

KINNELOA IRRIGATION DISTRICT
REGULAR MEETING – BOARD OF DIRECTORS
1999 KINCLAIR DRIVE, PASADENA, CA 91107
TUESDAY – OCTOBER 21, 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. **IDENDITY THEFT PREVENTION PROGRAM** – Discussion and adoption of recommended Resolution 2008-10-21

4. **GENERAL MANAGER’S REPORT** – Review and file

5. **PRODUCTION AND SALES REPORT FOR 2007-2008** – Review and file

6. **REVIEW OF MINUTES** – Regular Meeting on September 16, 2008

7. **REVIEW OF FINANCIAL REPORTS** – September 30, 2008

8. **ITEMS FOR NEXT AGENDA**

9. **CALENDAR – Regular Meeting** – November 18, 2008
December 16, 2008
January 20, 2009

10. **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>.



Memo

Date: October 1, 2008
To: Board of Directors
From: Melvin L. Matthews
Subject: Federal Trade Commission Requirement for Identity Theft Prevention Program
Recommended Action: Discuss and Adopt Attached Resolution

New Federal Trade Commission regulations require utility suppliers to adopt an Identity Theft Prevention ("Red Flag") Program because they hold their customer identity information. The required program must be in place by November 1, 2008. Attached is a resolution prepared by James D. Ciampa of Lagerlof, Senecal, Gosney & Kruse for our Public Water Agency Group that includes the required program to meet the FTC's requirements.

Although the FTC has not announced active plans to audit organizations for compliance with the Red Flag Rules, an identity theft-related event such as a data breach, or an employee reporting non-compliance to the FTC or other government regulators could open an organization up to monetary penalties and civil litigation. Following are the areas of concern:

1. The FTC is authorized to bring enforcement actions in federal court for violations and could enact penalties up to \$2,500 for each independent violation of the Red Flag Rules.
2. States are authorized to bring actions on behalf of their residents and may recover up to \$1,000 for each violation, in addition to the recovery of attorney's fees.
3. A consumer may bring an action to recover actual damages sustained from a violation."

Thus, the Red Flag regulations, in and of themselves, do not include any penalty for failing to comply, and it is doubtful the FTC or the State of California will take any proactive steps to enforce the regulations. However, if an identity theft event were to occur after November 1, 2008 that originated from a district's action or omission, where no program was in place and no steps were being taken to be comply with the FTC Regulations, then a district would likely face exposure to liability.

RED FLAG PROGRAM – SUMMARY OF RED FLAGS

A. Alerts, Notifications or Warnings from a Consumer Reporting Agency

1. A fraud or active duty alert is included with a consumer report.
2. A consumer reporting agency provides a notice of credit freeze in response to a request for a consumer report.
3. A consumer reporting agency provides a notice of address discrepancy, as defined in the applicable FTC regulations.
4. A consumer report indicates a pattern of activity that is inconsistent with the history and usual pattern of activity of an applicant or customer, such as:
 - a. A recent and significant increase in the volume of inquiries;
 - b. An unusual number of recently established credit relationships;
 - c. A material change in the use of credit, especially with respect to recently established credit relationships; or
 - d. An account that was closed by a financial institution or creditor for cause or identified for abuse of account privileges.

B. Suspicious Documents

5. Documents provided for identification appear to have been altered or forged.
6. The photograph or physical description on the identification is not consistent with the appearance of the applicant or customer presenting the identification.
7. Other information on the identification is not consistent with information provided by the person opening a new covered account or customer presenting the identification.
8. Other information on the identification is not consistent with readily accessible information that is on file with the District, such as an application or recent check.
9. An application appears to have been altered or forged, or gives the appearance of having been destroyed and reassembled.

C. Suspicious Personal Identifying Information

10. Personal identifying information provided is inconsistent when compared against external information sources used by the District. For example:

- a. The address does not match any address in the consumer report; or
- b. The Social Security Number (SSN) has not been issued, or is listed on the Social Security Administration's Death Master File.

11. Personal identifying information provided by the customer is not consistent with other personal identifying information provided by the customer. For example, there is a lack of correlation between the SSN range and date of birth.

12. Personal identifying information provided is associated with known fraudulent activity as indicated by internal or third-party sources used by the District. For example:

- a. The address on an application is the same as the address provided on a fraudulent application; or
- b. The phone number on an application is the same as the number provided on a fraudulent application.

13. Personal identifying information provided is of a type commonly associated with fraudulent activity as indicated by internal or third-party sources used by the financial institution or creditor. For example:

- a. The address on an application is fictitious, a mail drop, or a prison; or
- b. The phone number is invalid, or is associated with a pager or answering service.

14. The SSN provided is the same as that submitted by other persons opening an account or other customers.

15. The address or telephone number provided is the same as or similar to the account number or telephone number submitted by an unusually large number of other persons opening accounts or other customers.

16. The person opening the covered account or the customer fails to provide all required personal identifying information on an application or in response to notification that the application is incomplete.

17. Personal identifying information provided is not consistent with personal identifying information that is on file with the District.

D. Unusual Use of, or Suspicious Activity Related to, the Covered Account

18. A customer's account is used in a manner commonly associated with known patterns of fraud patterns, such as the customer fails to make the first payment or makes an initial payment but no subsequent payments.

19. A covered account is used in a manner that is not consistent with established patterns of activity on the account; for example, nonpayment when there is no history of late or missed payments.

20. A covered account that has been inactive for a reasonably lengthy period of time is used (taking into consideration the type of account, the expected pattern of usage and other relevant factors).

21. Mail sent to the customer is returned repeatedly as undeliverable although water service continues to be used at the service location.

22. The District is notified that the customer is not receiving paper account statements.

23. The District is notified of unauthorized transactions in connection with a customer's covered account.

E. Notice from Customers, Victims of Identity Theft, Law Enforcement Authorities, or Other Persons Regarding Possible Identity Theft in Connection with Covered Accounts Held by the Financial Institution or Creditor

24. The District is notified by a customer, a victim of identity theft, a law enforcement authority, or any other person that it has opened a fraudulent account for a person engaged in identity theft.

RELATED ISSUES – PROTECTION OF CUSTOMER ACCOUNT INFORMATION

Although the attached resolution specifically meets the new FTC requirement for an identity theft prevention program, the Kinneloa Irrigation District also needs to strictly protect customer account information and prohibit disclosure to third parties for any reason without the written permission of the customer, authorized collection agencies or demand by court, law enforcement and regulatory authorities. I will be reviewing our current rules and regulations to make sure all these issues are addressed and make recommendations for revision as required. I am also taking steps to further enhance the security of our computer system to prevent individuals and organizations from "hacking" into our system for the purpose of collecting customer and other non-public information.

RESOLUTION NO. 2008-10-21

**RESOLUTION OF THE BOARD OF DIRECTORS OF
KINNELOA IRRIGATION DISTRICT
ADOPTING IDENTITY THEFT PREVENTION PROGRAM**

WHEREAS, the Federal Trade Commission (“FTC”) has adopted regulations that require “creditors” holding consumer or other “covered accounts” (which are defined to mean any account where customer payment information is collected in order to bill for services rendered) to develop and implement by November 1, 2008 an identity theft prevention program that complies with those regulations; and

WHEREAS, because the Kinneloa Irrigation District (the “District”) provides retail water service to its customers, it is a “creditor” under the applicable FTC regulations and must therefore comply with those regulations by adopting and implementing an identity theft prevention program, and

WHEREAS, the District’s Board of Directors desires to take action to comply with the applicable FTC regulations by adopting an identity theft prevention program,

NOW, THEREFORE, IT IS RESOLVED that the District’s Board of Directors hereby adopts, and directs District staff to implement, the following identity theft prevention program.

1. Program Goals. The District’s Identity Theft Prevention Program (the “Program”) shall endeavor to achieve the following goals:

- a. To identify relevant patterns, practices and specific activities (referred to in this Program as “Red Flags”) that signal possible identity theft relating to information maintained in the District’s customers’ accounts, both those currently existing and those accounts to be established in the future;
- b. To detect Red Flags after the Program has been implemented;
- c. To respond promptly and appropriately to detected Red Flags to prevent or mitigate identity theft relating to District customer account information; and
- d. To ensure the Program is updated periodically to reflect any necessary changes.

2. The Program.

- a. The District shall assess the security of its current customer account system, with an emphasis on assessing the methods by which it opens and maintains customer accounts and customers’ personal information, and on assessing the manner in which it provides access to customer accounts. That assessment shall include an analysis of any prior incidents of identity theft which the District has experienced.

b. The District shall maintain identifying information (address, Social Security Number, etc.) for each customer so it can authenticate customers, monitor transactions, and verify the validity of customer requests, such as a change of address or service-related requests, including requests to terminate service.

c. The District shall establish a reporting system which allows District staff to discover potential Red Flags as they arise and to thereafter report them to the proper authorities, including law enforcement. This reporting system should specifically focus on the following Red Flags: alerts, notifications, or other warnings received from consumer reporting agencies or service providers; presentation of suspicious documents by a purported customer; presentation of suspicious personal identifying information by a purported customer, such as a specific address change; the unusual use of, or other suspicious activity related to, a customer's account; and notice from customers, victims of identity theft, law enforcement authorities, or other persons regarding possible identity theft in connection with the District's customer accounts.

d. The District shall adopt procedures which provide for appropriate responses to any detected Red Flags which are commensurate with the degree of risk posed. In determining an appropriate response, the District shall consider aggravating factors that may heighten the risk of identity theft, such as a data security incident that results in unauthorized access to a customer's account records, or notice that a customer has provided information related to a customer's account to someone fraudulently claiming to represent the District. Appropriate responses include the following: i) monitoring customer accounts for evidence of identity theft, ii) contacting the customer, iii) changing from time to time any passwords, security codes, or other security devices that permit access to customer accounts, iv) reopening a customer account with a new account number, v) not opening a new customer account, vi) closing an existing customer account, vii) notifying law enforcement, and viii) determining that no response is warranted under the particular circumstances. Any Red Flags should be brought to the General Manager's attention to determine the appropriate response(s) to be implemented promptly after detection.

e. The District's General Manager, or his or her designee, shall implement and administer the Program. The General Manager shall provide periodic reports to the Board of Directors on the effectiveness of the Program and shall ensure that all necessary District employees are properly trained to implement the Program.

f. The General Manager shall annually review the Program with appropriate District staff to determine if any revisions are needed. That review may include changes in identity theft methods and changes in methods to detect, prevent, and mitigate identity theft. The General Manager is hereby authorized and directed to make any necessary changes in the Program that are found to be necessary; provided that such changes must be reported to the Board of Directors at the first regular Board of Directors' meeting after the change is made.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of Kinneloa Irrigation District held on October 21, 2008.

_____, President

ATTEST:

_____, Secretary

General Manager's Report

October 21, 2008

I. Projects

- A. Kinneloa Mesa Pipeline Project – Revised Plans and Specifications have been received from SA Associates and are currently under review. Bidding packages will be distributed ASAP after completing final corrections.

II. Customer Service Issues for September

- A. Country Lane – Customer requested assistance in turning off water to fix leak.
- B. Mesaloe Lane – Customer reported that water could not be turned back on due to broken stem in gate valve. We removed broken stem and turned water back on pending permanent repair.
- C. Trevan Road – Customer requested assistance in turning off water to fix broken garden valve.
- D. Villa Knolls Drive – Leak in 2 ½” main. (See below)

III. Office Operations

A. Delinquent Accounts

- 25 accounts received 10 day letters
- 4 accounts received 5 day letters
- 1 account received 24-hour shut off notice
- 3 accounts shut off

IV. GM's Projects and Goals

I passed the Grade 3 Water Distribution Operator Certification Exam with a score of 89 percent.

V. Field Operations

- A. Leak on Villa Knolls Drive – The 2 ½” PVC main serving five homes on the north side of the street developed large longitudinal split 12 feet in length. This is the same type of pipe that has given us problems on numerous occasions in this and other areas. The leak happened on a Sunday and required an emergency response by our contractor at overtime rates. Although the temporary repair is satisfactory for the short term, we will need to install a new main extension and connect these homes to a combination of an existing parallel main and the new main extension in order to eliminate this section of pipe from the system.
- B. Control Valve Maintenance – After experiencing recent problems with several of our Cla-Val™ automatic control valves, we have arranged for a continuing regular maintenance program starting with valves at facilities where no preventative maintenance has been performed for over 5 years. The work includes complete on-site valve refurbishment, including replacement of rubber goods, change-out of metal parts as needed and installation of components to enhance valve function if required.
- C. House Tunnel – We conducted an inspection of the tunnel after a routine water sample indicated a borderline coliform count before chlorination. What we found was that a landslide had apparently covered the original entrance to the tunnel and created a new opening. The contractor’s estimate for a complete refurbishment was \$80,477. However, since the tunnel is still fully functional, I have decided to personally build and install a new tunnel closure at a cost of less than \$1,000.

VI. Meetings and Conferences

- A. Foothill Municipal Water District Board Meeting
- B. RBMB meetings – Pasadena Sub-Area Safe Yield Sub-Committee
- C. California Special Districts Association (CSDA) Annual Conference – The e-district: Embracing Technology
- D. CSDA Fiscal Committee – Review of financial reports through September 30, 2008 and proposed changes to policies and procedure
- E. ACWA Regional Conference – Surviving until the fix: How does Southern California stay afloat until a sustainable water future is secured?



