

KINNELOA IRRIGATION DISTRICT

Regular Meeting – Board of Directors
1999 Kinclair Drive, Pasadena, CA 91107
Tuesday, September 15, 2020
3:00 P.M.

AGENDA

This meeting will be conducted only by teleconference under the provisions of Executive Order N-29-20. Public comments may be submitted via email to kinneloa@outlook.com prior to the meeting and any information submitted will become part of the official record. The public may participate via computer or telephone using the following information:

<https://zoom.us/j/96953912891?pwd=UXJBdVpHVHZsdU5JMENGtkc1b1VDQT09>

+1 669 900 9128

Meeting ID: 969 5391 2891

Password: 206936

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

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

3. **REVIEW OF MINUTES – August 18, 2020**
Recommended Action: Review and approve motion to file

4. **REVIEW OF FINANCIAL REPORTS – August 31, 2020**
Recommended Action: Review and approve motion to file

5. **GENERAL MANAGER’S REPORT –** Information item presented by the General Manager
Recommended Action: General Manager to summarize the report and respond to questions

6. **DISTRICT BUDGET FOR 2021 –** General Manager to present draft budget
Recommended Action: Review and approve motion to adopt 2021 budget subject to public hearing and approval of proposed water rates

7. **DISCUSSION OF FORMAT, POLICY AND GUIDELINES FOR BOARD MEETING MINUTES**
Recommended Action: Review document from our attorney regarding minutes and provide direction to staff for preparation of future meeting minutes

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

9. **CALENDAR –** October 20, 2020 November 17, 2020 December 15, 2020

10. ADJOURNMENT

In compliance with the Americans with Disabilities Act, if you are a disabled person and need a disability-related modification or accommodation to participate in this meeting, please contact the District office 48 hours prior to the meeting at 626-797-6295. Each item on the agenda, no matter how described, shall be deemed to include any appropriate motion, whether to adopt a minute motion, resolution, payment of any bill, approval of any matter or action, or any other action. Material related to an item on this agenda submitted after distribution of the agenda packet is available for public review at the District office or online at the District's website <https://kinneloirrigationdistrict.info>.

KINNELOA IRRIGATION DISTRICT
Regular Meeting – Board of Directors
1999 Kinclair Drive, Pasadena, CA 91107
Tuesday, August 18, 2020, 3:00 pm
Minutes

Meeting conducted by teleconference under the provisions of Executive Order N-29-20.

DIRECTORS PRESENT: Zoom teleconference/videoconference (Zoom): Tim Eldridge, Frank Griffith, Gordon Johnson, Gerrie Kilburn and Dave Moritz

DIRECTORS ABSENT: None

STAFF PRESENT: Zoom: General Manager Melvin Matthews

1. CALL TO ORDER: Director/Chair Gordon Johnson called the meeting to order at 3:00 pm and called the roll. A quorum of Board Members was present. The Agenda was reviewed. No changes were requested.

2. PUBLIC COMMENT: Member of the public Michele Ferrell was present via Zoom. The General Manager stated that Ms. Ferrell will be joining the facilities staff on September 14, 2020. Ms. Ferrell introduced herself, expressed that she is looking forward to joining the team and delivered a brief history of her fifteen plus years of water experience. District resident Ohannes Dembekjian was present via Zoom. He introduced himself and expressed an interest in being a part of Kinneloa Irrigation District. District resident Stephen Brown was present via Zoom. He asked about the proposed rate increase [Item 7] and how the District rates compare to other local water districts. The General Manager stated that in the past, the District compares favorably for medium and high usage customers, and higher for low usage customers. Mr. Brown asked about the capital improvement projects [Item 7]. The General Manager stated that the proposed budget of \$500,000 represents an estimate for the Brown/Glen Pipeline Project and the Sierra Madre Villa and Villa Heights Pipeline Project. The amount will likely cover one of the two projects, and the projects will be funded out of the District's reserve funds. Mr. Brown asked if there is a working list of future improvement projects. The General Manager stated that there is a project list that is presented to the Board.

3. REVIEW OF MINUTES: Director Griffith and Chair Johnson requested clarification for the word "policy" in Item 2, Public Comment [line 4]. Chair Johnson suggested inserting "referring to Item 5 of the Agenda."
Director Kilburn corrected a typographical error [Item 2, Public Comment, line 13] in sentence beginning, "Mr. Brown asked it..." which should read "Mr. Brown asked if...".
Director Griffith requested adding the location of the water softener in Item 4 [line 9]. The General Manager stated that system is on the Far Mesa Tunnel at the Glen Reservoir.
Director Griffith stated that [Item 4, line 11] the sentence [beginning], "The General Manager stated that batteries..." is unclear. The General Manager replied that batteries and servicing was needed at several sites and he will rephrase for clarity.
Director Griffith asked about Item 5 [line 12] that says, "He did not request any changes to this section." He asked if that [sentence] is the opinion of the person who wrote the minutes. Chair Johnson replied that he made the statement that he was not requesting any changes at that time, so they [the staff] were paraphrasing what was said.

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It was motioned/seconded/carried unanimously by roll call vote-(Kilburn/Griffith-5/0/0/0):

“That the Board approves the July 21, 2020, minutes with the suggested changes, for filing and posting on the website.”

(Aye-Eldridge, Griffith, Johnson, Kilburn, Moritz/Nay-0/Abstain-0/Absent-0)

Chair Johnson requested that as the Directors review the minutes for the current meeting, they think about how much detail is needed. He feels there is too much detail and he would like to have a discussion at next month’s meeting. The General Manager added that in the past there were summary minutes and only recording of action items is required. He would like to return to a summary format.

4. REVIEW OF FINANCIAL REPORTS: Director/Treasurer Moritz reviewed the July 31, 2020, financial reports. He highlighted that water sales at \$165,000 were good, though down from the \$179,000 in the previous month.

Director Moritz asked if Operations Labor [5015] is for the salaries of the operators. The General Manager replied that it is for field staff, the facility operators.

Director Moritz asked if the salary of the new operator was reflected in the report. The General Manager said that the new operator has not started yet.

Director Moritz asked if Stand-by Compensation [5020] is on call pay. The General Manager said that the operator who is on stand-by duty is paid \$30 per day for being on call and available. If the operator needs to report to the District, they are also paid for actual hours worked.

Director Moritz asked if work was done on one of the vehicles [Vehicle Maintenance 5035]. The General Manager replied that major service was done on two vehicles and pointed out that the year to date total for vehicle maintenance is still under budget.

Director Moritz asked if the new vehicles are still coming. The General Manager stated that one new truck is on site now and the second one is coming shortly. He added that the trucks will need to be equipped before they are put into service.

Director Moritz asked about Taxes – Use [6086]. The General Manager explained that for some purchases, primarily online purchases, sales and use tax is not applied and the District files an annual use tax return with the State [of California]. He added that there is a credit because the wrong amount was submitted and the District received a refund.

Director Moritz highlighted that the net income was \$70,000.

Director Moritz asked about the check register, [payee] Brightview Landscape services. The General Manager stated that Brightview maintains landscaping at fourteen sites in the District, including the office.

It was motioned/seconded/carried unanimously by roll call vote -(Griffith/Eldridge-5/0/0/0):

“That the Board approves the financial reports as presented for filing.”

5. GENERAL MANAGER’S REPORT: The General Manager and the Board reviewed the report.

III. B. 3. b: The General Manager stated that one truck has been delivered and one is coming soon.

III. C. Future Capital Improvement...: The General Manager stated that the list includes the two main pipeline improvement projects and other minor projects and repairs that are not high priority.

