

KINNELOA IRRIGATION DISTRICT
REGULAR MEETING – BOARD OF DIRECTORS
1999 KINCLAIR DRIVE, PASADENA, CA 91107
TUESDAY – AUGUST 16, 2011
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. CONSIDERATION OF DIVISION APPORTIONMENT**

- 4. REVIEW GENERAL MANAGER’S REPORT**

- 5. REVIEW MINUTES – JULY 19, 2011**

- 6. REVIEW FINANCIAL REPORTS – JULY 31, 2011**

- 7. ITEMS FOR NEXT AGENDA**

- 8. CALENDAR –** August 26, 2011—Budget Workshop
September 20, 2011—Regular Meeting
October 18, 2011—Regular Meeting
November 15, 2011—Regular Meeting

- 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>.

General Manager's Report

Board of Directors Meeting on August 16, 2011

I. Capital Improvement, Preventative Maintenance and Repair Projects

- A. SMV/Windover Pipeline Project – The valve pit at the Vosburg Reservoir has been completed. Paving of both streets and the reservoir driveway is scheduled for August 15 and 16, 2011 and is expected to be completed by the time of this meeting. Completion of the punch list and cleanup items is in progress.
- B. K-3 Well – Revised drawing and material list for installation of the variable frequency drive motor control are expected shortly.
- C. Chlorine Analyzer Upgrades – The first of our upgraded units that adds pH measurement has been installed. Over time we will be sending all of our units to the factory for this upgrade.

II. Customer Service and Office Operations

- A. Delinquent Accounts –
 - 35 accounts received termination letter
 - 2 accounts received door hanger shut off notice
 - 0 accounts were shut off for non-payment
 - 1 account remains off for non-payment
- B. Billing System – Initial testing of the Internet interface for customer account access has been completed and directors have been invited to participate in final testing prior to promotion of the service to our customers.

III. General Manager's Highlights

- A. SMV/Windover Pipeline Project – The project is nearing completion and I am continuing to focus my attention on negotiations to minimize the net cost of the project due to design changes and extra work that we requested.
- B. Billing System Conversion – I arranged for Able Software to install on our computer the proposed replacement billing system as a demonstration. This effort included a successful test conversion of a portion of our existing database to MS SQL as required for the program. I will now be able to gain some experience with the program prior to making a recommendation to the Board whether or not to proceed with the project.

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
KINNELOA IRRIGATION DISTRICT
JULY 19, 2011**

MEMBERS PRESENT: Directors Barkhurst, Griffith, Kilburn and Sorel
Director Eldredge was out of town.

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

CALL TO ORDER: The Meeting was called to order by the Chair, Director Sorell,
at 1934 hours. He noted that there was a quorum present. The Agenda
was unanimously approved as presented.

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

SELECTION OF DATE AND TIME FOR BUDGET WORKSHOP:

A Special Board Meeting is scheduled for August 26 at 0830 hours for a Budget Workshop.

REVIEW OF GENERAL MANAGER'S REPORT:

Sierra Madre Villa-Windover Road Pipeline Project:

The **General Manager** reported that the paving of Sierra Madre Villa is scheduled for July 28 and paving of Windover Road will be done after the work on the valve pit is completed.

K-3 Well Variable Frequency Drive Installation:

The **General Manager** reported that this project has been delayed as the space requirements of the new electrical cabinet will have to be adjusted to fit within the space available in the well vault.

REVIEW OF MINUTES:

The minutes of June 21 were unanimously accepted for filing as presented.

REVIEW OF FINANCIAL REPORTS:

Director Barkhurst reviewed the Financial Reports noting that wholesale water sales were \$134,551 to date and that Operations & Maintenance Labor and Maintenance Contractors items were considerably over budget.

The Reports were unanimously approved for filing.

ADJOURNMENT:

The meeting was adjourned at 20:15 hours. The next meeting will be on August 16, 2011.

Respectfully submitted,

Shirley Burt
Secretary to the Board

Kinneloa Irrigation District
Income Statement
For the Seven Months Ending July 31, 2011