301 North Lake Avenue
10th Floor
Pasadena, CA 91101-4108
Phone: 626.793.9400
Fax: 626.793.5900
www.lagerlof.com

Established 1908

MEMORANDUM

To: Public Water Agencies Group

From: Lagerlof, Senecal, Gosney & Kruse, LLP

Subject: **Legislative Issues**

Date: October 14, 2008

The 2007-08 legislative session has ended, and Governor Schwarzenegger has taken action in either signing or vetoing the following bills of interest to the Group's members (we have also included summaries of legislation of interest to Group members that was not passed by the Legislature):

SIGNED BY GOVERNOR: The following bills were signed into law:

AB 642 (Wolk) – Design-Build Contracts: This bill allows a qualified entity that operates a wastewater facility, solid waste management facility or water recycling facility to enter into design-build contracts in accordance with the provisions specified in the bill regarding the bidding and contracting process. The bill requires that any such project must be in excess of \$2,500,000. The bill is a pilot project and will allow up to 20 such design-build projects before it sunsets on January 1, 2012.

AB 1844 (Hernandez) - Public Employee Benefits: This bill makes it a crime for a public employee to make a fraudulent claim for retirement or disability benefits or to keep a retirement or disability payment made on the basis of a false claim.

AB 2065 (Hancock) - Invasive Aquatic Species: In response to the presence of dreissenid mussels in various water systems throughout the state, this measure requires any private person or entity or governmental agency that owns or manages a reservoir open to the public to assess the vulnerability of the reservoir to the introduction of non-native dreissenid mussel species and to adopt a program to prevent the introduction of

those mussels. The bill adds an administrative penalty for any violation of the statute of \$1,000 per violation to be imposed by the Department of Fish and Game.

AB 2882 (Wolk) – Water Conservation Pricing: This bill authorizes a public entity to adopt allocation-based conservation water pricing, so long as the revenues derived from that pricing do not exceed the reasonable cost of water service, including any incremental costs. “Incremental costs” are defined as costs that result from the use of water in excess of basic use allocation (i.e., the reasonable amount of water for a customer’s needs and property characteristics), or to implement water conservation or demand management measures. An example of such incremental costs are costs to secure dry-year water supplies or to procure additional water supplies, water rights or water entitlements to meet customer demand in excess of basic use. We will be further discussing the specifics of this bill at the November 12 Group meeting.

AB 3030 (Brownley) – Rate Increases – Pass Through of Wholesale Price Increases: This bill authorizes a water agency to adopt, in accordance with Proposition 218’s notice and hearing requirements, a schedule of charges for a period not to exceed 5 years. The schedule of charges can include a schedule of adjustments, including a clearly defined formula for adjusting for inflation. For an agency that purchases wholesale water from another public entity, the schedule of charges may provide for adjustments that pass through the adopted increases or decreases in the wholesale charges established by the wholesaler. At least 30 days’ notice must be given before the effective date of any adjustment to charges authorized by the bill.

SB 1732 (Romero and McClintock) – Brown Act: This bill prohibits a majority of the members of a legislative body from using, outside of a duly noticed and agendaized meeting, a series of communications of any kind (including through a direct or indirect intermediary) to discuss, deliberate or take action on any item within the agency’s jurisdiction. The bill also states that it should not be construed to prevent any employee or official of an agency from engaging in separate conversations outside of a Brown Act meeting with members of the legislative body to answer questions or provide information, if that employee or official does not communicate to the members of the legislative body the comments or position of any other member of that body.

Metal Theft Legislation: A series of bills addressing the recent problem of metal theft were approved by the Legislature and signed by the Governor. The bills include: AB 844 – which requires metal recyclers to check IDs and hold payments for three days; AB 1859 – which creates a fine of not more than \$3,000 for any person who knowingly receives any part of a fire hydrant or its fittings; SB 447 – which requires

scrap metal dealers to report on a daily basis what materials are being scrapped and by whom; and SB 691 – which requires recyclers to take thumbprints and check IDs and addresses of individuals selling copper, copper alloys, aluminum and stainless steel.

Lead Plumbing – Content and Testing: As discussed at the Group’s May 28, 2008 meeting, Senate Bills 1334 and 1395, which deal with lead content and compliance testing, respectively, in plumbing and fixture were both passed and became law.

VETOED BY GOVERNOR: Governor Schwarzenegger vetoed the following bills:

AB 885 (Charles Calderon) – MWD: As amended, this bill would have authorized a Met member to appoint a proxy, with specified qualifications, to attend, participate in and vote at a Met Board meeting if the member’s appointed representative could not attend the meeting. The Governor’s veto message stated that because of the delay in passing the State Budget, he was forced to prioritize the bills sent to him by the Legislature, and only bills “that are the highest priority for California” would be signed. The Governor stated this bill did not meet that priority standard and he therefore did not sign it.

AB 983 (Ma) – Plans and Specifications: This bill would have required, except for clearly identified design-build contracts, a local public entity, city or county, before entering into any contract for a project, to provide “full, complete, and accurate plans and specifications and estimates of cost, giving such direction as will enable any competent mechanic or other builder to carry them out.” The Governor’s veto message stated the case that gave rise to this legislation is being reviewed by the California Supreme Court and therefore this bill is premature, as it is prudent to wait for the court’s decision before making any “unnecessary or ill-advised changes.”

AB 2002 (De Leon) – Prevailing Wage Penalties: This bill would have increased the penalty imposed upon a public agency for prevailing wage violations from \$50 per day to \$100 per day. The bill would have increased the penalty imposed on contractors or subcontractors for failing to maintain accurate payroll records from \$25 per day to \$50 per day. The Governor vetoed this bill because he found it unnecessary in that doubling penalties does not ensure greater compliance with the prevailing wage laws.

AB 2046 (Jones) - Water Supply Assessments - Exclusion of Groundwater:
The Group opposed this bill and submitted written opposition to the Senate during committee consideration of the bill. This bill would have required a water purveyor in

preparing a water supply assessment to exclude any source of groundwater from the water supply assessment that has not been determined by the State Department of Public Health or the local health officer, to have been treated to the standards applicable to the proposed use. Thus, only water that currently meets public health standards could be included in the water supply assessment. In his veto message, the Governor acknowledged that relying on contaminated groundwater as a water supply source for new development is problematic, but that accurate and precise computations of the amount of groundwater that can be reliably cleaned up and used in the future, as required by the bill, are nearly impossible to produce. The Governor concluded that the uncertainty inherent in calculating the status of ongoing efforts to treat or remediate contaminated groundwater would place local governments and water suppliers under increased threat of litigation. He also stated that bill would have created "another means for litigation that could be abused solely to halt development projects throughout the state."

AB 2270 (Laird) – Recycled Water – Water Quality: This bill would have required the Department of Water Resources to update the state's water recycling targets every five years, and include the revised targets in the California Water Plan beginning in 2013. The bill also would have required each urban water supplier to include in its urban water management plan certain information regarding recycled water, including a description of the quantity of treated wastewater that meets recycled water standards, a description and quantification of the potential uses of recycled water and the projected use of recycled water within the supplier's service area. The bill would have required any permittee under a recycled water permit issued by the Regional Water Quality Control Board to submit annual reports summarizing recycled water use. Lastly, the bill would have authorized an agency that maintains a community sewer system to take action to control residential salinity inputs, including those from water softeners. The Governor vetoed this bill because of the provisions that limit residential use of water softeners.

SB 1391 (Padilla) – Recycled Water: This bill would have required the State Water Resources Control Board to adopt a statewide recycled water policy by January 31, 2009. The Governor vetoed this bill because he found it to be unnecessary, as the State Board has already prepared a draft Recycled Water Policy and is currently working with stakeholders to reach consensus on the details of that policy, which is expected to be approved in early 2009.

FAILED PASSAGE IN LEGISLATURE:

AB 1858 (Jeffries) - Forfeiture of Retirement Benefits by Public Employees: This bill, which ACWA favored, would have provided for the forfeiture of retirement benefits by any public employee hired after January 1, 2009 who was convicted of certain specified crimes arising out of the performance of their duties. This bill did not make it out of committee in the Assembly.

AB 2153 (Krekorian) – Water Conservation Measures: This bill would have required a residential or commercial building project that is subject to CEQA to implement all feasible and cost-effective water efficiency measures. The project would have been required to mitigate its projected annual water consumption. If, after implementing all feasible and cost-effective water efficiency measures, the new building would result in any new water consumption, as projected by the water supplier, the project would have been required to mitigate its projected increase in annual water consumption through specified measures, including recycled water facilities, groundwater remediation and treatment facilities, greywater systems and stormwater capture facilities.

AB 2175 (Laird and Feuer) – Water Conservation: This bill would have required the Department of Water Resources to establish a statewide target to achieve a 20% reduction in urban per capita water use in California by December 31, 2020. By December 31, 2020, each urban water supplier would generally have been required to reduce its per capita water use by 20%. The bill would have conditioned grant eligibility on meeting the numerical targets that DWR establishes.

AB 2186 (Salas) - Bottled Drinking Water: This bill would have required that the labels on bottled water identify the source of the water from which the bottler obtained it.

AB 2219 (Parra) - Subdivision Water Supplies: This bill would have required the legislative bodies of cities and counties to approve or disapprove a subdivider's water savings projections attributable to the project applicant's voluntary water demand management measures incorporated into the subdivision.

AB 2716 (Ma) – Paid Sick Leave: This bill would have provided that an employee who works in California for 7 or more days in a calendar year is entitled to paid sick days, which would have accrued at a rate of no less than one hour for every 30 hours worked. The employee would have been entitled to use the accrued sick time beginning on the 90th calendar day of employment.

MEMORANDUM to: Public Water Agencies Group

October 14, 2008

Page 6

SB 1165 (Kuehl) - Environmental Impact Reports: This bill would have required the lead agency on a project to “retain, in the ordinary course of business,” administrative drafts of EIRs, negative declarations or mitigated negative declarations (the drafts are not subject to disclosure subject to an exception in the Public Records Act). The bill also would have required that an EIR that is over five years old be treated as “uncertified” and be recirculated and recertified before it could be relied upon.

SB 1283 (Harman) - Payment of Wages to Discharged Employees: Current law requires an employer to pay wages earned and pay a discharged employee all wages earned and unpaid at the time of discharge. This bill would expressly allow an employer, if the accounting unit handling payroll checks is not functioning at the time of the employee’s discharge, to make wages available to the employee within six hours after the start of that employee’s work unit’s next regular work day or, if the accounting unit is located off the worksite, to deliver the wages to the discharged employee within 24 hours after the start of the next regular work day.

SB 1642 (Yee) – Public Contract Claims: This bill would have revised the claim process for public contract claims for over \$50,000, and would have imposed mandatory mediation and arbitration beyond what is required under current law if the claim is not resolved through the meet and confer process.

PRODUCTION AND SALES REPORT FOR 2007-2008



8/25/2008

Kinneloa Irrigation District

Prepared by Melvin L. Matthews, General Manager

Production and sales report for 2007-2008

SUMMARY OF PRODUCTION SOURCES, CUSTOMER SALES, RAINFALL, POWER COSTS AND LONG TERM STORAGE FOR THE WATERMASTER YEAR OF 2007-2008

Production

The Kinneloa Irrigation District (KID) produced from our wells and tunnels 833 acre-feet during this period as shown in Figure 1. All of this production was for our retail customers and was slightly less than the 907 acre-feet produced last year.

Figure 1 includes data for all production sources from 1994-1995 through 2007-2008 as well as for surface water and ground water which is diverted from our system for which we receive a spreading credit. Figure 2 shows a graphical representation of water produced during this thirteen-year time period. Figure 3 shows total production from the KID wells and tunnels. This year our wells produced approximately 66% of the water and the tunnels produced 34% of the water. The continuation of the drought has significantly reduced the tunnel production from a high of 530 acre-feet in 2005-2006 to 284 acre feet in 2007-2008. Figure 4 is a pie chart showing the percentage of total production by source.

Sales

Total sales to retail customers were 754 acre-feet as shown in Figure 5. The distribution of sales during the year is shown in Figure 6. Peak sales are usually in the July through September period and minimum sales usually occur in December through February period. Weather conditions in a particular year can cause these periods to shift and can drastically affect the total sales for the year. The KID has promoted conservation measures and asked for a voluntary 10% reduction. Although it is still too soon to know whether or not there was any affect on consumption, it should be noted that total sales were 93 acre-feet less this year. A typical distribution of monthly water usage per customer is shown in Figure 7. 94% of our customers use 100 units or less per month and 20% of our customers use 10 units or less per month. Each unit is equivalent to 748 gallons.

The difference between the water produced and water sold (which is the water loss for the system) was 79 acre-feet or 9.5% as shown in Figure 1. The loss is attributed to system leaks, main flushing, fire flow tests, unmetered water used for landscape irrigation and other purposes at KID facilities, water meter inaccuracies and normal operational procedures. A water loss of less than 10% is considered to be excellent by industry standards.

Rainfall

Rainfall for 2007-2008 was 21.68 inches as shown in Figures 1 and 8 as compared to 5.81 inches last year which was the lowest amount in the fourteen years of history in this report and which was the driest year since recordkeeping was started in 1878. Although the rainfall this year was close to the fourteen-year average of 24.6 inches, sustained drought will continue to affect the tunnel production in future years and may also affect groundwater pumping availability and cost.