IV. Water Supply Summary...: The General Manager stated that the summary is the year-end summary for the 2019-2020 Watermaster Year. The bottom line is that the District ended up with

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185 acre feet. Without the lease from Alhambra, the District would have had a slight deficit. Of the 185 acre feet, the District will carryover 10% to next year. The District has the option of selling surplus water on a wholesale basis to the City of Pasadena, and some of the excess will be put into the short-term storage account.

Director Kilburn asked if there is a limit to the amount of water that can be stored in the short-term water storage account. The General Manager replied that the limit is 300 acre feet maximum, and that has to be the first water used in the next year. In other words, it gives the District an additional starting point of pumping rights in addition to the 10% carryover of adjudicated rights.

Director Griffith asked when the Foothill Metropolitan Water District increased the monthly fee. The General Manager stated that the monthly fee goes up when administrative expenses increase. Director Griffith asked if it was a flat fee. The General Manager replied that the administrative fee is not a flat fee. It is based upon the number of meters in the District.

6. LAFCO INDEPENDENT SPECIAL DISTRICT ALTERNATE REPRESENTATIVE: The General Manager introduced the item, stating that the Local Agency Formation Commission (LAFCO) is the agency in the county that reviews consolidations and annexations of districts and cities. There are two seats on the Board for special districts. The alternate representative does not have a vote but can participate at the meetings. The General Manager concluded that he thinks it is important that special districts have good representation on LAFCO, especially when situations arise where there might be considerations of consolidation. Foothill Metropolitan Water District is the sponsor for his nomination.

Director Eldridge asked who the Chief Executive is at LAFCO. The General Manager replied that it is Paul Novak, who has been CEO for several years.

Chair Johnson summarized that the District has one vote. The Board selects a candidate and authorizes him to vote on behalf of the District.

Director Eldridge nominated Mel Matthews. Director Kilburn seconded the nomination.

There was no further discussion. Director Griffith called for the vote.

It was motioned/seconded/carried unanimously by roll call vote -(Griffith/Eldridge-5/0/0/0):

“That the Board nominates Mel Matthews for LAFCO Independent Special District Alternate Representative and authorizes the Chair to vote on behalf of the District.”

7. DISTRICT BUDGET FOR 2021: The General Manager introduced the proposed budget documents and focused on the budget worksheet [Item 7 – Page 5]. He stated that many of the budget items have no change from the previous year. He highlighted items that have changed and their corresponding notes. He pointed out that Unrealized Gain(Loss)-CalTrust [4036], by request of the auditors, is now on the income statement rather than the balance sheet. It shows as a \$25,000 increase because it was not budgeted last year, and the amount is close to what is expected at 2020 year-end. He stated that if a pipeline project is done, the projected net cash flow loss is \$664,957 and is a planned expenditure because the pipeline projects are budgeted to come out of the reserve account which was established to be used for capital improvement projects as needed. He concluded that the net revenue is projected as \$112,581, which is down from the current year-end forecast and down from last year’s budget. The intent is to budget to the expected cash flow and have a net revenue close to zero. Any net revenues are moved into the reserve account.

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The General Manager stated that a Board vote is not required at this time and suggested that the Directors review the budget and when it is presented at next month's meeting, he will answer any questions.

Chair Johnson asked if the Senior Facilities Operator had the opportunity to have input into the proposed projects for this budget. The General Manager replied that the opportunity had been given for three months, but no specific input had been received.

The General Manager emphasized that the projected revenue is based upon a 3% rate increase, which is not imbedded in the budget. Once the budget comes up for approval, the actual proposed rate increase is open to Proposition 218 procedure and Board discussion and approval. In general, if the budgeted revenue is kept the same as the current year, he expects that the rate increase is needed because unit sales are decreasing. When water sales go down, rates need to go up to cover fixed expenses.

8. INFORMATION ITEM: The General Manager stated that final interviews for the Office Manager position have been completed and a job offer was extended and accepted. The tentative start date is September 1st. There were over seventy applications for the position. The new Office Manager is familiar to the Personnel Committee because he originally applied for the Facilities Operator position and he is a certified operator. The General Manager thanked the Personnel Committee for their assistance.

9. DIRECTOR REPORTS AND/OR COMMENTS: Director Kilburn asked Director Eldridge for an update on the traffic in the Glen. Director Eldridge stated that he spoke with Jamal Butler, the L.A. Gateway District Ranger [U.S. National Forest] and confirmed that the District owns land within the boundary of the forest. He was told that the Forest Service does not do any enforcement when there is private property, which leaves it [parking enforcement and restricting public access] in the hands of the District and the neighborhood. Since the General Manager stated at the last meeting that he would like to see the neighborhood act first, they have made some signage changes, added cones and flashing lights, and asked residents to use the visitor parking or walk up to the area. Mr. Butler called other agencies and the Glen has had visits from the U.S. Forest Service patrol truck and increased sheriff patrols. The situation is better, but it will take a lot more people reminding others and discussing what is appropriate behavior. There are a lot of bears in the neighborhood, a mountain lion, and a pair of bobcats. The neighborhood message is: "If you are leaving the road, you are entering an area where there are plenty of wild animals." With all the input from the neighborhood residents and help from some enforcement agencies things are going better. Director Kilburn stated that there is a mountain lion in her area as well and quite a few skunks. Chair Johnson said that there is also a herd of deer. Director Kilburn expressed how great it is to see everyone [on Zoom], welcomed Ms. Ferrell to the group, and thanked the General Manager for putting the budget together. Chair Johnson asked that the comparison rates of other agencies be included with next month's budget item. The General Manager replied that he will include the comparison rate chart, which will show agencies along the foothills as well as City of Pasadena and City of Sierra Madre.

9. CALENDAR: The next meeting will be a Regular Meeting on September 15, 2020, at 3:00 pm.

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Minutes

10. ADJOURNMENT: It was motioned/seconded/carried unanimously-(Griffith/Kilburn-5/0/0/0):

“That the Board adjourns the meeting.”

The meeting was adjourned at 4:29 pm.

Prepared by,
Bernadette Allen, Administrative Assistant

Reviewed and submitted by,

Melvin L. Matthews

Melvin L. Matthews
General Manager/Acting Board Clerk

DRAFT

Kinneloa Irrigation District
Income Statement for the Eight Months Ending August 31, 2020

