.00
6075	Outside Services	677.35	1,666.67	3,516.41	6,666.68
6080	Capital Improvement Fees	277.58	614.08	781.34	2,456.32
6081	Permits/Fees	2,123.92	208.33	8,675.68	833.32
6120	Bank Service Charges	336.99	250.00	1,092.90	1,000.00
	Total Expenses	72,235.80	76,027.03	293,203.47	320,592.40
	Net Income	53,038.09	2,139.63	148,125.45	(45,925.76)

Kinneloa Irrigation District
Income Statement
For the Four Months Ending April 30, 2012

	Current Month Actual	Current Month Budget	Year to Date Actual	Year to Date Budget
Other Expenditures				
1509 Wilcox Well/Wilcox Booster	0.00	0.00	0.00	7,500.00
1511 WaterTreatment Plant	0.00	0.00	5,243.90	5,400.00
1512 Trans. & Dist. Plant Meters	2,869.73	1,666.67	2,869.73	6,666.68
1513 Electrical/Electronic Equip.	0.00	2,083.33	0.00	8,333.32
1514 Computer/Office Equipment	0.00	416.67	0.00	1,666.68
1516 Water Company Facilities	0.00	1,666.67	0.00	6,666.68
1527 SCADA Equipment	0.00	1,000.00	0.00	4,000.00
1530 Tools	0.00	200.00	760.03	800.00
Total Other Expenditures	2,869.73	7,033.34	8,873.66	41,033.36
Total Increase or (Drawdown)	\$ 50,168.36	\$ (4,893.71)	\$ 139,251.79	\$ (86,959.12)

Kinneloa Irrigation District
Balance Sheet
April 30, 2012

ASSETS

Current Assets

1010	Checking-Wells Fargo Bank	\$ 134,228.55
1012	Reserve Fund-LAIF	117,721.63
1014	Reserve Fund-CalTRUST	259,651.64
1015	Accr. Int./Price Adj.-CalTRUST	(265.61)
1016	Accrued Interest-LAIF	52.33
1100	Accts. Receivable-Water Sales	58,106.72
1101	Accts. Receiv.-Service Charges	587.74
1102	Accts. Receiv.-Wholesale Water	34,152.93
1190	Allowance for Bad Debts	(771.48)
1200	Inventory	20,000.00
1340	Accrued Water Sales	73,218.41
1350	Prepaid Insurance	7,183.07
1360	Prepaid Expenses	16,727.52

Total Current Assets	720,593.45
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Property and Equipment

1501	Water Rights	52,060.41
1503	Land Sites	96,700.08
1504	Water Mains	2,402,367.42
1505	Water Tunnels	705,985.75
1506	K-3 Well	82,848.37
1507	Improvement District #1	602,778.12
1508	Mountain Property	6,620.00
1509	Wilcox Well/Wilcox Booster	83,486.82
1510	Interconnections	14,203.27
1511	Water Treatment Plant	179,161.22
1512	Trans. & Dist. Plant Meters	63,539.73
1513	Electrical/Electronic Equip.	248,588.55
1514	Computer/Office Equipment	44,172.53
1515	Vehicles & Portable Equipment	222,084.16
1516	Water Company Facilities	60,079.20
1517	KID Office	54,202.92
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	500,288.76
1526	Vosburg Booster	12,590.00
1527	SCADA Equipment	196,172.05
1528	Tanks and Reservoirs	97,944.39
1529	Holly Tanks	181,113.76
1530	Tools	3,208.56
1600	Accum. Depreciation	(2,955,642.12)

Total Property and Equipment	4,437,411.18
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Total Assets	\$ 5,158,004.63
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Kinneloa Irrigation District
Balance Sheet
April 30, 2012

LIABILITIES AND CAPITAL

Current Liabilities

2000	Accounts Payable	\$ 27,392.10	
2271	Deposits-Construction Meters	850.00	
2272	Job Deposits	5,568.40	
2290	Accrued Vacation	13,894.70	
	Total Current Liabilities		47,705.20