Power Cost

Figure 9 shows the power cost per acre-foot of total production for 2007-2008 and for the previous ten years. Since most of our power consumption is for pumping, it is also an approximate indirect measure of production efficiency. However it should be noted that this indicator does not take into account the percentage of well production vs. tunnel production nor does it take into account rising electrical rates. In years of high tunnel production, less water is pumped from our wells saving us considerable power cost. General electrical rates have increased approximately 6-7% a year for the last ten years. However we have been able to mitigate a portion of this increase by participating in various "time-of-use" and interruptible power programs that restrict our use of power to non-peak hours in exchange for lower rates. We have also installed higher-efficiency motors when equipment has been replaced. The net effect has been to stabilize our power costs over the past few years. The 2007-2008 cost was \$107 per acre-foot of total production as compared to \$92 per acre-foot for the previous year. However it should be noted that the previous year was unusual in that we produced 322 acre-feet of water which was sold to the City of Pasadena. This increased pumping allowed us to spread our total power cost including fixed power costs over a greater production amount.

Long Term Storage

The Raymond Basin Management Board has a long term storage program to cover situations such as prolonged drought or unusually high demand that might lead to over pumping of our water rights in the current year. This program is the equivalent of a savings account for surplus water. The KID activated our long term storage account for the first time in 2004-2005 by adding 326 acre-feet of surplus water as shown in Figures 1 and 10. The following year we added additional storage to bring the account to 848 acre-feet. Some of this storage was used in 2006-2007 to support our water sales to the City of Pasadena so the remaining storage at the end of 2006-2007 was 729 acre-feet. The net addition to our long term storage in 2007-2008 was 69 acre-feet and the total is now 798 acre-feet. In general, we are able to add to long term storage when there is a series of normal or heavy rainfall years when tunnel production is higher than average. Conservation efforts by our customers also facilitate the transfer of unused water to the storage account. Although sometimes it is financially beneficial to the district to sell surplus water at a profit rather than putting it into long term storage, recent events including the drought and the conditions in the Raymond Basin aquifer seem to indicate that there may be a

greater value in having this water available in the future to reduce the need for purchasing imported water. The goal of KID management continues to be a buildup of our long term storage to the maximum allowable storage of 1600 acre-feet or approximately three years of adjudicated pumping rights. However, the Raymond Basin Management Board may vote to freeze the long term storage program until basin pumping levels are stabilized since physical withdrawal of water from the program through pumping could lead to a more rapid drop in basin levels.

Production Issues

Figure 1 shows that the Wilcox Well produced only 5.6 acre-feet of water in 2007-2008 as compared with 70.2 acre-feet in the previous year and 272.4 acre-feet in the peak year of 1999-2000. The declining level in the Raymond Basin aquifer at this facility has caused a 50% reduction in the available operational flow rate from this well because the output needs to be restricted to prevent entrainment of air and damage to the pump. This operational necessity is inefficient from a power standpoint and relegates this well to emergency and supplemental supply uses only. This also means that we must currently depend on the K-3 Well for 65% of our total annual production. A continued decline in basin levels could also affect the K-3 Well in future years. The reality is that we have all “mined” the basin for many years and have not previously developed a replenishment source. The court-ordered adjudication of pumping rights in the Raymond Basin no longer matches the natural replenishment rate.

The Raymond Basin Management Board and the water agencies that pump from the basin are aware of the difficulties we will all face if the current trend continues. We are collectively addressing the problem through engineering studies and consideration of additional water resources and conservation measures that could be used in-lieu of pumping from the basin in order to stabilize the level.

All water agencies in the area except for the KID purchase imported supplemental water from the Metropolitan Water District (MWD) or its wholesale distributor, Foothill Municipal Water District. The KID has not needed to purchase imported water except for occasional emergency or facility maintenance purposes because our local tunnel water and adjudicated pumping rights have been sufficient to meet customer demand. However, we did lease 300 acre-feet of local pumping rights from another water agency in order to help establish our long term storage account.

The condition of the basin as well as a possible reduction in the availability of imported water is presenting a serious challenge to the KID and other water agencies in the area. We will be stepping up our efforts to promote conservation as a short term solution and as part of the long term solution which will also include other water resources such as imported replenishment water and increased use of recycled water for landscape irrigation.

The KID will also be exploring the physical and financial feasibility of constructing a permanent connection for the purchasing of imported water in case our ground water pumping rights are reduced.

Production Report for Watermaster Year (July through June)

Production in Acre-Feet

Source	1994-1995	1995-1996	1996-1997	1997-1998	1998-1999	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Wilcox Well	93.2	119.6	170.2	165.4	209.6	272.4	216.9	203.7	213.7	148.9	60.2	37.2	70.2	5.6
K-3 Well	285.3	238.3	263.8	330.9	567.3	562.5	425.2	514.3	457.1	551.0	319.3	423.5	860.1	543.9
Total Well	378.5	357.9	434.0	496.3	776.9	834.9	642.1	718.0	670.8	699.9	379.5	460.7	930.3	549.5
Holly High/Low Tunnel	71.3	217.0	177.2	146.6	143.1	132.6	111.1	86.0	57.6	59.8	125.6	171.9	131.0	107.6
House Tunnel	37.8	43.9	35.4	33.1	41.1	31.5	26.2	21.5	16.7	12.7	12.6	44.9	26.5	20.6
Eucalyptus Tunnel	56.5	64.9	62.6	58.7	62.4	54.0	44.3	38.6	29.5	41.5	50.0	50.4	44.6	43.2
Delores Tunnel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.4	126.5	223.3	83.6	63.7
Far Mesa Tunnel	73.6	69.1	67.7	68.3	78.9	74.1	56.7	52.0	47.7	45.6	68.2	39.6	13.1	48.6
Total Tunnel	239.2	394.9	342.9	306.7	325.5	292.2	238.3	198.1	151.5	162.0	382.9	530.1	298.8	283.7
Total Production	617.7	752.8	776.9	803.0	1102.4	1127.1	880.4	916.1	822.3	861.9	762.5	990.8	1229.0	833.2
Deliveries from Pasadena	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	31.5	0.0	0.0	18.8	0.0	0.0
Deliveries to Pasadena	0.0	0.0	0.0	-139.5	-325.8	-222.9	-64.1	-87.3	-61.7	0.0	0.0	-160.6	-321.8	0.0
Net Import/Export	0.0	0.0	0.0	-139.5	-325.8	-222.9	-64.1	-87.3	-30.2	0.0	0.0	-141.8	-321.8	0.0
Total Production for Retail Customers	617.7	752.8	776.9	663.5	776.6	904.2	816.3	828.8	792.1	861.9	762.5	849.0	907.2	833.2

Diversions in Acre-Feet

Source	1994-1995	1995-1996	1996-1997	1997-1998	1998-1999	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Holly High/Low Tunnel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	12.3	0.0	0.0	0.0	0.0	0.0
House Tunnel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.6	0.0	25.6	0.0	0.0	0.0
Kinneloa Canyon	140.7	50.2	54.3	56.8	48.6	52.1	33.4	28.9	12.2	9.5	31.2	40.4	45.4	27.2
Eucalyptus Tunnel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	9.9	0.0	0.0	0.0	0.0	0.0
Brown	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	24.9	16.7	0.0	0.0
Eaton Wash Sub Total	140.7	50.2	54.3	56.8	48.6	52.1	33.4	28.9	38.0	9.5	81.7	57.2	45.4	27.2
Delores Tunnel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	41.4	31.1	21.5	44.5	0.0	0.0	0.0
Long Tunnel	35.8	37.2	39.2	39.2	38.9	37.7	38.1	38.0	36.0	35.3	46.8	44.7	37.4	36.0
Far Mesa Tunnel	0.0	0.0	0.0	0.0	0.0	0.0	4.6	0.0	0.0	0.0	0.0	30.2	42.5	0.0
Glen Wash	429.3	396.3	262.5	321.3	359.1	174.8	156.7	52.7	26.7	28.1	933.9	161.4	74.0	56.7
Tent Tunnel	5.1	5.5	5.4	5.3	5.8	3.4	2.4	2.3	2.1	2.0	3.2	3.5	2.9	2.5
Pasadena Glen Sub Total	470.2	439.0	307.1	365.8	403.8	215.9	201.8	134.4	95.9	86.9	1028.5	239.8	156.7	95.2
Sierra Madre Villa DB Outflow	-256.7	-32.8	-7.2	-33.7	0.0	0.0	0.0	0.0	0.0	0.0	-459.7	0.0	0.0	0.0
Net Pasadena Glen Sub Total	213.5	406.2	299.9	332.1	403.8	215.9	201.8	134.4	95.9	86.9	568.8	239.8	156.7	95.2
Total Diverted	354.2	456.4	354.2	388.9	452.4	268.0	235.2	163.3	133.9	96.4	650.5	297.0	202.1	122.4

Other Data	1994-1995	1995-1996	1996-1997	1997-1998	1998-1999	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Rainfall (inches)	43.61	22.64	22.8	52.29	14.46	18.82	20.04	7.86	24.48	10.12	58.00	21.79	5.81	21.68
Water Sales to Customers (Acre-Feet)	584.3	668.8	679.9	600.4	666.3	782.9	710.9	739.1	717.7	772.6	672.6	785.8	847.3	754.1
Water Loss (Acre-Feet)	33.4	84.0	97.0	63.1	110.3	121.3	105.4	89.7	74.4	89.3	89.8	63.2	59.9	79.1
Water Loss (%)	5.4	11.2	12.5	9.5	14.2	13.4	12.9	10.8	9.4	10.4	11.8	7.4	6.6	9.5
RBMB Long Term Storage Account (Acre-Feet)											326.9	847.9	728.6	797.9
Power (\$)					86,488	97,064	77,780	111,676	111,062	100,410	87,537	82,476	112,924	89,011
Power (\$ per Acre-Foot of Total Production)					78	86	88	122	135	116	115	83	92	107