	Current Month Actual	Current Month Budget	Current Month Variance	Year to Date Actual	Year to Date Budget	Year to Date Variance
Revenues						
4000 Water Sales	166,825.32	150,000.00	16,825.32	1,060,099.93	1,011,000.00	49,099.93
4015 Wholesale Water Sales	0.00	0.00	0.00	35,406.96	0.00	35,406.96
4020 Service/Installation Charges	575.72	833.33	(257.61)	5,471.43	6,666.64	(1,195.21)
4035 Interest-Reserve Fund	1,484.15	2,500.00	(1,015.85)	17,154.60	20,000.00	(2,845.40)
4036 Unrealized Gain(Loss)-CalTRU	(51.33)	0.00	(51.33)	26,556.83	0.00	26,556.83
Total Revenues	168,833.86	153,333.33	15,500.53	1,144,689.75	1,037,666.64	107,023.11
Expenses						
5000 Leased Water Rights	0.00	0.00	0.00	63,135.00	63,135.00	0.00
5005 Electricity	13,375.05	10,000.00	3,375.05	81,858.08	78,000.00	3,858.08
5010 Maintenance/Repair Supplies	5,769.41	2,083.33	3,686.08	28,224.57	16,666.64	11,557.93
5011 Material and Labor for Install	0.00	833.33	(833.33)	0.00	6,666.64	(6,666.64)
5012 Safety Equipment	0.00	133.33	(133.33)	681.39	1,066.64	(385.25)
5015 Operations Labor	15,417.64	17,200.00	(1,782.36)	127,972.24	137,600.00	(9,627.76)
5016 Operations OT	1,989.06	1,125.00	864.06	10,533.42	9,000.00	1,533.42
5020 Stand-by Compensation	930.00	915.00	15.00	7,470.00	7,320.00	150.00
5022 Training/Certification	60.00	133.33	(73.33)	150.00	1,066.64	(916.64)
5025 Water Treatment/Analysis	2,551.51	1,833.33	718.18	21,254.93	14,666.64	6,588.29
5030 Maintenance/Repair Contractors	8,237.92	10,833.33	(2,595.41)	88,543.06	86,666.64	1,876.42
5034 Equipment Maintenance	0.00	1,250.00	(1,250.00)	13,465.69	10,000.00	3,465.69
5035 Vehicle Maintenance	10.44	1,250.00	(1,239.56)	5,649.46	10,000.00	(4,350.54)
5036 Fuel	1,169.84	1,250.00	(80.16)	10,304.03	10,000.00	304.03
5045 Insurance-Workers Comp.	0.00	0.00	0.00	5,279.19	10,000.00	(4,720.81)
5046 Insurance-Liability	1,175.18	1,333.33	(158.15)	10,238.71	10,666.64	(427.93)
5048 Insurance-Property	196.04	208.33	(12.29)	1,423.20	1,666.64	(243.44)
5049 Insurance-Medical	7,349.40	7,375.00	(25.60)	58,795.20	59,000.00	(204.80)
6000 Engineering Services	3,560.00	3,958.33	(398.33)	27,791.38	31,666.64	(3,875.26)
6005 Watermaster Services	870.08	1,000.00	(129.92)	7,022.22	8,000.00	(977.78)
6015 Administrative Salary	12,063.48	12,833.33	(769.85)	95,071.69	102,666.64	(7,594.95)
6017 Administrative Travel	0.00	250.00	(250.00)	403.29	2,000.00	(1,596.71)
6020 Board Compensation	600.00	700.00	(100.00)	4,500.00	5,600.00	(1,100.00)
6021 Administrative & Board Exp.	0.00	83.33	(83.33)	32.00	666.64	(634.64)
6022 Board of Directors Election	0.00	0.00	0.00	211.03	0.00	211.03
6024 Customer/Public Info. Prog.	0.00	166.67	(166.67)	1,813.58	1,333.36	480.22
6025 PERS - KID	5,290.56	3,000.00	2,290.56	25,565.03	24,000.00	1,565.03
6030 Social Security - KID	2,528.32	2,416.67	111.65	19,402.55	19,333.36	69.19
6031 Medicare - KID	591.33	566.67	24.66	4,537.83	4,533.36	4.47
6035 Office/Computer Supplies	644.46	583.33	61.13	4,196.48	4,666.64	(470.16)
6036 Postage/Delivery	337.15	416.67	(79.52)	2,676.30	3,333.36	(657.06)
6040 Professional Dues	1,175.61	1,000.00	175.61	9,404.70	8,000.00	1,404.70
6045 Legal Services	0.00	1,250.00	(1,250.00)	7,374.47	10,000.00	(2,625.53)
6050 Telephone	352.09	375.00	(22.91)	2,966.50	3,000.00	(33.50)
6051 Mobile Telephone	20.97	125.00	(104.03)	166.83	1,000.00	(833.17)
6052 Pagers	34.79	41.67	(6.88)	277.03	333.36	(56.33)

Kinneloa Irrigation District
Income Statement for the Eight Months Ending August 31, 2020

	Current Month Actual	Current Month Budget	Current Month Variance	Year to Date Actual	Year to Date Budget	Year to Date Variance
6053 Internet Service	69.99	83.33	(13.34)	559.92	666.64	(106.72)
6059 Computer Software Maintenance	368.33	1,000.00	(631.67)	5,453.73	8,000.00	(2,546.27)
6061 Office Equipment Maintenance	0.00	83.33	(83.33)	0.00	666.64	(666.64)
6065 Accounting Services	700.00	0.00	700.00	700.00	7,000.00	(6,300.00)
6070 Office & Accounting Labor	10,455.25	9,125.00	1,330.25	74,576.50	73,000.00	1,576.50
6075 Professional/Contract Services	2,278.25	2,333.33	(55.08)	16,705.26	18,666.64	(1,961.38)
6080 Administrative Fees	953.73	750.00	203.73	7,471.94	6,000.00	1,471.94
6081 Permits/Fees	1,736.42	1,250.00	486.42	5,887.65	10,000.00	(4,112.35)
6086 Taxes - Sales/Use	3,388.03	0.00	3,388.03	3,499.48	500.00	2,999.48
6088 Interest Expense	0.00	0.00	0.00	31,490.37	31,490.00	0.37
6120 Bank Service Charges	818.20	541.67	276.53	5,914.82	4,333.36	1,581.46
Total Expenses	107,068.53	101,689.97	5,378.56	900,650.75	923,644.76	(22,994.01)
Net Income	61,765.33	51,643.36	10,121.97	244,039.00	114,021.88	130,017.12
Other Expenditures						
1504 Water Mains	0.00	0.00	0.00	43,463.68	43,510.00	(46.32)
1511 Water Treatment Plant	0.00	0.00	0.00	9,626.06	6,000.00	3,626.06
1512 Water Meters	2,127.38	0.00	2,127.38	2,996.21	1,000.00	1,996.21
1514 Computer/Office Equipment	0.00	0.00	0.00	0.00	1,000.00	(1,000.00)
1515 Vehicles & Portable Equipment	33,053.92	0.00	33,053.92	33,053.92	90,000.00	(56,946.08)
1516 Water Company Facilities	0.00	0.00	0.00	33,800.00	30,000.00	3,800.00
1527 SCADA Equipment	0.00	0.00	0.00	11,959.56	10,000.00	1,959.56
2400 Installment Purchase Agreement	0.00	0.00	0.00	68,610.61	68,611.00	(0.39)
Total Other Expenditures	35,181.30	0.00	35,181.30	203,510.04	250,121.00	(46,610.96)
Total Increase or (Drawdown)	26,584.03	51,643.36	(25,059.33)	40,528.96	(136,099.12)	176,628.08

Kinneloa Irrigation District
Balance Sheet as of August 31, 2020

ASSETS

Current Assets

1010	Checking-Wells Fargo Bank	\$ 334,996.16
1012	Reserve Fund-LAIF	127,444.27
1014	Reserve Fund-CalTRUST	1,762,306.15
1016	Accrued Interest-LAIF	296.16
1100	Accts. Receivable-Water Sales	30,595.56
1113	Employee Loans	501.83
1190	Allowance for Bad Debts	(771.48)
1200	Inventory	20,000.00
1340	Accrued Water Sales	167,807.35
1350	Prepaid Insurance	1,708.69
1360	Prepaid Expenses	27,930.42