	Current Month Actual	Current Month Budget	Year to Date Actual	Year to Date Budget
Revenues				
4000 Water Sales	\$ 139,881.37	\$ 143,500.00	\$ 625,572.39	\$ 624,050.00
4015 Wholesale Water Sales	695.39	0.00	135,246.41	0.00
4020 Service Charges	716.89	833.33	5,834.70	5,833.31
4035 Interest-Reserve Fund	381.02	600.00	2,932.32	4,200.00
4050 Capacity Charge	0.00	0.00	0.00	6,000.00
Total Revenues	141,674.67	144,933.33	769,585.82	640,083.31
Expenses				
5005 Electricity	6,713.91	11,000.00	50,303.36	56,100.00
5010 Maintenance Supplies	1,634.65	2,333.33	23,854.65	16,333.31
5012 Safety Equipment	0.00	200.00	1,170.81	1,400.00
5015 Operations & Maintenance Labor	14,743.48	13,500.00	104,103.21	93,000.00
5020 Stand-by Compensation	480.00	625.00	4,230.00	4,375.00
5022 Training/Certification	121.10	200.00	253.28	1,400.00
5025 Water Treatment/Analysis	2,393.71	1,833.33	12,354.84	12,833.31
5030 Maintenance Contractors	7,233.06	9,750.00	77,919.31	68,250.00
5034 Equipment Maintenance	0.00	500.00	3,734.28	3,500.00
5035 Vehicle Maintenance	201.71	300.00	4,391.46	2,100.00
5036 Fuel - All Equipment	1,111.58	1,000.00	9,579.73	7,000.00
5045 Insurance-Workers Compensation	0.00	0.00	(2,090.00)	6,000.00
5046 Insurance-Liability	1,831.08	1,833.33	15,528.56	12,833.31
5048 Insurance-Property	178.50	208.33	903.00	1,458.31
5049 Insurance-Medical	3,509.90	3,166.67	24,569.30	22,166.69
6000 Engineering Services	1,575.00	2,000.00	4,009.00	14,000.00
6005 Watermaster Services	878.92	1,000.00	6,172.42	7,000.00
6015 Administrative Salary	10,004.40	10,609.64	70,030.80	72,451.76
6016 Administrative Bonus	0.00	0.00	3,000.00	0.00
6017 Administrative Travel	899.95	416.67	2,780.69	2,916.69
6020 BofD Compensation	400.00	500.00	2,600.00	4,100.00
6021 Administrative & Board Expense	0.00	208.33	1,588.54	1,458.31
6024 Customer/Public Info. Prog.	0.00	333.33	1,647.37	2,333.31
6025 PERS - KID	1,118.68	1,100.00	6,620.48	7,400.00
6030 Social Security - KID	2,238.92	2,300.00	16,061.64	15,800.00
6035 Office Supplies	126.30	750.00	3,798.36	5,250.00
6036 Postage/Delivery	633.40	500.00	3,141.31	3,500.00
6040 Professional Dues	539.08	583.33	4,368.56	4,083.31
6045 Legal Services	0.00	1,250.00	2,690.81	8,750.00
6050 Telephone	445.34	333.33	3,003.81	2,333.31
6051 Mobile Telephone	299.98	150.00	1,451.42	1,050.00
6052 Pagers	0.00	20.00	133.47	140.00
6053 Internet Service	84.94	83.33	522.38	583.31
6059 Computer/Software Maintenance	709.84	833.33	1,209.99	5,833.31
6061 Office Equipment Maintenance	0.00	83.33	400.00	583.31
6065 Accounting Services	0.00	0.00	6,200.00	6,000.00
6070 Office Labor	3,638.88	4,000.00	25,992.00	28,000.00
6075 Outside Services	1,561.00	1,666.67	8,243.79	11,666.69
6080 Capital Improvement Fees	(51.40)	0.00	(308.40)	0.00
6081 Permits/Fees	323.56	208.33	323.56	1,458.31
6120 Bank Service Charges	243.94	250.00	1,203.51	1,750.00
Total Expenses	65,823.41	75,629.61	507,691.30	517,191.55
Net Income	75,851.26	69,303.72	261,894.52	122,891.76

Kinneloa Irrigation District
Income Statement
For the Seven Months Ending July 31, 2011

	Current Month Actual	Current Month Budget	Year to Date Actual	Year to Date Budget
Other Expenditures				
1504 Water Mains	0.00	21,250.00	0.00	148,750.00
1506 K-3 Well	0.00	0.00	12,614.51	15,000.00
1509 Wilcox Well/Wilcox Booster	0.00	0.00	0.00	15,000.00
1511 WaterTreatment Plant	0.00	0.00	1,872.35	5,400.00
1512 Trans. & Dist. Plant Meters	1,126.65	1,666.67	3,103.53	11,666.69
1513 Electrical/Electronic Equip.	0.00	2,083.33	5,740.94	14,583.31
1514 Computer/Office Equipment	0.00	416.67	1,911.11	2,916.69
1516 Water Company Facilities	0.00	2,500.00	0.00	2,500.00
1520 Glen Reservoir/Booster	0.00	0.00	24,190.86	16,000.00
1522 Eucalyptus Booster Station	0.00	2,500.00	0.00	17,500.00
1523 Construction in Progress	23,392.18	0.00	486,862.49	0.00
1527 SCADA Equipment	0.00	1,000.00	7,603.43	7,000.00
1530 Tools	300.63	200.00	2,281.20	1,400.00
Total Other Expenditures	24,819.46	31,616.67	546,180.42	257,716.69
Total Increase or (Drawdown)	\$ 51,031.80	\$ 37,687.05	\$ (284,285.90)	\$ (134,824.93)