Long-Term Liabilities

2400	Truck Loan Payable	37,098.29	
	Total Long-Term Liabilities		37,098.29
	Total Liabilities		84,803.49

Capital

3040	Fund Balance	4,925,075.69	
	Net Income	148,125.45	
	Total Capital		5,073,201.14
	Total Liabilities & Capital		\$ 5,158,004.63

Kinneloa Irrigation District
Statement of Cash Flow
For the four Months Ended April 30, 2012

	Current Month	Year to Date
Cash Flows from operating activities		
Net Income	\$ 53,038.09	\$ 148,125.45
<i>Adjustments to reconcile net income to net cash provided by operating activities</i>		
1100 Accts. Receivable-Water Sales	(10,873.37)	(11,882.22)
1101 Accts. Receiv.-Service Charges	(587.74)	12,496.72
1102 Accts. Receiv.-Wholesale Water	(1,796.56)	(34,152.93)
1190 Allowance for Bad Debts	0.00	87.69
1350 Prepaid Insurance	1,342.50	3,339.22
1360 Prepaid Expenses	(9,109.09)	(4,817.86)
2000 Accounts Payable	7,249.69	9,728.00
2271 Deposits-Construction Meters	0.00	850.00
2272 Job Deposits	1,768.40	3,068.40
	(12,006.17)	(21,282.98)
Net Cash provided by Operations	41,031.92	126,842.47
 Cash Flows from investing activities		
<i>Used For</i>		
1511 Water Treatment Plant	0.00	(5,243.90)
1512 Trans. & Dist. Plant Meters	(2,869.73)	(2,869.73)
1530 Tools	0.00	(760.03)
	(2,869.73)	(8,873.66)
 Cash Flows from financing activities		
<i>Proceeds From</i>		
<i>Used For</i>		
Net cash used in financing	0.00	0.00
Net increase (decrease) in cash	\$ 38,162.19	\$ 117,968.81
 Summary		
Cash Balance at End of Period	\$ 584,606.95	\$ 584,606.95
Cash Balance at Beg. of Period	(546,444.76)	(466,638.14)
Net Increase (Decrease) in Cash	\$ 38,162.19	\$ 117,968.81

Kinneloa Irrigation District
Check Register
For the Period From April 1, 2012 to April 30, 2012