Total Current Assets

2,472,815.11

Property and Equipment

1501	Water Rights	52,060.41
1503	Land Sites	96,700.08
1504	Water Mains	3,627,981.45
1505	Water Tunnels	729,074.60
1506	K-3 Well	89,543.06
1507	Improvement District #1	602,778.12
1508	Mountain Property	6,620.00
1509	Wilcox Well/Wilcox Booster	94,030.98
1510	Interconnections	14,203.27
1511	Water Treatment Plant	201,251.88
1512	Water Meters	115,588.92
1513	Electrical/Electronic Equip.	256,918.72
1514	Computer/Office Equipment	75,922.12
1515	Vehicles & Portable Equipment	275,602.83
1516	Water Company Facilities	104,222.20
1517	KID Office	54,741.36
1518	Shaw Ranch	280,789.92
1519	Dove Creek Project	487,383.87
1520	Glen Reservoir/Booster	24,190.86
1521	Kinneloa Ridge Project	690,492.58
1522	Eucalyptus Booster Station	532,342.43
1526	Vosburg Booster	1,647,215.66
1527	SCADA Equipment	362,117.90
1528	Tanks and Reservoirs	119,491.90
1529	Holly Tanks	181,113.76
1530	Tools	6,273.13
1600	Accum. Depreciation	(5,253,645.76)

Total Property and Equipment

5,475,006.25

Other Assets

1901	PERS-Deferred Outflows	76,176.00
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Total Assets

\$ 8,023,997.36

Kinneloa Irrigation District
Balance Sheet as of August 31, 2020

LIABILITIES AND CAPITAL

Current Liabilities

2000	Accounts Payable	\$ 23,909.80	
2250	PERS Withholding-Employee	2,349.64	
2260	Med./Dental-Withhold-Employee	(252.84)	
2272	Job Deposits	2,700.00	
2275	Deposits-Water Customers	255.02	
2290	Accrued Vacation	21,462.60	
	Total Current Liabilities		50,424.22

Long-Term Liabilities

2400	Installment Purchase Agreement	1,664,465.52	
2801	PERS- Net Liability	292,921.36	
2901	PERS- Deferred Inflows	38,397.00	
	Total Long-Term Liabilities		1,995,783.88
	Total Liabilities		2,046,208.10

Capital

3040	Fund Balance	5,733,750.26	
	Net Income	244,039.00	
	Total Capital		5,977,789.26
	Total Liabilities & Capital		\$ 8,023,997.36

Kinneloa Irrigation District
Statement of Cash Flow
For the Eight Months Ended August 31, 2020

	Current Month	Year to Date
Cash Flows from Operating Activities		
Net Income	\$ 61,765.33	\$ 244,039.00
<i>Adjustments to reconcile net income to net cash provided by operating activities</i>		
1100 Accts. Receivable-Water Sales	6,912.90	13,284.12
1101 Accts. Receiv.-Service Charges	0.00	494.19
1113 Employee Loans	50.19	401.52
1340 Accrued Water Sales	(1,283.18)	(39,528.05)
1350 Prepaid Insurance	1,490.83	9,428.95
1360 Prepaid Expenses	4,469.36	1,862.96
2000 Accounts Payable	(1,008.91)	(8,282.44)
2250 PERS Withholding-Employee	2,349.64	2,349.64
2260 Med./Dental-Withhold-Employee	(252.84)	(252.84)
2272 Job Deposits	0.00	1,800.00
	12,727.99	(18,441.95)
Net Cash Provided by Operations	74,493.32	225,597.05
 Cash Flows from Investing Activities		
<i>Used for</i>		
1504 Water Mains	0.00	(43,463.68)
1511 Water Treatment Plant	0.00	(9,683.82)
1512 Water Meters	(2,127.38)	(2,996.21)
1515 Vehicles & Portable Equipment	(33,053.92)	(33,053.92)
1516 Water Company Facilities	0.00	(33,800.00)
1527 SCADA Equipment	0.00	(11,959.56)
	(35,181.30)	(134,957.19)
Net Cash Used in Investing	(35,181.30)	(134,957.19)
 Cash Flows from Financing Activities		
<i>Proceeds from</i>		
<i>Used for</i>		
2400 Installment Purchase Agreement	0.00	(68,610.61)
2801 PERS- Net Liability	(1,732.49)	(12,082.60)
	(1,732.49)	(80,693.21)
Net Cash Used in Financing	(1,732.49)	(80,693.21)
Net Increase (Decrease) in Cash	\$ 37,579.53	\$ 9,946.65
 Summary		
Cash Balance at End of Period	\$ 2,225,042.74	\$ 2,225,042.74
Cash Balance at Beg. of Period	(2,187,463.21)	(2,215,038.33)
Net Increase (Decrease) in Cash	\$ 37,579.53	\$ 10,004.41

Kinneloa Irrigation District
Check Register
For the Period from August 1, 2020 to August 31, 2020

Date	Check #	Payee	Amount	Description
8/4/20	EFT4405	Spectrum	375.71	Phone & Internet
8/4/20	9529	ACWA/JPIA	8,278.40	Kid & Employee Health Benefits
8/4/20	9530	Bernadette Allen	17.28	Mileage Reimbursement
8/4/20	9531	AmeriPride Services	81.97	Shop - Rag Services
8/4/20	9532	BrightView Landscape Services	1,490.00	Landscape Services
8/4/20	9533	Joel Bundy	29.96	Mileage Reimbursement
8/4/20	9534	Underground Service Alert	26.50	Digalert
8/4/20	9535	Hill Brothers Chemical Co.	511.37	Sodium Hypochlorite
8/4/20	9536	Ultimate Cleaning Solutions, Inc.	75.00	Janitorial Services
8/11/20	EFT4406	CA Public Employees Ret. Sys.	5,934.74	Employer & Employee retirement Contribution
8/11/20	EFT4407	Century Business Solutions	358.96	Credit Card Services Fees
8/11/20	EFT4408	Southern California Edison Co.	11,727.27	Electricity July 13 Sites
8/11/20	EFT4409	Umpqua Bank	4,113.13	Credit Card - See Attached Detail
8/11/20	EFT4410	VOID		voided - EFT4409 Descriptions Overwrote Check
8/11/20	EFT4411	VeriCheck, Inc.	117.91	eCheck Processing Fee
8/11/20	9537	Paul Beach	121.00	Flume Rebate
8/11/20	9538	Christopher A. Burt	60.00	Certification Reimbursement
8/11/20	9539	Byrd Industrial Electronics	240.00	SCADA System Service
8/11/20	9540	CED	55.13	Part for Sage Fan Switch Repair
8/11/20	9541	Eugene Thomas	121.00	Flume Rebate
8/11/20	9542	Eurofins Eaton Analytical, Inc.	118.80	Water Sample Analysis
8/11/20	9543	Melvin L. Matthews	52.33	Mileage Reimbursement
8/11/20	9544	McMaster Carr	208.47	Maintenance Supplies
8/11/20	9545	William Opel	121.00	Flume Rebate
8/11/20	9546	Perry Thomas Construction Co.	970.90	Clarmeya Leak Repair
8/11/20	9547	Utility Service Co., Inc.	5,001.90	Tank Maintenance Agreement
8/11/20	9548	Western Water Works	2,401.11	Maintenance Supplies
8/11/20	9549	Vilia Zmuidzunas	960.20	Spray-to-Drip Rebate
8/15/20	EFT4412	Bernadette C. Allen	3,671.64	Salary
8/15/20	EFT4413	Joel D. Bundy	1,507.35	Salary
8/15/20	EFT4414	Christopher A. Burt	2,761.20	Salary
8/15/20	EFT4415	Timothy J. Eldridge	138.53	Salary
8/15/20	EFT4416	Brian L. Fry	2,000.62	Salary
8/15/20	EFT4417	Melvin L. Matthews	3,963.00	Salary
8/15/20	EFT4418	Juan R. Tello	1,490.42	Salary
8/15/20	EFT4419	Christopher A. Burt	150.00	Salary
8/15/20	EFT4420	Automatic Data Processing, Inc.	6,771.23	Fed. Withholding Tax Payable
8/26/20	EFT4421	Automatic Data Processing, Inc.	99.40	Payroll Processing Fee
8/26/20	EFT4422	American Messaging Services	34.79	Pager Service
8/26/20	EFT4423	Arco Gaspro Plus	1,169.84	Fuel for Trucks