Figure 1

Total Production from Wells and Tunnels July through June

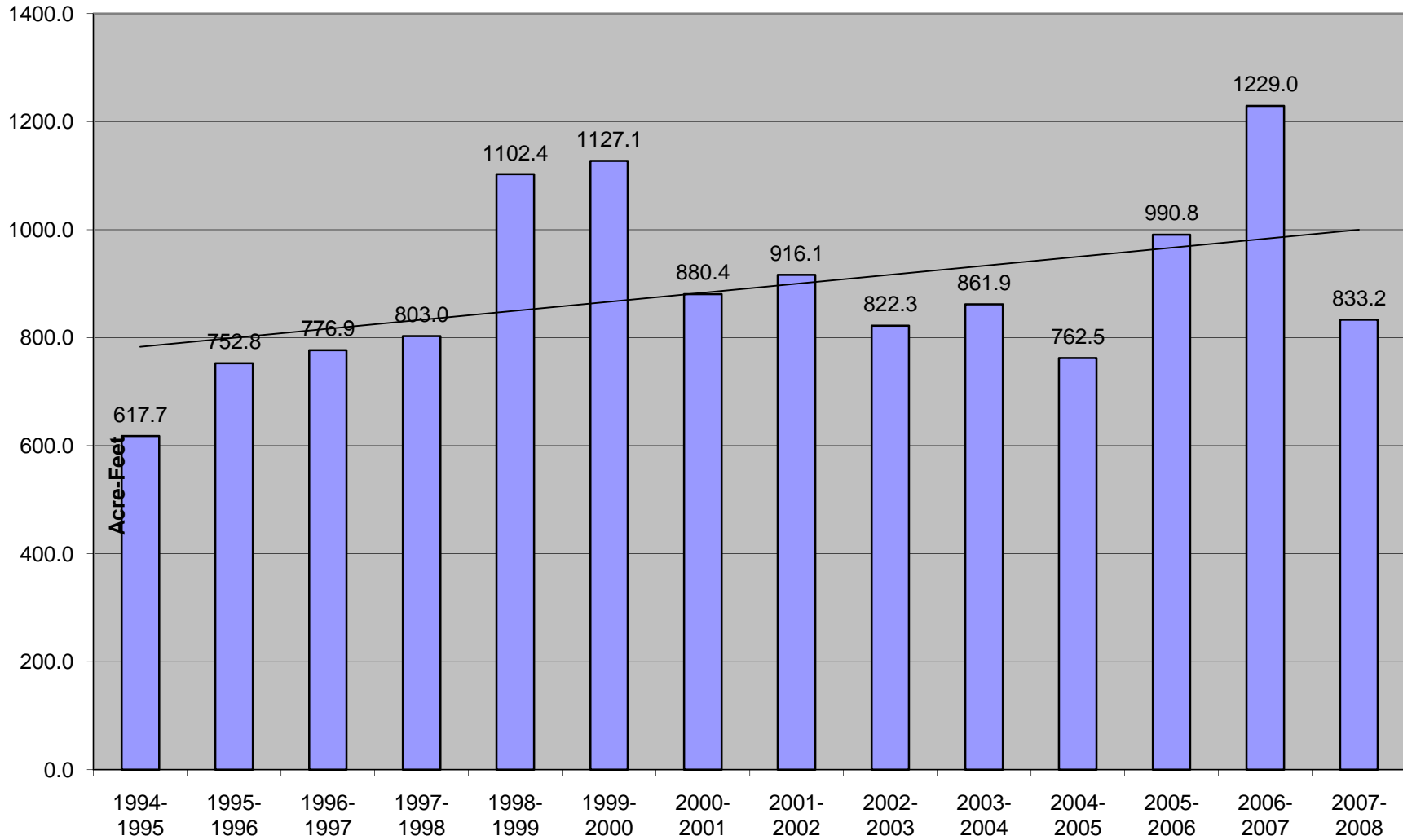


Figure 2

Total Production July through June

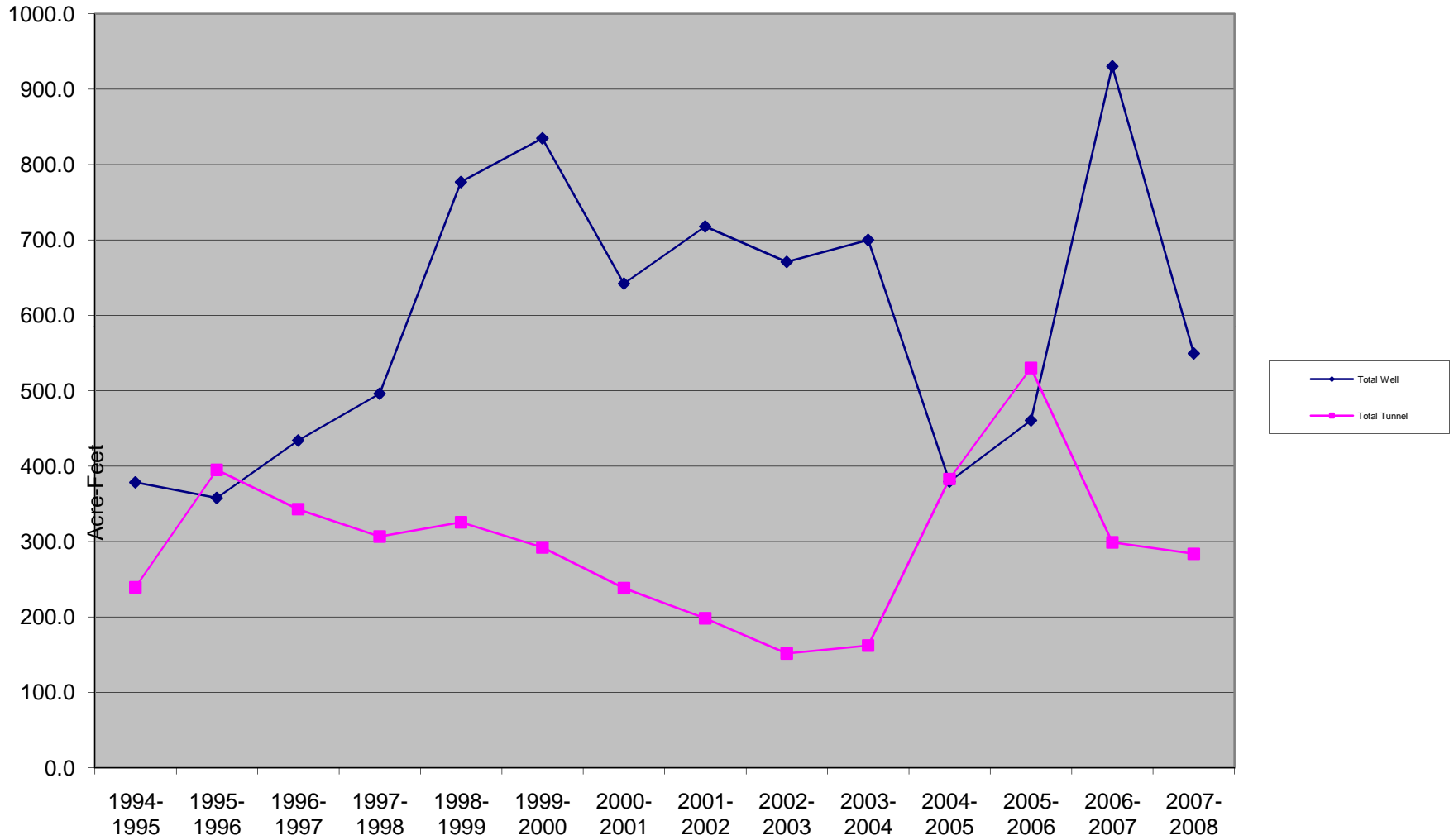


Figure 3

2007-2008 Production Sources July through June

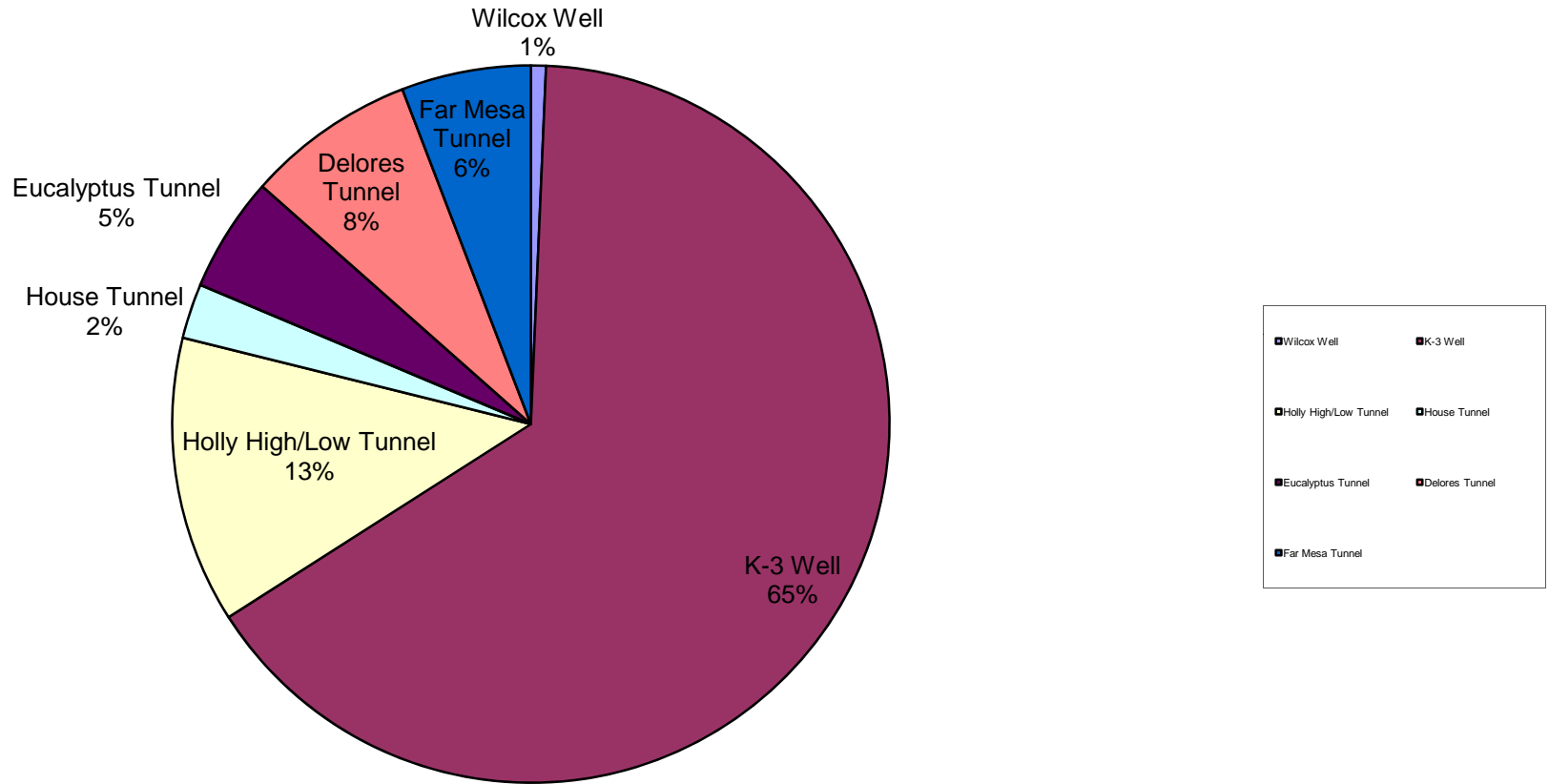
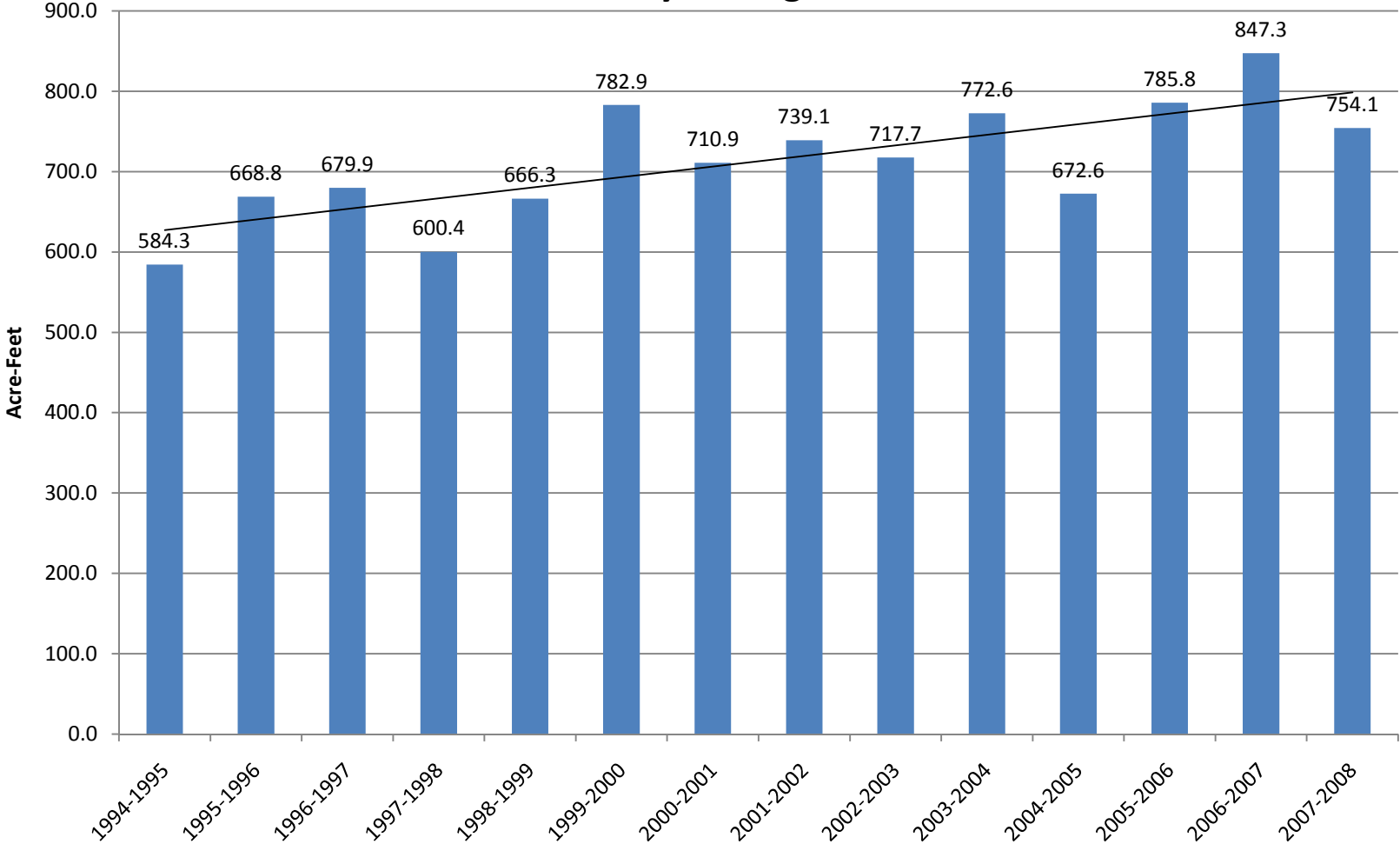
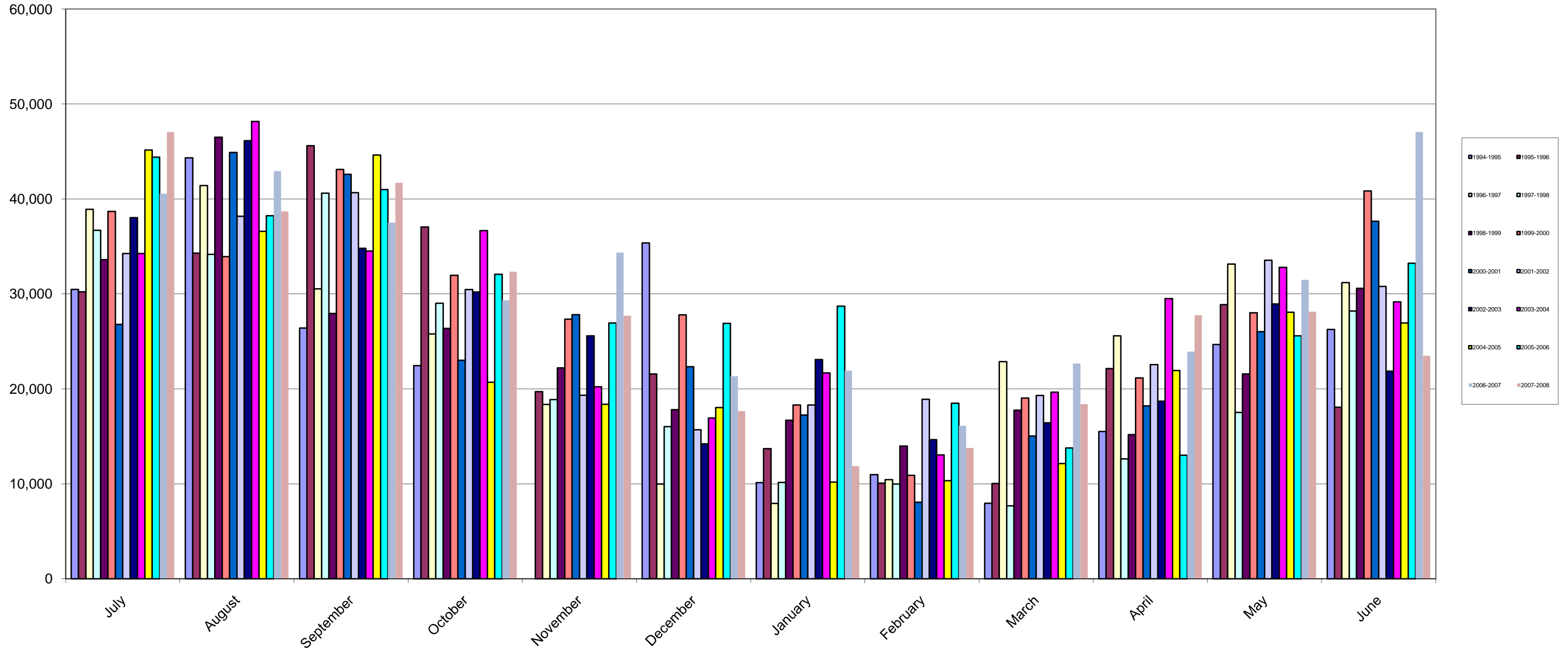