Kinneloa Irrigation District
Balance Sheet
July 31, 2011

ASSETS

Current Assets

1010	Checking-Wells Fargo Bank	\$ 76,152.79
1012	Reserve Fund-LAIF	117,370.81
1014	Reserve Fund-CalTRUST	258,040.07
1015	Accr. Int./Price Adj.-CalTRUST	(984.41)
1016	Accrued Interest-LAIF	126.31
1100	Accts. Receivable-Water Sales	103,907.60
1190	Allowance for Bad Debts	855.13
1200	Inventory	20,000.00
1340	Accrued Water Sales	144,757.47
1350	Prepaid Insurance	18,552.45
1360	Prepaid Expenses	12,363.66
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	Total Current Assets	751,141.88

Property and Equipment

1501	Water Rights	52,060.41
1503	Land Sites	96,700.08
1504	Water Mains	1,647,012.03
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	173,917.32
1512	Trans. & Dist. Plant Meters	63,774.00
1513	Electrical/Electronic Equip.	208,315.91
1514	Computer/Office Equipment	44,172.53
1515	Vehicles & Portable Equipment	222,084.16
1516	Water Company Facilities	60,079.20
1517	KID Office	51,362.92
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
1523	Construction in Progress	503,936.90
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	4,730.78
1600	Accum. Depreciation	(2,693,534.12)
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	Total Property and Equipment	4,401,500.64
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	Total Assets	\$ 5,152,642.52
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Kinneloa Irrigation District
Balance Sheet
July 31, 2011

LIABILITIES AND CAPITAL

Current Liabilities

2000	Accounts Payable	\$ 44,531.48	
2271	Deposits-Construction Meters	850.00	
2272	Job Deposits	2,500.00	
2290	Accrued Vacation	10,817.70	
	Total Current Liabilities		58,699.18

Long-Term Liabilities

2400	Truck Loan Payable	54,395.11	
	Total Long-Term Liabilities		54,395.11
	Total Liabilities		113,094.29

Capital

3040	Fund Balance	4,777,653.71	
	Net Income	261,894.52	
	Total Capital		5,039,548.23
	Total Liabilities & Capital		\$ 5,152,642.52

Kinneloa Irrigation District
Statement of Cash Flow
For the seven Months Ended July 31, 2011

	Current Month	Year to Date
Cash Flows from operating activities		
Net Income	\$ 75,851.26	\$ 261,894.52
<i>Adjustments to reconcile net income to net cash provided by operating activities</i>		
1100 Accts. Receivable-Water Sales	(13,672.12)	(65,886.66)
1101 Accts. Receiv.-Service Charges	0.00	28,872.01
1190 Allowance for Bad Debts	0.00	(8,983.45)
1350 Prepaid Insurance	(11,892.42)	(1,584.24)
1360 Prepaid Expenses	1,418.00	(601.02)
2000 Accounts Payable	(165,472.06)	21,640.37
2273 Job Deposits-Doyne Rd.	0.00	(20,000.00)
	(189,618.60)	(46,542.99)
Total Adjustments	(189,618.60)	(46,542.99)
Net Cash provided by Operations	(113,767.34)	215,351.53
 Cash Flows from investing activities		
<i>Used For</i>		
1506 K-3 Well	0.00	(12,614.51)
1511 WaterTreatment Plant	0.00	(1,872.35)
1512 Trans. & Dist. Plant Meters	(1,126.65)	(3,166.65)
1513 Electrical/Electronic Equip.	0.00	(5,740.94)
1514 Computer/Office Equipment	0.00	(1,911.11)
1520 Glen Reservoir/Booster	0.00	(24,190.86)
1523 Construction in Progress	(23,392.18)	(486,866.90)
1527 SCADA Equipment	0.00	(7,603.43)
1530 Tools	(300.63)	(2,281.20)
	(24,819.46)	(546,247.95)
Net cash used in investing	(24,819.46)	(546,247.95)
 Cash Flows from financing activities		
<i>Proceeds From</i>		
<i>Used For</i>		
	0.00	0.00
Net cash used in financing	0.00	0.00
Net increase (decrease) in cash	\$ (138,586.80)	\$ (330,896.42)
 Summary		
Cash Balance at End of Period	\$ 595,463.04	\$ 595,463.04
Cash Balance at Beg. of Period	(734,049.84)	(926,291.93)
Net Increase (Decrease) in Cash	\$ (138,586.80)	\$ (330,828.89)