Kinneloa Irrigation District
Check Register
For the Period from August 1, 2020 to August 31, 2020

Date	Check #	Payee	Amount	Description
8/26/20	EFT4424	AT&T Mobility	125.82	First Net Mobile Phone Service
8/26/20	EFT4425	Athens Services	215.69	Trash Pickup
8/26/20	EFT4426	CA Public Employees Ret. Sys.	700.00	Fees for GASB-68 Reports & Schedules
8/26/20	EFT4427	Century Business Solutions	15.00	Credit Card Fees
8/26/20	EFT4428	Pasadena Municipal Services	1,700.99	Wilcox Well Power (6/25/20 - 7/25/20)
8/26/20	EFT4429	Spectrum	375.71	Phone & Internet Serrvice
8/26/20	9550	AmeriPride Services	81.97	Shop & Rag Service
8/26/20	9551	South Coast AQMD	1,672.25	Generator & Emmissions Permits
8/26/20	9552	Civiltec Engineering, Inc.	3,560.00	Brown/Glen Replacement Pipeline
8/26/20	9553	Clinical Lab of SB	84.00	Water Sample Analysis
8/26/20	9554	LA County Auditor-Controller	619.52	LAFCO Fees
8/26/20	9555	McMaster Carr	924.89	Maintenance Supplies
8/26/20	9556	Perry Thomas Construction Co.	2,025.12	Pasadena Glen & Mesaloe Paving
8/26/20	9557	Raymond Basin Mgmt. Board	2,133.28	Title 22 Monitoring
8/26/20	9558	Western Water Works	528.87	Repair Parts
8/26/20	9559	National Auto Fleet Group	36,450.70	2020 Ford F-150
8/31/20	EFT4430	Bernadette C. Allen	720.13	Salary
8/31/20	EFT4431	Joel D. Bundy	1,615.46	Salary
8/31/20	EFT4432	Christopher A. Burt	2,856.62	Salary
8/31/20	EFT4433	Timothy J. Eldridge	138.52	Salary
8/31/20	EFT4434	Brian L. Fry	2,027.94	Salary
8/31/20	EFT4435	Francis J. Griffith	138.53	Salary
8/31/20	EFT4436	Gerrie G. Kilburn	138.52	Salary
8/31/20	EFT4437	Melvin L. Matthews	4,025.93	Salary
8/31/20	EFT4438	Juan R. Tello	1,552.21	Salary
8/31/20	EFT4439	Christopher A. Burt	150.00	Salary
8/31/20	EFT4440	Automatic Data Processing, Inc.	5,576.39	Fed. Withholding Tax Payable
8/31/20	EFT4441	Automatic Data Processing, Inc.	94.44	Payroll Processing Fee
Total			<u>137,576.56</u>	

Credit Card Detail Umpqua Bank
July 2020
(Expenses incurred/billed in July and due/paid in August)

Acct. No.	Account Description	Additional Description	MLM	CAB	BLF	JDB	BCA	JRT	TOTAL
1511	Water Treatment Plant								\$0.00
1514	Computer/Office Equip.								\$0.00
5010	Maintenance Supplies	control valves, Asco valve; paper towels, hand cleaner, 5 piece nutsetter set		\$581.77	\$73.56				\$655.33
5012	Safety Equipment	reusable face masks				\$148.29			\$148.29
5022	Training/Certification								\$0.00
5025	Water Treatment/Analysis								\$0.00
5035	Vehicle Maintenance	towing service for '99 Ford, antifreeze, motor oil, coolant, engine treatment, caps, plugs; '99 Ford front and rear brake pads/rotors		\$246.96				\$1,934.14	\$2,181.10
5036	Fuel								\$0.00
6017	Adm. Travel								\$0.00
6021	Adm. & Bd. Exp.								\$0.00
6024	Customer/Public Info	Streamline monthly website fee					\$200.00		\$200.00
6035	Office/Computer Supplies	toner cartridges; snacks, copy paper, #9 envelopes, soap, hand sanitizer, sanitizing wipes, file folders	\$83.75			\$382.86			\$466.61
6036	Postage/Delivery	postage stamps					\$386.80		\$386.80
6040	Professional Dues								\$0.00
6050	Telephone	answering service	\$75.00						\$75.00
6051	Mobile Phone								\$0.00
6053	Internet Service								\$0.00
6059	Computer/Software Maint.								\$0.00
6061	Office Equipment Maint.								\$0.00
6075	Outside Services								\$0.00
6081	Permits/Fees								\$0.00
TOTAL			\$158.75	\$828.73	\$73.56	\$531.15	\$586.80	\$1,934.14	\$4,113.13

General Manager's Report for the Board of Directors Meeting on September 15, 2020

I. Customer Account Information and Internet Usage

A. Delinquent Accounts –

19 accounts received past-due notice
 19 accounts received late charges in the total amount of \$325.72
 7 accounts received door hanger shut off notice
 0 account was shut off for non-payment
 0 account remain shut off for non-payment

B. Aged Receivables –

Month	Current	30 days	60 days	90 days or greater	Total
September 2019	\$46,553.77	\$2,574.86	\$0.00	\$0.00	\$49,128.63
October 2019	\$60,921.43	\$4,985.08	\$264.23	\$0.00	\$66,170.74
November 2019	\$54,389.42	\$5,897.73	\$492.72	\$0.00	\$60,779.87
December 2019	\$39,429.62	\$4,242.43	\$207.63	\$0.00	\$43,879.68
January 2020	\$57,804.78	\$2,029.61	\$0.00	\$0.00	\$59,834.39
February 2020	\$43,425.93	\$2,189.30	\$0.00	\$0.00	\$45,615.23
March 2020	\$17,853.64	\$2,148.94	\$261.86	\$0.00	\$20,264.44
April 2020	\$20,241.55	\$3,075.96	\$320.44	\$24.85	\$23,662.80
May 2020	\$21,330.64	\$2,628.19	\$261.22	\$159.13	\$24,379.18
June 2020	\$26,619.22	\$1,657.73	\$0.00	\$0.00	\$28,276.95
July 2020	\$35,672.74	\$1,791.06	\$44.66	\$0.00	\$37,508.46
August 2020	\$27,970.57	\$2,624.99	\$0.00	\$0.00	\$30,595.56

C. Website Usage and Online Payments –

Month	Users	Page Views	Online Payments	Online Amount
September 2019	249	661	69	\$17,427.71
October 2019	202	548	78	\$21,966.42
November 2019	*	*	82	\$23,583.46
December 2019	*	*	77	\$18,103.56
January 2020	222	633	86	\$16,487.54
February 2020	302	792	79	\$15,576.49
March 2020	261	676	71	\$13,884.21
April 2020	268	729	87	\$16,741.06
May 2020	296	798	92	\$15,222.42
June 2020	459	994	92	\$19,899.20
July 2020	354	1166	98	\$27,411.85
August 2020	276	708	100	\$30,398.55

* No data due to transition to new website

II. General Manager's Projects and Activities

- A. **2021 Budget** – Second draft completed.
- B. **Pipeline Projects** – Reviewed plans for the two major pipeline projects that are in the design phase.
- C. **Office Manager Recruitment** – Job offer accepted.
- D. **Website Update** – Document archive completed.
- E. **Advanced Meter Infrastructure** – Test underway with second vendor.
- F. **Activities/Meetings/Webinars/Conferences***