Figure 4

**Figure 5 – Annual Water Sales
July through June**



**Figure 6 — Monthly Water Sales (CCF)
July through June**



Water Usage for June 2008

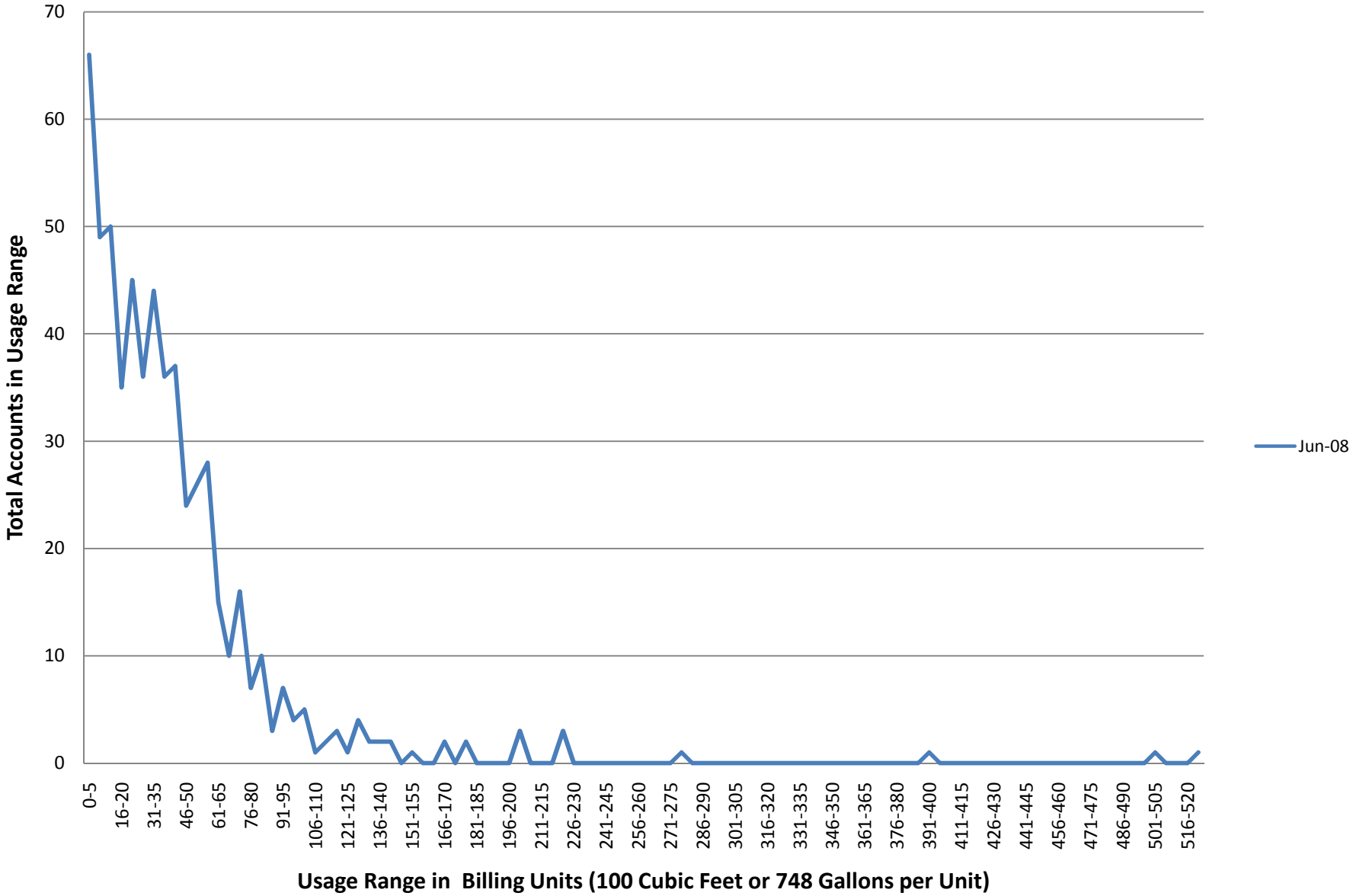


Figure 7

Rainfall July through June

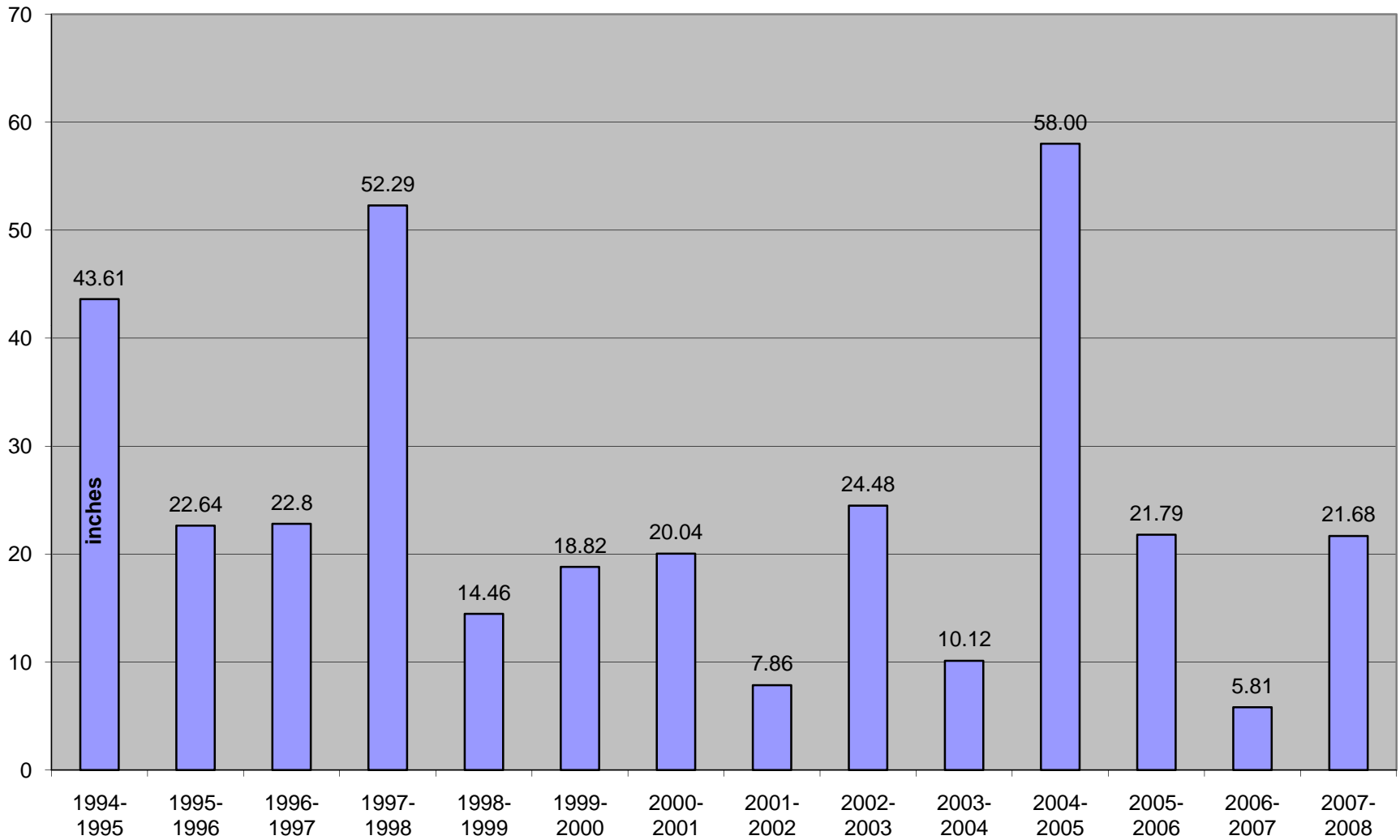


Figure 8

Figure 9 — Power Cost in Dollars per Acre-Foot of Total Production

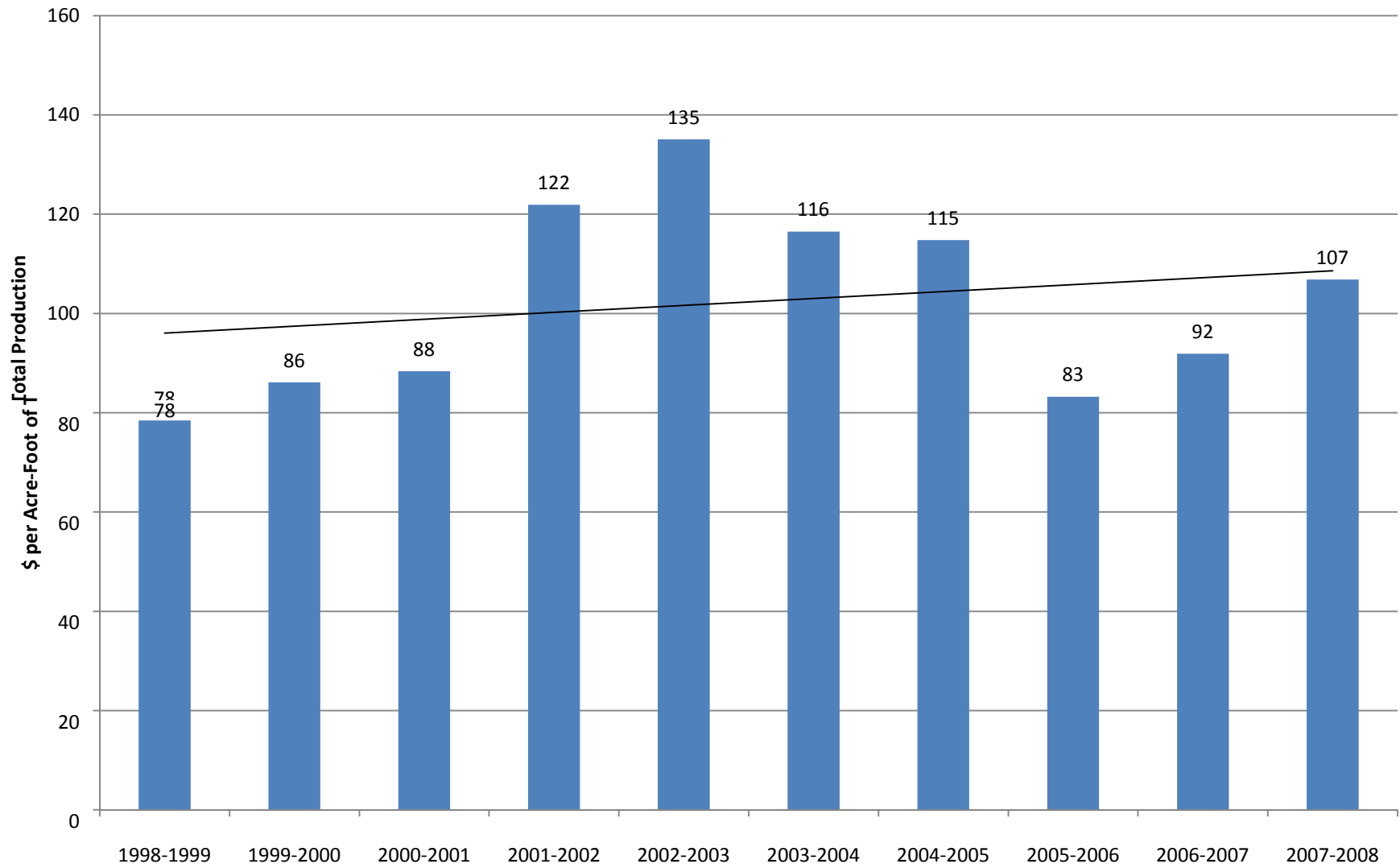
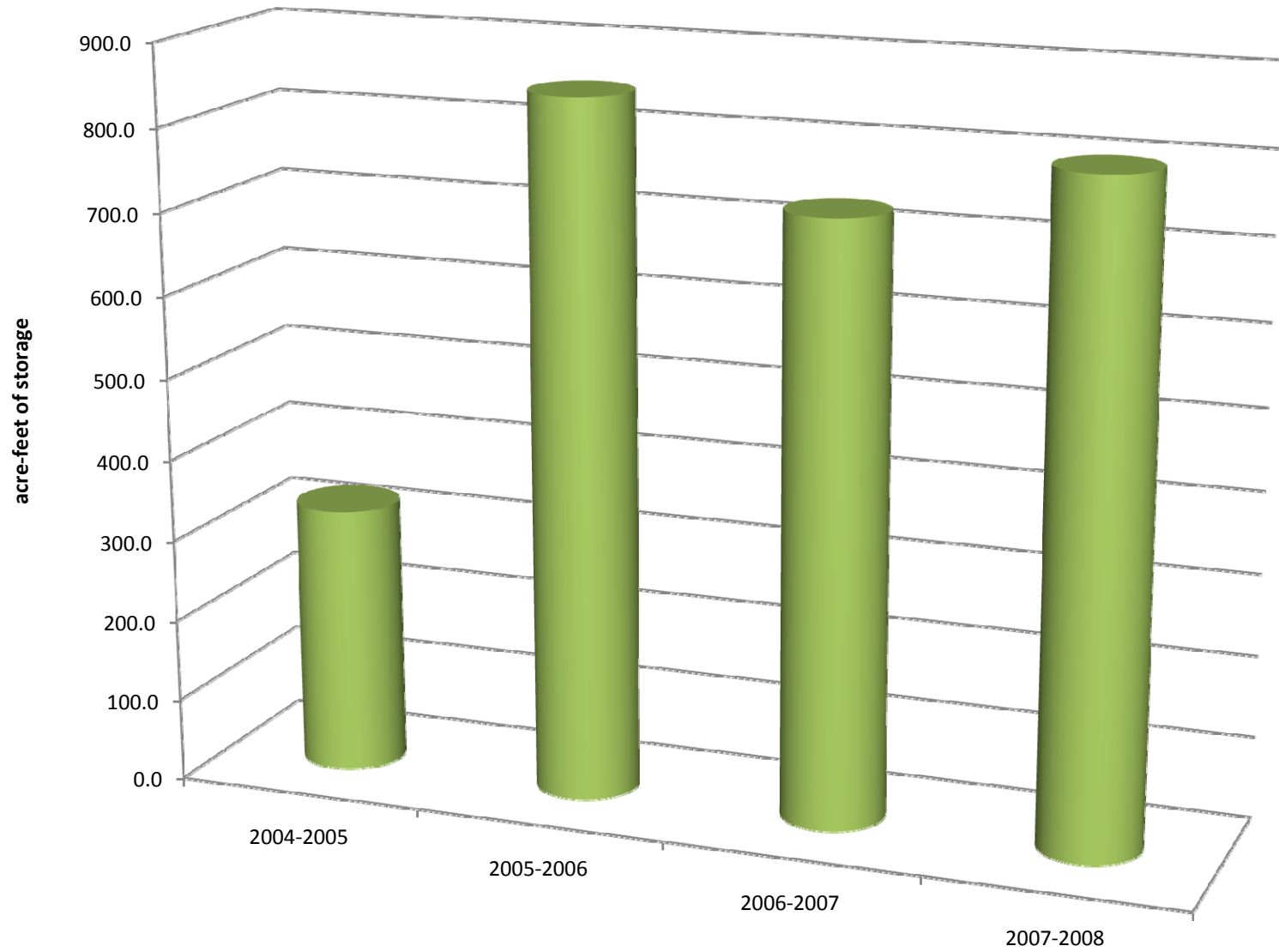