Date	Check #	Payee	Amount	Description
4/15/12	EFT1391	ADP	57.04	payroll processing
4/15/12	EFT1392	ADP	4,046.80	withholding and taxes
4/15/12	EFT1393	Christopher A. Burt	150.00	salary
4/15/12	EFT1387	Bernadette C. Allen	548.70	salary
4/15/12	EFT1388	Christopher A. Burt	2,165.39	salary
4/15/12	EFT1389	Shirley L. Burt	1,351.82	salary
4/15/12	EFT1390	Melvin L. Matthews	3,350.85	salary
4/15/12	65155142	Brian L. Fry	1,473.50	salary
4/15/12	65155143	Felix Galindo	286.45	salary
4/15/12	65155144	Chris J. Mellinger	325.46	salary
4/17/12	6953	ACWA Health Ben. Auth.	4,402.05	health insurance-KID and employee
4/17/12	6954	ACWA/JPIA	2,606.00	1st Q 2012 workers' compensation
4/17/12	6955	Alert Communications, Inc.	156.12	answering service
4/17/12	6956	Ameripride Uniform Service	49.82	shop towel service
4/17/12	6957	Athens Services	134.37	trash pickup
4/17/12	6958	Berg Hardware	43.12	maintenance supplies
4/17/12	6959	Civiltec Engineering, Inc.	750.00	fire flow test Vosburg
4/17/12	6960	Clinical Lab, San Bernardino	24.00	water analysis
4/17/12	6961	Cook Paging, Inc.	19.00	paggers
4/17/12	6962	Denram Products	13.18	annual consumption report env sales tax
4/17/12	6963	Foothill Mun. Water District	277.58	capital improvement fee admin charge
4/17/12	6964	Generator Services Co.	1,669.81	4 locations serviced
4/17/12	6965	Goldak	211.28	maintenance supplies
4/17/12	6966	Kinneloa Canyon Rd Gate Com	60.00	one doorking transmitter
4/17/12	6967	Melvin L. Matthews	511.24	expense reimbursement
4/17/12	6968	McMaster Carr	526.06	maintenance supplies: k-3, cl2, gen'l maintenance
4/17/12	6969	Monrovia Mailing Company	370.77	mail handling and postage
4/17/12	6970	Specialty Services	275.00	janitorial service
4/17/12	6971	Utility Service Co., Inc.	3,651.97	tank maintenance agreement
4/17/12	6972	Western Water Works	1,901.82	fairpoint fire hydrant repair supplies
4/17/12	EFT1379	Arco Gaspro Plus	900.81	truck gas
4/17/12	EFT1380	AT&T	63.81	telephone
4/17/12	EFT1381	Calif. Public Emp. Ret. Sys.	4,930.86	CalPers-KID and employee (Feb & March)
4/17/12	EFT1382	Century Business Solutions	90.00	EBizCharge setup and monthly fee
4/17/12	EFT1383	Charter Communications	79.99	internet service
4/17/12	EFT1384	Pasadena Municipal Services	1,097.83	electricity
4/17/12	EFT1385	Southern California Edison Co.	6,809.77	electricity
4/17/12	EFT1386	Verizon Wireless	184.17	mobile phone
4/30/12	6973	JWDA-MS Architects	42.26	net refund check 20120430cm
4/30/12	6974	South Coast AQMD	2,123.92	engine fee application 534835
4/30/12	6975	Byrd Industrial Electronics	690.36	corrected scaling, general maint and repair
4/30/12	6976	Mike Gibson Service Center	150.20	1996 Chevy lic #035987 smog ck, complete maint

Kinneloa Irrigation District
Check Register
For the Period From April 1, 2012 to April 30, 2012

4/30/12	6977	McMaster Carr	808.81	gen'l maint supplies, K-3, c12, cla-val parts, tools
4/30/12	6978	R.E. Miller Tree Service	3,740.62	cleanup/trimming for fire clearance at 12 locations
4/30/12	6979	MWH Laboratories	400.80	water analysis
4/30/12	6980	National Meter & Automation	766.32	water meter replacement
4/30/12	6981	Perry Thomas Constr. Co., Inc.	6,876.00	well pit cover Glen pump pad
4/30/12	EFT1394	Earthlink Network	4.95	internet service
4/30/12	EFT1395	Bernadette C. Allen	589.65	salary
4/30/12	EFT1396	Richard L. Barkhurst	94.35	salary
4/30/12	EFT1397	Christopher A. Burt	2,265.95	salary
4/30/12	EFT1398	Shirley L. Burt	1,458.93	salary
4/30/12	EFT1399	Francis J. Griffith	94.35	salary
4/30/12	EFT1400	Gerrie G. Kilburn	94.35	salary
4/30/12	EFT1401	Melvin L. Matthews	3,350.85	salary
4/30/12	65168373	Brian L. Fry	1,464.22	salary
4/30/12	65168374	Chris J. Mellinger	325.45	salary
4/30/12	EFT1402	ADP	60.16	payroll processing
4/30/12	EFT1403	ADP	4,195.57	withholding and taxes
4/30/12	EFT1404	Christopher A. Burt	150.00	salary
4/30/12	EFT1412	Bank of America Business Carc	103.19	maintenance supplies Wilcox res
4/30/12	EFT1413	Century Business Solutions	10.32	banking service fee
		Total	<u>75,428.02</u>	