1. FMWD Board Meeting
2. Office Manager Recruitment
3. KID Board Meeting
4. PWAG Meeting
5. FMWD Managers Meeting
6. KID Staff Meetings
7. RBMB Meeting
8. Customer Meeting at Building Site
9. Streamline Webinar (for our website)
10. CUEA Conference Call on Rolling Blackouts
11. Zoom Webinar – 5 Steps to Adapt to Company Culture for Remote Work
12. Special Districts Virtual Summit 2020
13. CSDA Network Meeting
14. Meeting with Subeca Representative – Advanced Meter Infrastructure Pilot Program
15. Office Manager Training

* Organization Acronyms:

ACWA – Association of California Water Agencies

ACWA JPIA – Association of California Water Agencies Joint Powers Insurance Authority

AWWA – American Water Works Association

CalTRUST – Investment Trust of California Joint Powers Authority

CSDA – California Special Districts Association

CUEA – California Utilities Emergency Association

FMWD – Foothill Municipal Water District

KID – Kinneloa Irrigation District

PWAG – Public Water Agencies Group

RBMB – Raymond Basin Management Board

RCAC – Rural Community Assistance Corporation

III. Incident Reports and Facility Activities for August

A. Incident Reports –

Customer Leaks	System Leaks	Water Waste	Water Quality	Customer Service*	Comments
0	1	0	0	1	System leak was on Windover service line

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

B. Current and Completed Capital Improvement, Facilities Improvement, Maintenance and Repair Projects and Activities –

1. Routine daily and monthly activities
 - a. Operator training
 - b. Meter and transmitter maintenance and replacement
 - c. Water samples
 - d. Vehicle and equipment maintenance and testing
 - e. Facility cleanup
 - f. Production meter readings and report to RBMB
 - g. Chlorine generator maintenance
 - h. Meter reading
 - i. Customer service calls
 - j. Responding to Underground Service Alerts (USA's) to mark our pipelines
2. Facility and Equipment Repair and Maintenance for August
 - a. Far Mesa/Glen water softener installation
 - b. Sage SCADA power supply replacement
 - c. Holly East pressure transducer replacement
 - d. K-3 VFD failure and replacement
 - e. Glen Reservoir area drain cleanout
 - f. Replace West Tank mixer hour meter
 - g. Office bathroom light and exhaust fan repair
3. Capital Improvement and Maintenance Projects for 2020 (Completed or in progress)
 - a. Water softener installation at Glen for Far Mesa Cl₂ system
 - b. Two replacement pickup trucks
 - c. Replace chlorination equipment at Eucalyptus Reservoir for Eucalyptus Tunnel water
 - d. Solar power supplies for West Tank and Transfer Valve
 - e. Office driveway remove and replace

C. Future Capital Improvement Projects, Facilities Improvement, Maintenance and Repair Projects –

1. Sierra Madre Villa and Villa Heights Pipeline Improvement Project (Design phase in progress)
2. Brown/Glen Pipeline Improvement Project (Design phase in progress)
3. House Tunnel Pipeline repair
4. High/Low Tunnel Pipeline inspection
5. Valve Maintenance
6. Vosburg security light modification
7. Glen area light repair
8. Radio mast at Holly
9. Wilcox Reservoir Warrick head and probe

IV. Water Supply Summary as of July for the Watermaster Year July 2020 through June 2021

Raymond Basin Groundwater (Acre Feet)		Kinneloa Irrigation District Water Tunnels (Acre Feet)	
Water Rights	516	Eucalyptus	5
Prior Year Carryover	52	Far Mesa	3
Less Temporary 30% Reduction in Water Rights	-155	Delores	2
Leases/Exchanges	0	House	0
Prior Year Spreading	93	Holly High/Low	5
Short Term Storage	134		
Current Year Spreading	0		
Total Allowable Extractions	640		
Less Water Extracted YTD This Watermaster Year	-65	Current Tunnel Monthly Production	15
Remaining Allowable Groundwater Extractions through June 2021	575	Remaining Estimated Tunnel Production through June 2021	165
Total Available Water Supply (Remaining Allowable Groundwater + Remaining Estimated Tunnel Production through June 2021)		740 Acre Feet	
Less Remaining Forecasted Retail Water Sales through June 2021		-447 Acre Feet	

Surplus Water through June 2021*

293 Acre Feet

* This is the forecasted surplus water available for sale in the current year and/or carryover to the next Watermaster year which starts on July 1 subject to the carryover limits established by the Raymond Basin Management Board. Regarding the available surplus water, we will generally maximize the carryover to the next year and deliver the balance of the forecasted surplus water (if any) to the City of Pasadena. In the 2019-2020 year, 119 Acre-Feet were sold to the City, 52 Acre-Feet were carried over to 2020-2021 and 134 Acre-Feet were put into our short-term storage account. Although we may lease additional pumping rights from another agency with surplus pumping rights, this is not considered a guaranteed source of supply since it is subject to negotiation. In addition to the available water, the KID has 774 Acre Feet in a long-term storage account. Additions to long-term storage are no longer permitted but withdrawals can be made at any time to supplement allowable extractions. However, since long-term storage is considered by KID staff to be an emergency supply, we do not plan to use or sell this water now.