Figure 10-Long Term Storage



**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
KINNELOA IRRIGATION DISTRICT
SEPTEMBER 16, 2008**

MEMBERS PRESENT: Directors Barkhurst, Griffith, Kilburn, Pickard, and Sorell

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

CALL TO ORDER: The meeting was called to order by the Chair, Director Barkhurst, at 1930 hours. He noted that there was a quorum of the Board present. The Agenda was unanimously approved as presented.

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

SECOND READING OF PROPOSED 2009 BUDGET

The proposed budget was reviewed and no changes were requested by Members of the Board. **Director Barkhurst** then stated that this budget would be the one presented for final approval at the November meeting after comments from the public are considered.

**DISCUSSION AND APPROVAL OF MEETING NOTICE FOR PROPOSED RATE
INCREASE**

The proposed meeting notice was approved with the following changes

- Paragraph one, line 2: Change "has needed" to "needs"
- Paragraph four, line 2: Place as first sentence in the paragraph
- Paragraph four, line 3: Underline the words "total increase".

Director Pickard stated that he had contacted several customers in his area and had received no negative comments regarding the increase.

Director Barkhurst noted that it is the considered opinion of the Board that this rate increase is well within the appropriate conservative range of reserves.

The **General Manager** stated that this notice would be sent out with the October billings.

GENERAL MANAGER'S REPORT

The **General Manager** reported that a project that did not appear on his written report involved the K-3 Well motor which had developed motor bearing problems that morning. He explained that the motor would have to be pulled and hopefully the shutdown would only be for 24 hours. **Director Sorell** questioned as to the financial impact of the repair and the Facilities Supervisor estimated approximately \$3000 if only the bearings had to be replaced and no other problems were found.

Director Griffith questioned as to the status of the Holly Booster noise problem and the **General Manager** replied that the problem had not yet been investigated but is on the list.

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
KINNELOA IRRIGATION DISTRICT
SEPTEMBER 16, 2008**

Page 2

GENERAL MANAGER'S REPORT (continued)

Director Griffith questioned whether the drawings for the Kinneloa Mesa Pipeline Project had been received and the **Facilities Supervisor** replied that they had been expected but that the Engineer was still working on verbiage and details in the specifications. He noted that the plans had been sent to the Los Angeles County Fire Department for approval.

The **General Manager** reported that the second truck had been received.

Director Sorell expressed concern regarding the financial impact of the possible action that the Raymond Basin Advisory Board might take in regard to pumping rights and the **General Manager** assured him that when a decision is reached, the Board will be notified so that appropriate action can be determined.

REVIEW OF MINUTES

The minutes of August 19, 2008 were reviewed and unanimously approved as presented.

REVIEW OF FINANCIAL REPORTS

Director Sorell reviewed the reports noting that-

--accounts receivable continue to be as expected

--delinquency notices are decreased

--receipts and expenses were both about \$8000 under budget

Director Barkhurst commented that he had made a preliminary survey of the District and that there were more than a few homes in various states of foreclosure, and that there could be more delinquencies in the next year.

The **General Manager** stated that a very close watch is being kept on the accounts with various internal reports.

ITEMS FOR NEXT AGENDA

There were no items identified for next month's agenda.

ADJOURNMENT

The meeting was adjourned at 2000 hours and the next meeting will be on October 21, 2008.

Respectfully submitted,

Shirley L. Burt
Secretary to the Board

Kinneloa Irrigation District
Income Statement
For the Nine Months Ending September 30, 2008

	Current Month Actual	Current Month Budget	Year to Date Actual	Year to Date Budget
Revenues				
4000 Water Sales	\$ 109,459.95	\$ 101,800.00	\$ 781,379.23	\$ 777,210.00
4020 Invoice Sales	0.00	416.67	11,723.95	3,750.03
4030 Interest-General Fund Checking	0.48	4.17	10.91	37.53
4035 Interest-General Fund Savings	0.00	0.00	22,516.24	15,000.00
Total Revenues	109,460.43	102,220.84	815,630.33	795,997.56
Expenses				
5005 Power	9,698.44	9,000.00	64,091.11	91,000.00
5010 Maintenance Supplies	15,238.41	1,666.67	30,690.07	15,000.03
5012 Safety Equipment	0.00	0.00	1,823.65	2,000.00
5015 Maintenance Labor	13,330.29	14,333.33	114,723.39	128,999.97
5020 Stand-by	540.00	625.00	5,490.00	5,625.00
5022 Training/Certification	0.00	200.00	1,257.55	1,800.00
5025 Water Treatment/Analysis	1,427.85	1,666.67	15,379.36	15,000.03
5030 Maintenance Contractors	7,334.89	4,000.00	60,390.93	36,000.00
5034 Equipment Maintenance	0.00	250.00	2,089.77	2,250.00
5035 Vehicle Maintenance	1,178.22	750.00	3,636.37	6,750.00
5036 Fuel - All Equipment	1,011.66	708.33	6,723.54	6,374.97
5045 Insurance-Workers Compensation	2,551.00	4,000.00	8,566.90	16,000.00
5046 Insurance-Liability	1,229.00	1,250.00	8,555.90	11,250.00
5048 Insurance-Property	166.00	208.33	1,542.75	1,874.97
5049 Insurance-Medical	3,063.12	3,583.33	27,485.54	32,249.97
6000 Project Engineering	0.00	1,250.00	2,245.00	11,250.00
6005 Watermaster	1,005.28	666.67	6,807.96	6,000.03
6010 Telemetry	65.70	70.83	581.84	637.47
6015 Administrative Salary	8,195.16	8,195.16	71,256.48	73,756.44
6017 Administrative Travel	376.07	333.33	2,389.24	2,999.97
6018 Administrative PERS	564.33	564.34	5,410.02	5,066.04
6020 BofD Compensation	500.00	500.00	4,400.00	5,100.00
6021 Administrative Exp.	1,350.40	208.33	2,353.82	1,874.97
6022 BofD-Election	0.00	0.00	12,501.89	0.00
6024 Customer/Public Info. Prog.	0.00	333.33	1,524.85	2,999.97
6025 PERS - KID	847.53	1,006.25	9,835.22	9,056.25
6030 Social Security - KID	2,017.90	2,170.00	17,587.25	19,530.00
6035 Office Supplies	1,474.98	750.00	5,922.74	6,750.00
6036 Postage/Delivery	352.83	500.00	2,833.34	4,500.00
6040 Professional Dues	397.25	583.33	3,206.59	5,249.97
6045 Legal	0.00	833.33	2,692.32	7,499.97
6050 Telephone	532.40	416.67	3,946.12	3,750.03
6051 Cellular Telephone	140.41	208.33	1,248.10	1,874.97
6052 Pagers	153.80	150.00	1,198.96	1,350.00
6053 Internet Service	69.89	83.33	689.10	749.97
6059 Computer/Software Maintenance	30.00	833.33	2,762.76	7,499.97
6061 Office Equipment Maintenance	150.00	83.33	1,213.60	749.97
6065 Accounting	0.00	0.00	6,200.00	7,000.00
6070 Office Labor	3,812.16	4,000.00	34,028.74	36,000.00
6075 Outside Services	743.24	1,666.67	10,379.74	15,000.03
6081 Permits/Fees	728.00	208.33	7,989.01	1,874.97
6120 Bank Service Charges	304.76	100.00	1,720.12	900.00
Total Expenses	80,580.97	67,956.55	575,371.64	611,195.93
Net Income	28,879.46	34,264.29	240,258.69	184,801.63

Kinneloa Irrigation District
Income Statement
For the Nine Months Ending September 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	2,780.96	833.33	20,407.53	7,499.97
1513 Electrical/Electronic Equip.	0.00	833.33	24,060.79	7,499.97
1514 Computer/Office Equipment	0.00	416.67	3,000.00	3,750.03
1515 Trucks and Equipment	44,551.46	0.00	110,370.36	113,000.00
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	0.00	0.00	28,240.03	10,000.00
1528 Tanks and Reservoirs	6,048.71	6,250.00	53,178.79	56,250.00
Total Other Expenditures	53,381.13	8,333.33	307,482.46	345,999.97
Total Increase or (Drawdown)	\$ (24,501.67)	\$ 25,930.96	\$ (67,223.77)	\$ (161,198.34)

Steven Sorell, Treasurer _____

Kinneloa Irrigation District
Balance Sheet
September 30, 2008

ASSETS

Current Assets

1000	Checking-Bank of the West	\$ 5,801.24
1010	Checking-Wells Fargo Bank	59,237.71
1012	Savings Account-LAIF	478,297.32
1013	Savings-LAIF Reserve Fund	250,000.00
1100	Accts. Receivable-Water Sales	67,541.24
1101	Accts. Receivable-Invoices	2,802.02
1190	Allowance for Bad Debts	(1,881.57)
1200	Inventory	23,883.63
1340	Accrued Water Sales	108,956.59
1350	Prepaid Insurance	17,266.20
1360	Prepaid Expenses	11,494.37
		<hr/>
	Total Current Assets	1,023,398.75

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	75,140.12
1513	Electrical/Electronic Equip.	201,959.35
1514	Computer/Office Equipment	48,430.51
1515	Trucks and Equipment	202,856.31
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	163,315.55
1528	Tanks and Reservoirs	135,748.04
1529	Holly Tanks	181,113.76
1600	Accum. Depreciation	(1,968,472.95)
		<hr/>
	Total Property and Equipment	4,052,122.60
		<hr/>
	Total Assets	\$ 5,075,521.35
		<hr/> <hr/>

Kinneloa Irrigation District
Balance Sheet
September 30, 2008

LIABILITIES AND CAPITAL

Current Liabilities

2000	Accounts Payable	\$ 8,172.41	
2260	Med./Dental-Withhold-Employee	254.28	
2271	Deposits-Construction Meters	1,700.00	
2273	Job Deposits-Doyne Rd.	5,497.68	
2290	Accrued Vacation	10,525.70	
	Total Current Liabilities		26,150.07