Aged Receivables Report -- Previous 12 Months

ACCOUNTING PERIOD	CURRENT PERIOD	OVER 30 DAYS	OVER 60 DAYS	OVER 90 DAYS	TOTAL BALANCE	LATE PAYMENT CHARGES
AUGUST 2010	\$57,320 296	\$6,836 48	-\$2,408 26	\$848 7	\$62,596	\$470.25 28 Accts.
SEPTEMBER 2010	\$53,563 296	\$6,842 58	\$2,559 19	-\$648 15	\$62,316	\$648.73 38 Accts
OCTOBER 2010	\$86,747 395	\$9,160 86	\$2,182 17	\$1,783 11	\$99,872	\$472.90 27 Accts
NOVEMBER 2010	\$27,813 251	\$3,922 60	\$2,993 22	\$3,486 12	\$38,213	\$659.51 38 Accts
DECEMBER 2010	\$31,464 276	\$3,003 61	\$66 23	\$3,488 13	\$38,021	\$372.05 22 Accts
JANUARY 2011	\$28,163 281	\$2,537 63	\$754 22	\$838 16	\$32,293	\$480.29 29 Accts.
FEBRUARY 2011	\$38,168 323	\$3,153 77	\$557 19	\$1,218 13	\$43,096	\$536.18 33 Accts.
MARCH 2011	\$26,868 247	\$2,601 61	-\$709 22	\$2,331 11	\$31,092	\$345.74 21 Accts.
APRIL 2011	\$71,105 312	\$851 61	\$1,592 18	\$972 13	\$74,520	\$341.45 21 Accts.
MAY 2011	\$72,917 289	\$38,282 47	\$135 15	\$2,497 12	\$113,831	\$385.86 24 Accts.
JUNE 2011	\$81,228 320	\$5,233 76	\$1,058 27	\$2,717 11	\$90,236	\$738.13 45 Accts.
JULY 2011	\$64,746 327	\$36,816 67	\$568 19	\$1,903 11	\$104,033	\$566.89 35 Accts

Kinneloa Irrigation District
Check Register
For the Period From July 1, 2011 to July 31, 2011

Date	Check #	Payee	Amount	Description
7/12/11	6661	A&B Electric	569.25	install upgraded Cl2 analyzer
7/12/11	6662	ACWA/JPIA	2,848.00	workers' comp insurance
7/12/11	6663	ACWA Health Benefits Au	4,043.72	health insurance
7/12/11	6664	Athens Services	129.38	trash pickup
7/12/11	6665	Denram Products	79.51	consumer confidence report
7/12/11	6666	Stephen Doreck Equipment	174,527.87	progress payment-SMV/Windover pipeline
7/12/11	6667	Melvin L. Matthews	222.12	expense reimbursement
7/12/11	6668	McCall's Meter Sales & Se	1,391.48	repair k-3 production meter
7/12/11	6669	McMaster Carr	2,068.51	parts for K-3 chlorine repair
7/12/11	6670	MWH Laboratories	118.80	water test
7/12/11	6671	S.E. Nelson Construction, I	372.00	Vosburg valve pit welding
7/12/11	6672	Perry Thomas Constructior	17,098.00	Villa Heights valve repair
7/12/11	6673	Red Supply	156.80	maintenance supplies
7/12/11	6674	SA Associates	1,575.00	system maps
7/12/11	6675	Shirley Burt	124.34	mileage reimbursement
7/12/11	6676	Specialty Services	275.00	janitorial services
7/12/11	6677	Sunny Express, Inc.	26.60	delivery charge
7/12/11	6678	Underground Service Alert	7.50	dig alerts
7/12/11	6679	Utility Service Co., Inc.	3,477.21	tank maintenance
7/12/11	6680	Western Water Works	266.26	parts for Vosburg valve pit
7/12/11	6681	Denram Products	131.59	business cards
7/12/11	EFT1145	Arco Gaspro Plus	1,111.58	truck gas
7/12/11	EFT1146	AT&T	63.72	telephone
7/12/11	EFT1147	Calif. Public Employees Re	2,277.24	CalPERS
7/12/11	EFT1148	Pasadena Municipal Servic	1,081.52	electricity
7/12/11	EFT1149	Southern California Edison	8,115.82	electricity
7/12/11	EFT1150	Verizon Wireless	182.70	mobile phones
7/19/11	EFT1155	Christopher A. Burt	3,215.74	salary
7/19/11	EFT1156	Shirley L. Burt	1,428.03	salary
7/19/11	EFT1157	Melvin L. Matthews	3,315.68	salary
7/19/11	64890106	Brian L. Fry	1,362.41	salary
7/19/11	64890107	Felix Galindo	401.82	salary
7/19/11	64890108	Chris J. Mellinger	398.49	salary
7/26/11	6682	Alert Communications, Inc	78.00	answering service
7/26/11	6683	Ameripride Uniform Servic	77.70	shop rag service
7/26/11	6684	Consolidated Electrical Dis	252.70	maintenance supplies
7/26/11	6685	Christopher A. Burt	60.00	expense reimbursement
7/26/11	6686	CLA-VAL	1,448.05	valve repair
7/26/11	6687	Clinical Laboratory, San B	24.00	water test
7/26/11	6688	County of Los Angeles	323.56	LAFCO fees