V. Water Samples and Test Results – See Attachment A

Attachment A

Water Samples and Test Results

Sample Date	Source or Distribution	Lab	Description	# of tests	Results**	Maximum Contaminant Level* (MCL)
01/07/20	Both	Eurofins	coliform, e. coli	80	ND or A	1 positive sample
01/08/20	Distribution	Clinical	color, odor, turbidity*	18	<MCL	15 units, 3 units, 5 units
01/08/20	Distribution	Clinical	fluoride	6	1.2 - 1.7 ppm	3 ppm
01/15/20	Source	Weck	Title 22 VOC	66	ND or A	1 positive sample
01/15/20	Source	Weck	Title 22 fluoride	6	1.1 - 2.7	3 ppm
01/15/20	Source	Weck	Title 22 nitrate	3	1.6 - 4.2	10 ppm
01/21/20	Both	Eurofins	coliform, e. coli	64	ND or A	1 positive sample
02/04/20	Distribution	Clinical	color, odor, turbidity*	18	<MCL	15 units, 3 units, 5 units
02/04/20	Both	Eurofins	coliform, e. coli	72	ND or A	1 positive sample
02/12/20	Both	Eurofins	coliform, e. coli	16	ND or A	1 positive sample
02/13/20	Both	Eurofins	coliform, e. coli	16	ND or A	1 positive sample
02/19/20	Both	Eurofins	coliform, e. coli	72	ND or A	1 positive sample
03/03/20	Both	Eurofins	coliform, e. coli	80	ND or A	1 positive sample
03/04/20	Distribution	Clinical	color, odor, turbidity*	18	<MCL	15 units, 3 units, 5 units
03/04/20	Both	Eurofins	coliform, e. coli	16	ND or A	1 positive sample
03/11/20	Both	Eurofins	coliform, e. coli	16	ND or A	1 positive sample
03/12/20	Both	Eurofins	coliform, e. coli	16	ND or A	1 positive sample
03/17/20	Both	Eurofins	coliform, e. coli	72	ND or A	1 positive sample
04/01/20	Both	Eurofins	coliform, e. coli	80	ND or A	1 positive sample
04/01/20	Distribution	Clinical	color, odor, turbidity*	18	<MCL	15 units, 3 units, 5 units
04/01/20	Distribution	Clinical	fluoride	6	1.2 - 1.7 ppm	3 ppm
04/02/20	Source	Weck	Title 22 VOC	330	ND or A	1 positive sample
04/02/20	Source	Weck	Title 22 fluoride	6	1.2-2.7	3 ppm
04/02/20	Source	Weck	Title 22 nitrate	5	0.76-4.5	10 ppm
04/14/20	Both	Eurofins	coliform, e. coli	64	ND or A	1 positive sample
05/05/20	Distribution	Clinical	color, odor, turbidity*	18	<MCL	15 units, 3 units, 5 units
05/05/20	Both	Eurofins	coliform, e. coli	80	ND or A	1 positive sample
05/19/20	Both	Eurofins	coliform, e. coli	64	ND or A	1 positive sample
06/02/20	Distribution	Clinical	color, odor, turbidity*	18	<MCL	15 units, 3 units, 5 units
06/02/20	Both	Eurofins	coliform, e. coli	80	ND or A	1 positive sample
06/16/20	Both	Eurofins	coliform, e. coli	64	ND or A	1 positive sample
07/07/20	Distribution	Clinical	color, odor, turbidity*	18	<MCL	15 units, 3 units, 5 units
07/07/20	Both	Eurofins	coliform, e. coli	80	ND or A	1 positive sample
07/14/20	Source	Weck	fluoride	6	1.0-2.5	3 ppm
07/14/20	Source	Weck	Nitrate	2	3.9-4.2	10 ppm
07/14/20	Source	Weck	Perchlorate	6	ND	6 ppb
07/21/20	Both	Eurofins	coliform, e. coli	64	ND or A	1 positive sample
07/22/20	Distribution	Clinical	fluoride	6	1.2 - 1.5 ppm	3 ppm
08/04/20	Distribution	Clinical	color, odor, turbidity*	18	<MCL	15 units, 3 units, 5 units
08/04/20	Both	Eurofins	coliform, e. coli	72	ND or A	1 positive sample
08/10/20	Distribution	Weck	DBPR TTHM/HAA5	22	<1-26 ppb	80 ppb, 60 ppb
08/18/20	Both	Eurofins	coliform, e. coli	64	ND or A	1 positive sample

Attachment A

Water Samples and Test Results

Sample Date	Source or Distribution	Lab	Description	# of tests	Results**	Maximum Contaminant Level* (MCL)
08/20/20	Both	Eurofins	coliform, e. coli	8	ND or A	1 positive sample

Total samples: 1854

* Color, odor, and turbidity are regulated by a secondary standard to maintain aesthetic qualities.

** ppm = parts-per-million, ppb = parts-per-billion, pCi/L = picocuries per liter, <MCL = less than Maximum Contaminant Level, ND = not detected, A = Absence

The State of California Water Resources Control Board, Division of Drinking Water, provides access to water quality monitoring notification documents, including monitoring schedules and test results. The link for Kinneloa Irrigation District Water System Details is

https://sdwis.waterboards.ca.gov/PDWW/JSP/WaterSystemDetail.jsp?tinwsys_is_number=2514&tinwsys_st_code=CA



Memo

Date: September 9, 2020
To: Board of Directors
From: Mel Matthews, General Manager
Subject: Proposed 2021 Budget

Attached for your review are five documents to aid in our discussion of the proposed 2021 budget:

- **10-year Actual and Forecasted Income and Expenses**
- **2021 Budget Worksheet**
- **Proposed 2021 Budget**
- **Water Sales January 2013 through July 2020**
- **Water Rate Survey**

The **10-year Actual and Forecasted Income and Expense** document shows the actual income and expenses for the past five years and the forecasted income and expenses for the next five years including the proposed budget for 2021.

The **2021 Budget Worksheet** provides a comparison of the 2020 budget, the 2020 yearend forecast and the proposed 2021 budget with explanatory notes.

The **Proposed 2021 Budget** provides a summary of the budget, a breakdown of the revenues, expenses, recommended capital expenditures and the reserve balance. This becomes the official budget of the District when approved and when the proposed water rates or modified rates are approved after the public hearing.

The **Water Sales January 2013 through July 2020** provides a monthly snapshot of water usage and shows the variability of water sales within each month primarily due to weather. However, the trend for annual water sales is generally downward with a 23% decline from 2013 through 2019 which indicates that our customers are getting the water use efficiency message and taking action to reduce water usage. Increased water rates may have also helped to reduce usage. The budgeted usage for 2021 of 212,477 units is lower than the actual usage for any of the years between 2013 and 2019.

The **Water Rate Survey** provides a comparison of the proposed rates for the KID to the seven other Foothill Municipal Water District agencies plus the Cities of Sierra Madre and Pasadena. Since this comparison does not present the most recent or the proposed rates for several agencies, be aware that the current rates for some agencies are higher than shown in this table. Furthermore, some of the rates do not include fees for capital improvements, fire protection and reserve funds.

The example of monthly charges shown at the bottom of the table is based on a 1" meter which is the most common size used in the Kinneloa Irrigation District. Monthly charges increase substantially for larger meters for agencies that base service charges on meter size. Also, water agencies that read meters bi-monthly and bill bi-monthly may base the charges on two months of usage which usually moves the customer into higher tier rates. For example, a customer that uses 10 units per month and 20 units for two months may be billed for the first 10 units at lowest tier rate and 10 units at the next higher tier rate. Since cities usually add other taxes and fees to the bill such as capital improvement fees and utility users' tax, comparison of rates is difficult. Crescenta Valley's typical monthly charges have been adjusted to reflect the difference in billing units (1000 gallons vs. ccf) so that the typical charges are uniform for all agencies.

Revenue

The projected 2021 revenue is based on the current rates which were effective on January 1, 2020, the forecasted water sales for 2020 and a proposed 3% rate increase effective on January 1, 2021. This recommended increase is necessary primarily due to the increase in general operating and administrative expenses and general inflationary increases in some expenses including construction costs and to maintain an adequate reserve level. If conservation by our customers and/or weather conditions reduces water sales in 2021, we would have water available for sale to Pasadena. Therefore, an amount for wholesale water sales is in the budget for 2021. If customer demand increases over my projection, the revenue generated by our customers will make up for any revenue shortfall in wholesale water sales.

Expenses

The proposed 2021 expenses are mostly the same as those approved for the 2020 budget. The difference (if any) and an explanation is provided on expenses that are changed from the 2020 budget. The increase in salary for operations labor includes the additional facilities operator position. The increase in other salary categories is for the anticipated cost of living and merit increases. The proposed expenses will be refined for the September meeting when we have one more month of actual expenses.

The recommended capital improvement and maintenance expenditures for 2021 include \$500,000 for the construction of pipeline projects. However, the engineering of the two major projects is still in progress and bidding to determine actual costs is anticipated to be in the 1st quarter of 2021. So, consider this expense to be placeholder. As in past years, some projects can be deferred if necessary to maintain the desired net cash flow and all projects will be evaluated and prioritized as the year progresses. Additional projects may be presented during the year for approval if the actual cash flow exceeds the budgeted amount.

The current recommendation is to continue to use reserves for capital improvement and maintenance projects. However, to maintain our reserve funds at current levels and accomplish the capital and preventative maintenance projects, it will be necessary to increase rates about 3% a year to maintain our reserve fund and cover our existing debt service payments. I used a 2.5% annual increase in most expense categories in the **10-year Actual and Forecasted Income and Expense** document. This is consistent with the average annual inflation rate as measured by the Consumer Price Index over the past few years.