Long-Term Liabilities

	Total Long-Term Liabilities		0.00
--	-----------------------------	--	------

	Total Liabilities		26,150.07
--	-------------------	--	-----------

Capital

3040	Fund Balance	4,809,112.59	
	Net Income	240,258.69	
	Total Capital		5,049,371.28
	Total Liabilities & Capital		\$ 5,075,521.35

Steven Sorell, Treasurer _____

Kinneloa Irrigation District
Statement of Cash Flow
For the nine Months Ended September 30, 2008

	Current Month	Year to Date
Cash Flows from operating activities		
Net Income	\$ 28,879.46	\$ 240,258.69
Adjustments to reconcile net income to net cash provided by operating activities		
1100 Accts. Receivable-Water Sales	5,238.40	71,657.28
1101 Accts. Receivable-Invoices	(503.36)	(503.36)
1200 Inventory	0.00	(3,883.58)
1350 Prepaid Insurance	(14,922.00)	(5,693.25)
1360 Prepaid Expenses	1,298.58	(1,823.40)
2000 Accounts Payable	(2,985.93)	(24,286.11)
2250 PERS Withholding-Employee	0.00	(1,163.98)
2260 Med./Dental-Withhold-Employee	1.44	4.32
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)
	(11,872.87)	15,225.54
Net Cash provided by Operations	17,006.59	255,484.23
 Cash Flows from investing activities		
Used For		
1504 Mains	0.00	(178,267.68)
1511 WaterTreatment Plant	0.00	(13,844.86)
1512 Trans. & Dist. Plant Meters	(2,780.96)	(20,407.53)
1513 Electrical/Electronic Equip.	0.00	(24,060.79)
1514 Computer/Office Equipment	0.00	(3,000.00)
1515 Trucks and Equipment	(44,551.46)	(111,670.36)
1516 Water Company Facilities	0.00	(620.59)
1527 SCADA	0.00	(28,240.03)
1528 Tanks and Reservoirs	(6,048.71)	(53,178.79)
	(53,381.13)	(433,290.63)
 Cash Flows from financing activities		
Proceeds From		
Used For		
Net cash used in financing	0.00	0.00
Net increase (decrease) in cash	\$ (36,374.54)	\$ (177,806.40)
 Summary		
Cash Balance at End of Period	\$ 902,292.86	\$ 902,292.86
Cash Balance at Beg. of Period	(938,667.40)	(950,407.51)
Net Increase (Decrease) in Cash	\$ (36,374.54)	\$ (48,114.65)

Steven Sorell, Treasurer _____

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	\$22,659	\$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	\$40,774	\$32,502 291 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	\$45,749	\$31,632 219 Accts.	\$11,068 77 Accts.	\$1,550 16 Accts.	\$470 7 Accts.	\$1,028 3 Accts.	\$435.00 29 Accts.	\$44.77
JULY	\$33,920	\$19,918 174 Accts.	\$11,104 76 Accts.	\$1,585 18 Accts.	\$380 6 Accts.	\$933 2 Accts.	\$450.00 30 Accts.	\$54.22
AUGUST	\$72,780	\$62,211 180 Accts.	\$7,267 63 Accts.	\$2,110 22 Accts.	\$244 5 Accts.	\$947 2 Accts.	\$480.00 32 Accts.	\$48.40
SEPTEMBER	\$67,541	\$48,130 225 Accts.	\$15,214 69 Accts.	\$2,118 20 Accts.	\$1,145 10 Accts.	\$934 3 Accts.	\$450.00 30 Accts.	\$57.22
OCTOBER								
NOVEMBER								
DECEMBER								
						Totals	\$3,990.00	\$407.06

*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

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

Date	Check #	Payee	Amount	Description
9/8/08	5609V	Monrovia Mailing Comp	-310.00	check damaged by post office
9/9/08	5616	A&B Electric	199.00	Wilcox 75 HP booster electrical repair
9/9/08	5617	ACWA/JPIA	16,317.00	liability insurance for 2008-2009
9/9/08	5618	ARB/PERP	1,725.00	permit for portable generators and pumps
9/9/08	5619	Alert Communications	78.00	answering service
9/9/08	5620	Ameripride Uniform Ser	63.12	shop rag service
9/9/08	5621	Consolidated Electrical I	13,742.73	transfer switches & spare parts for k-3, eucalyptus, sage and glen
9/9/08	5622	Charter Communications	59.99	Internet service
9/9/08	5623	Matt Chlor Inc.	293.16	bellows pump for k-3 chlorinator
9/9/08	5624	Monrovia Mailing Comp	310.00	statement processing and postage
9/9/08	5625	MWH Laboratories	427.20	water analysis
9/9/08	5626	Orchard Supply Hardwar	241.14	maintenance supplies
9/9/08	5627	Pasadena Municipal Serv	1,056.79	Wilcox Well power
9/9/08	5628	Specialty Services	275.00	janitorial service
9/9/08	5629	Underground Service Al	36.00	dig alerts
9/9/08	5630	Utility Service Co., Inc.	6,048.71	tank maintenance agreement
9/12/08	5631	Athens Services	129.38	trash pickup
9/12/08	5632	Bank of America Busine	3,135.34	truck maint., tools, conference reg., office supplies, postage
9/12/08	5633	Mike Gibson Service Ce	295.44	96 interior door handle, oil change
9/12/08	EFT271	Arco Gaspro Plus	1,011.66	truck gas
9/12/08	EFT272	AT&T	49.61	phone
9/12/08	EFT273	Southern California Edis	8,402.47	power
9/16/08	5634	ACWA Health Benefits	4,893.27	medical/dental insurance
9/16/08	5635	California Department of	728.00	annual fees
9/16/08	5636	Monrovia Mailing Comp	305.67	statement processing and postage
9/16/08	5637	Wondries Fleet Group	44,551.46	2008-2 truck
9/16/08	EFT274	AT&T	78.80	phone
9/17/08	EFT275	Christopher A. Burt	2,255.49	payroll
9/17/08	EFT276	Shirley L. Burt	1,384.14	payroll
9/17/08	EFT277	Melvin L. Matthews	3,047.97	payroll
9/17/08	6339138	Brian Fry	1,378.32	payroll
9/17/08	6339138	Felix Galindo	424.51	payroll
9/17/08	6339138	Chris Mellinger	339.36	payroll
9/17/08	EFT278	ADP	90.43	payroll processing
9/17/08	EFT279	Christopher A. Burt	125.00	payroll
9/17/08	EFT280	ADP	3,825.75	payroll taxes
9/30/08	5638	A&B Electric	516.89	replace starter for vosburg booster and troubleshoot k-3 power
9/30/08	5639	Alert Communications	78.00	answering service
9/30/08	5640	Clinical Laboratory, San	346.00	water analysis
9/30/08	5641	Melvin L. Matthews	867.17	payroll
9/30/08	5642	McMaster Carr	579.44	maintenance supplies
9/30/08	5643	Measurement Control Sy	1,218.89	water meters
9/30/08	5644	MWH Laboratories	171.60	water analysis
9/30/08	5645	National Meter & Autorr	1,621.89	water meters
9/30/08	5646	Pasadena Municipal Serv	1,361.03	Wilcox Well power
9/30/08	5647	Perry Thomas Constructi	6,619.00	House Tunnel brush clearance/inspection, Villa Knolls leak
9/30/08	5648	Raymond Basin Manage	103.95	administration fees for Long-Term Storage
9/30/08	5649	Red Supply	62.79	maintenance supplies
9/30/08	5650	Shirley Burt	239.30	mileage reimbursement
9/30/08	5651	USA Blue Book	150.28	maintenance supplies

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

9/30/08	5652	USAMobility	153.80	pager service
9/30/08	5653	Western Water Works	136.61	maintenance supplies
9/30/08	EFT275	AT&T	65.70	telemetry line
9/30/08	EFT276	AT&T	98.82	phone
9/30/08	EFT277	AT&T	175.77	phone
9/30/08	EFT281	AT&T	49.36	phone
9/30/08	EFT282	Verizon Wireless	140.41	mobile phone service
9/30/08	EFT283	Earthlink Network	4.95	Internet service
9/30/08	5654	ACWA/JPIA	2,551.00	workers' compensation insurance
9/30/08	5655	Denram Products	630.02	billing statement forms
9/30/08	EFT285	Richard L. Barkhurst	92.35	payroll
9/30/08	EFT286	Christopher A. Burt	2,573.30	payroll
9/30/08	EFT287	Shirley L. Burt	1,384.15	payroll
9/30/08	EFT288	Francis J. Griffith	92.35	payroll
9/30/08	EFT289	Gerrie G. Kilburn	92.35	payroll
9/30/08	EFT290	Melvin L. Matthews	3,047.98	payroll
9/30/08	EFT291	Maurice Pickard	92.35	payroll
9/30/08	EFT292	Steve Sorell	57.35	payroll
9/30/08	63426194	Brian Fry	1,598.41	payroll
9/30/08	63426195	Felix Galindo	430.76	payroll
9/30/08	63426196	Chris Mellinger	494.16	payroll
9/30/08	EFT293	ADP	112.43	payroll processing
9/30/08	EFT294	Christopher A. Burt	125.00	payroll
9/30/08	EFT295	ADP	4,394.41	payroll taxes
9/30/08	EFT296	Calif. Public Employees	<u>2,049.11</u>	CalPERS, employee and KID
	Total		<u>151,594.04</u>	

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 Actual	August Actual	September Actual	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	128,693	121,245	109,460	91,000	76,080	55,710	1,004,169	4,169	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	350	0	0	417	417	417	12,974	7,974	159%
4030	Interest-Checking	50	1	2	2	1	2	1	1	1	0	4	4	4	24	-26	-52%
4035	Interest-Reserve Fund (LAIF)	20,000	8,927	0	0	7,949	0	0	5,640	0	0	5,000	0	0	27,516	7,516	38%
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	134,684	121,246	109,460	96,421	76,501	59,131	1,047,683	19,633	2%
	Expenditures																
5005	Power	110,000	5,152	4,409	4,806	6,285	7,632	7,093	9,087	9,929	9,698	7,000	6,000	4,000	81,091	-28,909	-26%
5010	Maintenance Supplies	20,000	561	9,695	7,642	3,095	-10,751	3,246	1,249	716	15,238	1,667	1,667	1,667	35,690	15,690	78%
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	12,221	12,777	13,330	14,333	14,333	14,333	157,723	-14,277	-8%
5020	Stand-by	7,500	630	630	540	570	690	690	480	720	540	625	625	625	7,365	-135	-2%
5022	Training/Certification	2,400	140	0	780	103	0	175	60	0	0	200	200	200	1,858	-542	-23%
5025	Water Treatment/Analysis	20,000	1,599	2,130	4,472	2,121	365	880	800	1,655	1,428	1,667	1,667	1,667	20,449	449	2%
5030	Maintenance Contractors	48,000	10,184	2,978	19,795	482	-3,177	14,219	412	8,164	7,335	4,000	4,000	4,000	72,391	24,391	51%
5034	Equipment Maintenance	3,000	216	0	0	915	845	0	114	0	0	250	250	250	2,840	-160	-5%
5035	Vehicle Maintenance	9,000	332	0	920	1,088	32	87	0	0	1,178	750	750	750	5,886	-3,114	-35%
5036	Fuel - All Equipment	8,500	766	592	595	779	220	925	1,112	722	1,012	925	925	711	9,285	785	9%
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	-2,517	0	2,551	0	0	0	8,567	-6,433	-43%
5046	Insurance-Liability	15,000	1,229	1,229	1,229	1,229	1,229	1,229	-1,276	1,229	1,229	1,229	1,229	1,229	12,243	-2,757	-18%
5048	Insurance-Property	2,500	186	186	186	166	166	166	154	166	166	166	166	166	2,041	-459	-18%
5049	Insurance-Medical	43,000	3,047	3,047	3,047	3,047	3,047	3,062	3,063	3,063	3,063	3,063	3,063	3,063	36,674	-6,326	-15%
6000	Project Engineering	15,000	0	600	0	1,050	595	0	0	0	0	1,250	1,250	1,250	5,995	-9,005	-60%
6005	Watermaster	7,500	667	667	667	667	667	667	901	901	1,005	901	901	901	9,512	2,012	27%
6010	Telemetry	850	66	51	66	67	68	66	66	66	66	71	71	71	795	-55	-7%
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	248	0	376	333	333	333	3,389	-611	-15%
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	0	0	1,350	208	208	208	2,979	479	19%
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	172	0	0	333	333	333	2,525	-1,475	-37%
6025	PERS - KID	12,075	819	3,003	819	891	891	869	868	827	848	891	891	891	12,508	433	4%
6030	Social Security - KID	26,040	1,959	1,897	1,829	1,997	2,040	1,926	1,942	1,980	2,018	1,942	1,942	2,040	23,511	-2,529	-10%
6035	Office Supplies	9,000	268	1,146	12	1,114	685	126	1,030	68	1,475	750	750	750	8,173	-827	-9%
6036	Postage/Delivery	6,000	208	269	311	351	518	272	311	241	353	500	500	500	4,333	-1,667	-28%
6040	Professional Dues	7,000	425	329	329	329	329	329	370	370	397	583	583	583	4,957	-2,043	-29%
6045	Legal	10,000	591	0	881	166	0	145	910	0	0	833	833	833	5,192	-4,808	-48%
6050	Telephone	5,000	379	332	557	502	457	443	354	391	532	417	417	417	5,196	196	4%
6051	Cellular Telephone	2,500	153	134	132	132	136	133	141	147	140	208	208	208	1,873	-627	-25%
6052	Pagers	1,800	126	126	126	126	126	142	143	132	154	126	126	126	1,576	-224	-12%
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	1,623	0	30	833	833	833	5,263	-4,737	-47%
6061	Office Equipment Maintenance	1,000	0	0	0	0	0	0	1,064	0	150	83	83	83	1,464	464	46%
6065	Accounting	7,000	0	0	0	0	0	0	6,200	0	0	0	0	0	6,200	-800	-11%
6070	Office Labor	48,000	3,987	3,582	3,582	3,877	4,040	3,476	3,985	3,688	3,812	4,000	4,000	4,000	46,029	-1,971	-4%
6075	Outside Services	20,000	1,018	688	976	1,510	687	2,729	1,280	749	743	1,667	1,667	1,667	15,380	-4,620	-23%
6081	Permits/Fees	2,500	728	0	0	75	0	0	4,733	1,725	728	208	208	208	8,614	6,114	245%
6120	Bank Service Charges	1,200	309	313	45	-13	-264	374	285	366	305	200	200	200	2,320	1,120	93%
	Total Expenses	794,085	61,375	72,299	78,227	55,392	36,248	70,286	60,914	60,121	80,581	61,543	60,543	59,327	756,854	-37,231	-5%
	NET REVENUES	233,965	6,802	1,673	-37,167	41,650	61,681	1,776	73,769	61,125	28,880	34,878	15,958	-197	290,829	56,864	24%