Kinneloa Irrigation District
Check Register
For the Period From July 1, 2011 to July 31, 2011

7/26/11	6689	McMaster Carr	466.55	fittings, tubing, pressure gauge
7/26/11	6690	Monrovia Mailing Compan	366.92	statements and postage
7/26/11	6691	MWH Laboratories	282.00	water test
7/26/11	6692	Perry Thomas Constructior	2,307.80	Ranch Top service leak repair
7/26/11	6693	J.G. Tucker & Son, Inc.	181.61	Cl2 containment
7/26/11	6694	Western Water Works	6,269.98	materials for Windover/SMV project
7/26/11	EFT1151	AT&T	303.62	telephone
7/26/11	EFT1152	Charter Communications	79.99	Internet
7/26/11	EFT1153	Earthlink Network	4.95	Internet
7/26/11	EFT1154	Bank of America Business	1,757.91	see attached
7/26/11	EFT1158	ADP	55.48	payroll processing
7/26/11	EFT1159	Christopher A. Burt	150.00	salary
7/26/11	EFT1160	ADP	4,665.16	payroll taxes and withholding
7/31/11	EFT1161	Christopher A. Burt	2,816.20	salary
7/31/11	EFT1162	Shirley L. Burt	1,323.10	salary
7/31/11	EFT1163	Francis J. Griffith	94.35	salary
7/31/11	EFT1164	Gerrie G. Kilburn	94.35	salary
7/31/11	EFT1165	Melvin L. Matthews	3,315.69	salary
7/31/11	EFT1166	Steven G. Sorell	59.35	salary
7/31/11	EFT1167	Richard L. Barkhurst	94.35	salary
7/31/11	64905189	Brian L. Fry	1,496.41	salary
7/31/11	64905190	Felix Galindo	389.06	salary
7/31/11	64905191	Chris J. Mellinger	435.27	salary
7/31/11	EFT1168	ADP	61.72	payroll processing
7/31/11	EFT1169	Christopher A. Burt	150.00	salary
7/31/11	EFT1170	ADP	<u>4,447.29</u>	payroll taxes and withholding
	Total		<u><u>266,396.81</u></u>	

CREDIT CARD CHARGES
JUNE 2011

Credit Card Charges.xls

Category	Shirley	Mel	Brian	Chris B	Chris M	TOTAL
Maintenance Supplies			\$47.86			\$47.86
Maintenance Tools			\$273.24	\$27.39		\$300.63
Maint. Exp.						\$0.00
Postage/Delivery	\$44.00		\$62.10			\$106.10
Computer Supplies						\$0.00
Computer Software						\$0.00
Computer Maintenance						
Scada						\$0.00
Windover Rd. Project						\$0.00
Emp. Cert.						\$0.00
Truck Exp.			\$1.75	\$77.79	\$122.17	\$201.71
Truck Fuel						\$0.00
Generator/Pump Fuel						\$0.00
Office Supplies	\$13.57					\$13.57
Safety						\$0.00
Water Quality			\$922.04			\$922.04
Adm. Exp.		\$166.00				\$166.00
Doyne Road Project						\$0.00
Telephone						\$0.00
Office equip.						\$0.00
Finance Chg.						\$0.00
Finance Credit						\$0.00
TOTAL	\$57.57	\$166.00	\$1,306.99	\$105.18	\$122.17	\$1,757.91