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 Actual	August Actual	September Actual	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	0	0	0	0	0	25,000	203,268	19,268	10%
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	316	2,781	100	1,000	1,000	22,508	2,508	13%
1513	Electrical/Electronic Equipment	20,000	0	0	0	0	12,339	10,665	1,057	0	0	0	0	0	24,061	4,061	20%
1514	Computer/Office Equipment	5,000	3,000	0	0	0	0	0	0	0	0	0	0	0	3,000	-2,000	-40%
1515	Trucks and Equipment	113,000	0	680	59,509	0	4,156	493	981.83	0	44,551	0	0	0	110,370	-2,630	-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	484	0	0	0	0	0	28,240	13,240	88%
1528	Tanks and Reservoirs	75,000	5,891	5,891	5,891	5,891	5,891	5,891	5,891	5,891	6,049	6,250	6,250	6,250	71,929	-3,071	-4%
Total Other Expenditures		325,000	35,133	39,544	70,474	6,774	44,590	42,964	8,414	6,207	53,381	6,350	7,250	32,250	353,332	28,332	9%
NET CASH FLOW		-91,035	-28,331	-37,870	-107,640	34,876	17,090	-41,188	65,355	54,918	-24,501	28,528	8,708	-32,447	-62,504	28,531	-31%

Kinneloa Irrigation District
CAPITAL PROJECTS
For the Period From Jan 1, 2008 to Dec 31, 2008

Filter Criteria includes: 1) IDs: Multiple IDs. Report order is by ID. Report is printed with Accounts having Zero Amounts and excluding Balance Forward.

Job ID	GL Acct Description	Trx Date	Trans Description	Amount	Totals	Est Expenses
2008 Brown SCADA	SCADA	2/4/08	Byrd Industrial Electronics - radio survey test at Brown Reservoir	957.96		
		4/28/08	Byrd Industrial Electronics - Brown Reservoir solar panel and SCADA	882.81		
		6/9/08	Byrd Industrial Electronics - Brown SCADA Install	10,592.85		
					12,433.62	
2008 Brown SCADA					12,433.62	12,000.00
2008 Fairpoint Inter	Mains	5/27/08	Perry Thomas Construction Co., - Fairpoint Interconnect-Fire Hydrant and connection of 3" PVC main to new main	21,584.00		
	Maintenance Contracto	3/10/08	Perry Thomas Construction Co., - SMV-Fairpoint hot taps	15,206.00		
		6/9/08	Perry Thomas Construction Co., - Barhite water service	13,577.00		
					50,367.00	
2008 Fairpoint Inter					50,367.00	50,000.00
2008 Generator	Trucks and Equipment	3/28/08	Generator Services Co. - Used 70KVA Generator, S/N 71051-0000018, Engine S/N 901605	18,688.58		
	SCADA	6/9/08	Byrd Industrial Electronics - Glen ATS switch SCADA	568.88		
					19,257.46	
2008 Generator					19,257.46	20,000.00
2008 Holly Cl2	WaterTreatment Plant	2/4/08	Integrity Municipal Services - Clortec Install at Holly	11,982.00		
		2/8/08	Byrd Industrial Electronics - Holly Chlorinator SCADA modifications	1,238.40		
		2/12/08	Matt Chlor Inc. - Holly Cl2 parts	286.71		
		2/12/08	Ferguson Enterprises, Inc. - Holly Cl2 tank straps	45.83		
		2/27/08	Matt Chlor Inc. - Cl2 pump for Holly Clortec	291.36		
		3/5/08	Integrity Municipal Services - additional sales tax	0.56		
					13,844.86	
2008 Holly Cl2					13,844.86	13,000.00
2008 Ranchtop Inter						
2008 Ranchtop Inter						10,000.00
2008 SCADA Software	SCADA	6/9/08	Byrd Industrial Electronics - Upgrade SCADA software to current bersion	14,753.17		
					14,753.17	
2008 SCADA Software					14,753.17	15,000.00

Kinneloa Irrigation District
CAPITAL PROJECTS
For the Period From Jan 1, 2008 to Dec 31, 2008

Filter Criteria includes: 1) IDs: Multiple IDs. Report order is by ID. Report is printed with Accounts having Zero Amounts and excluding Balance Forward.

Job ID	GL Acct Description	Trx Date	Trans Description	Amount	Totals	Est Expenses
2008-1 Truck	Trucks and Equipment	2/11/08	McMaster Carr - Vise for 2008-1 truck	679.57		
		3/17/08	- 1993 Chevrolet S-10	-1,300.00		
		3/20/08	Wondries Fleet Group - 20008 Ford F-350 Super Duty, Unit #1	42,120.17		
		5/7/08	Bank of America Business Card - maintenance tools for 08-01 truck	656.58		
		5/7/08	Bank of America Business Card - accessories for 08-01 truck	278.85		
		5/22/08	McMaster Carr - 08-1 tools	1,786.02		
		7/16/08	Advanced Electronics, Inc. - Bluetooth kit for 2008-1 truck	484.54		
	Maintenance Supplies	4/28/08	McMaster Carr - parts and accessories for 08-1 truck	188.95		
					44,894.68	
2008-1 Truck					44,894.68	43,000.00
2008-2 Truck	Trucks and Equipment	9/16/08	Wondries Fleet Group - Ford F350 SuperDuty (Stock No. F9404) our unit 2008-2, VIN 1FDWF34Y18FD97660	44,551.46		
					44,551.46	
2008-2 Truck					44,551.46	50,000.00
Report					200,102.25	213,000.00

Kinneloa Irrigation District
FACILITY MAINTENANCE AND REPAIR
For the Period From Jan 1, 2008 to Dec 31, 2008

Filter Criteria includes: 1) IDs from to ; 2) Types from Facility to Facility. Report order is by ID. Report is printed with Accounts having Zero Amounts and excluding Balance Forward.

Job ID	GL Acct Description	Trx Date	Trans Description	Amount	Totals
Delores Tunnel	Maintenance Contractors	1/23/08	Perry Thomas Construction Co., - Repair Delores Tunnel line	4,338.52	
					<u>4,338.52</u>
Delores Tunnel					<u><u>4,338.52</u></u>
Eucalyptus Reservoir	Maintenance Supplies	2/1/08	Consolidated Electrical Distri - circuit breakers, fuses and relays for Eucalyptus Booster Station	3,693.76	
	Maintenance Contractors	8/11/08	Southern California Edison Co. - Efficiency tests at Eucalyptus Reserevoir	705.00	
					<u>4,398.76</u>
Eucalyptus Reservoir					<u><u>4,398.76</u></u>
Eucalyptus Tunnel	Water Treatment/Analysis	1/24/08	Matt Chlor Inc. - Uniclор Parts	662.40	
		1/24/08	Matt Chlor Inc. - Uniclор parts	418.15	
					<u>1,080.55</u>
Eucalyptus Tunnel					<u><u>1,080.55</u></u>
Glen Reservoir	Electrical/Electronic Equip.	6/24/08	A&B Electric - Glen Reservoir Automatic Transfer Switch and Generator leads and connectors	10,665.00	
	Power	8/25/08	Southern California Edison Co. - Glen efficiency test	235.00	
	Maintenance Supplies	1/14/08	Red Supply - pipe and glue for Glen Reservoir Drain	141.82	
	Maintenance Contractors	8/11/08	CLA-VAL - Glen Reservoir Cla-Val maintenance	1,101.12	
					<u>12,142.94</u>
Glen Reservoir					<u><u>12,142.94</u></u>
Hidden Valley Office					<u> </u>
Hidden Valley Office					<u><u> </u></u>
High/Low Pressure					<u> </u>
High/Low Pressure					<u><u> </u></u>
Holly Reservoir	Outside Services	6/1/08	Byrd Industrial Electronics - checked and repair intrusion logic at Holly	468.95	
					<u>468.95</u>
					468.95

Kinneloa Irrigation District
FACILITY MAINTENANCE AND REPAIR
For the Period From Jan 1, 2008 to Dec 31, 2008

Filter Criteria includes: 1) IDs from to ; 2) Types from Facility to Facility. Report order is by ID. Report is printed with Accounts having Zero Amounts and excluding Balance Forward.

Job ID	GL Acct Description	Trx Date	Trans Description	Amount	Totals
Holly Reservoir					468.95
House Tunnel	Maintenance Contractors	9/24/08	Perry Thomas Construction Co., - House Tunner brush clearance and inspection	2,109.00	
					2,109.00
House Tunnel					2,109.00
K-3 Well	Maintenance Supplies	9/8/08	Consolidated Electrical Distri - spare electrical parts for K-3	3,256.28	
	Water Treatment/Analysis	3/14/08	Integrity Municipal Services - Repair CI2 tank level control system	1,194.19	
		9/8/08	Matt Chlor Inc. - bellows pump	293.16	
	Maintenance Contractors	1/18/08	A&B Electric - K-3 circuit breaker repair	257.66	
		8/11/08	Southern California Edison Co. - Efficiency test at K-3	145.00	
	Equipment Maintenance	7/14/08	Bank of America Business Card - K-3 replacement exhaust fan motor	114.28	
					5,260.57
K-3 Well					5,260.57
Long Tunnel					
Long Tunnel					
Sage Tank	Maintenance Supplies	3/10/08	Consolidated Electrical Distri - fuses and relays for Sage Booster	5,381.93	
		7/7/08	Consolidated Electrical Distri - sage booster relays	43.84	
	Maintenance Contractors	8/11/08	Southern California Edison Co. - Efficiency test at Sage	470.00	
	Equipment Maintenance	1/17/08	Bank of America Business Card - sage flo-loc batteries	215.69	
	Outside Services	3/3/08	McCall's Meter Sales & Service - pulse rate card for sage flow meter	231.41	
		4/1/08	Byrd Industrial Electronics - Sage SCADA maintenance	365.95	
					6,708.82
Sage Tank					6,708.82
Tent Tunnel					
Tent Tunnel					
Vosburg Reservoir	Water Company Facilities	5/25/08	Orchard Supply Hardware - materials for warehouse shelving etc	620.59	

Kinneloa Irrigation District
FACILITY MAINTENANCE AND REPAIR
For the Period From Jan 1, 2008 to Dec 31, 2008

Filter Criteria includes: 1) IDs from to ; 2) Types from Facility to Facility. Report order is by ID. Report is printed with Accounts having Zero Amounts and excluding Balance Forward.

Job ID	GL Acct Description	Trx Date	Trans Description	Amount	Totals
	Power	8/11/08	shelving etc.	235.00	
	Maintenance Supplies	3/12/08	Southern California Edison Co. - Efficiency test at Vosburg Consolidated Electrical Distri - Fluorescent ballast and tubes	186.61	
	Maintenance Contractors	8/15/08	Byrd Industrial Electronics - Repair of Vosburg Reservoir SCADA from shorted connection	1,808.32	
	Equipment Maintenance	9/17/08	A&B Electric - replace starter for vosburg booster	259.89	
		5/20/08	Coastline Equipment - portable pump service	424.89	
					3,535.30
Vosburg Reservoir					3,535.30
West Tank					
West Tank					
Wilcox Reservoir	Maintenance Supplies	9/8/08	Consolidated Electrical Distri - spare electrical parts for Wilcox Reservoir	5,200.39	
	Maintenance Contractors	3/10/08	CLA-VAL - Wilcox Reservoir Cla-Val modifications	1,612.19	
		3/11/08	Byrd Industrial Electronics - wilcox reservoir HMI & MTU modifications for PSV valve	1,243.50	
		8/11/08	Southern California Edison Co. - Efficiency test at Wilcox Reservoir	235.00	
	Equipment Maintenance	8/20/08	CLA-VAL - Wilcox Reservoir valve repair	1,371.87	
		5/20/08	Coastline Equipment - portable pump service	419.91	
					10,082.86
Wilcox Reservoir					10,082.86
Wilcox Well	Maintenance Contractors	1/18/08	A&B Electric - Wilcox Well starter coil repair	659.97	
					659.97
Wilcox Well					659.97
Report					50,786.24