10-Year Actual and Forecasted Income and Expenses

Account	Account Description	2025 Forecast	2024 Forecast	2023 Forecast	2022 Forecast	2021 Budget	2020 Forecast	2019 Actual	2018 Actual	2017 Actual	2016 Actual	10-Year Total	5-Year Average
4000	Water Sales	1,688,263	1,639,091	1,591,350	1,545,000	1,500,000	1,549,100	1,432,859	1,579,233	1,521,355	1,426,516	15,472,767	1,509,035
4015	Wholesale Water Sales	112,551	109,273	106,090	103,000	100,000	125,407	112,003	92,049	88,347	68,126	1,016,845	82,841
4020	Service/Installation Charges	11,255	10,927	10,609	10,300	10,000	8,805	10,738	19,449	26,959	22,542	141,585	22,983
4025	Asset Sale	0	0	0	0	0	0	0	0	0	10,675	10,675	3,558
4035	Interest-Reserve Fund	33,765	32,782	31,827	30,900	30,000	27,155	38,002	13,250	13,010	12,108	262,799	12,789
4036	Unrealized Gain(Loss)-CalTRUST	25,000	25,000	25,000	25,000	25,000	26,557						
4050	Capacity Charge	0	0	0	0	0	0	0	0	0	0	0	0
4070	Misc. Income	0	0	0	0	0	0	5,969	10,845	3,943	1,222	21,979	5,337
	Total Income	1,870,834	1,817,072	1,764,876	1,714,200	1,665,000	1,737,023	1,599,571	1,714,826	1,653,613	1,541,189	17,078,206	1,636,543
5000	Leased Water Rights	0	0	0	0	63,135	63,135	63,135	63,135	0	63,135	315,675	42,090
5005	Electricity	120,000	120,000	120,000	120,000	125,000	128,858	120,273	127,199	122,814	110,282	1,214,426	120,098
5010	Maintenance Supplies	33,114	32,307	31,519	30,750	30,000	36,558	34,259	35,425	28,159	24,710	316,802	29,432
5011	Material and Labor for Install	11,038	10,769	10,506	10,250	10,000	3,333	3,333	1,481	10,703	8,281	79,695	6,822
5012	Safety Equipment	1,766	1,723	1,681	1,640	1,600	1,215	2,028	362	452	1,753	14,220	856
5015	Operations & Maintenance Labor	320,658	312,837	305,207	297,763	290,500	196,772	193,201	168,869	133,728	142,253	2,361,786	148,283
5016	Operations & Maintenance OT	17,109	16,692	16,285	15,888	15,500	15,033	12,957	8,123	22,983	34,413	174,982	21,840
5020	Stand-by Compensation	10,950	10,950	10,950	10,950	10,980	11,190	10,580	7,350	7,410	7,170	98,480	7,310
5022	Training/Certification	1,766	1,723	1,681	1,640	1,600	683	1,448	850	725	470	12,587	682
5025	Water Treatment/Analysis	24,284	23,692	23,114	22,550	22,000	28,588	23,664	22,540	15,108	17,146	222,686	18,265
5030	Maintenance Contractors	154,534	150,765	147,088	143,500	140,000	131,876	151,179	114,816	129,294	102,259	1,365,311	115,456
5034	Equipment Maintenance	22,076	21,538	21,013	20,500	20,000	18,466	15,452	9,002	10,140	7,101	165,287	8,748
5035	Vehicle Maintenance	16,557	16,153	15,759	15,375	15,000	10,649	9,783	8,219	5,040	6,644	119,180	6,634
5036	Fuel - All Equipment	22,076	21,538	21,013	20,500	20,000	15,304	14,814	11,712	7,849	7,862	162,667	9,141
5040	Equipment Rental	500	500	500	500	500	0	500	0	0	0	3,000	0
5045	Insurance-Workers Comp.	22,076	21,538	21,013	20,500	20,000	15,279	19,694	14,300	9,434	10,710	174,544	11,481
5046	Insurance-Liability	17,661	17,230	16,810	16,400	16,000	15,418	14,534	14,285	14,264	14,151	156,753	14,233
5048	Insurance-Property	2,760	2,692	2,627	2,563	2,500	2,110	1,464	1,767	1,925	2,081	22,488	1,924
5049	Insurance-Medical	113,969	111,189	108,477	105,831	103,250	88,193	84,077	77,370	68,322	74,938	935,616	73,543
6000	Engineering Services	52,431	51,152	49,905	48,688	47,500	43,625	31,137	4,770	10,955	24,456	364,619	13,394
6005	Watermaster Services	12,000	12,000	12,000	12,000	12,000	11,022	10,567	10,740	11,039	11,149	114,517	10,976
6015	Administrative Salary	175,065	170,795	166,629	162,565	158,600	143,324	137,868	134,291	130,064	130,064	1,509,266	131,473
6017	Administrative Travel	3,311	3,231	3,152	3,075	3,000	1,403	1,677	1,399	2,933	1,848	25,029	2,060
6020	BofD Compensation	5,600	5,600	5,600	5,600	8,400	7,300	5,167	5,000	5,200	4,000	57,467	4,733
6021	Administrative & Board Exp.	1,104	1,077	1,051	1,025	1,000	365	333	0	953	242	7,150	398
6022	B of D Election	12,500	12,500	0	12,500	12,500	211	12,500	81	0	115	62,908	66
6024	Customer/Public Information	2,208	2,154	2,101	2,050	2,000	2,480	700	1,688	1,533	1,775	18,689	1,665
6025	PERS - KID	46,360	45,229	44,126	43,050	42,000	37,565	32,597	32,381	225,918	25,206	574,434	94,502
6030	Social Security - KID	37,530	36,614	35,721	34,850	34,000	29,069	27,639	24,807	21,569	24,520	306,320	23,632
6031	Medicare - KID	8,831	8,615	8,405	8,200	8,000	6,805	6,270	5,837	5,058	5,902	71,923	5,599
6035	Office/Computer Supplies	7,727	7,538	7,354	7,175	7,000	6,530	7,131	6,406	7,296	4,537	68,694	6,080
6036	Postage/Delivery	5,519	5,384	5,253	5,125	5,000	4,343	4,591	2,883	3,803	3,706	45,609	3,464
6040	Professional Dues	16,557	16,153	15,759	15,375	15,000	14,107	13,367	10,644	10,608	11,045	138,616	10,766
6045	Legal	16,557	16,153	15,759	15,375	15,000	12,374	12,169	8,425	2,205	11,573	125,591	7,401
6050	Telephone	4,967	4,846	4,728	4,613	4,500	4,467	4,395	4,276	3,995	4,132	44,918	4,134
6051	Mobile Telephone	552	538	525	513	500	250	1,183	920	804	456	6,241	727
6052	Pagers	552	538	525	513	500	415	479	340	431	336	4,631	369
6053	Internet Service	1,104	1,077	1,051	1,025	1,000	840	744	1,205	1,006	720	9,771	977
6059	Computer/Software Maintenance	13,246	12,923	12,608	12,300	12,000	9,454	9,105	14,832	5,544	6,933	108,945	9,103
6061	Office Equipment Maintenance	1,104	1,077	1,051	1,025	1,000	333	695	0	129	256	6,669	128
6065	Accounting Services	7,727	7,538	7,354	7,175	7,000	7,700	7,100	6,750	6,750	8,550	73,644	7,350
6070	Office & Accounting Labor	138,804	135,419	132,116	128,894	125,750	111,077	89,643	93,934	61,425	85,794	1,102,856	80,384
6075	Professional/Contract Services	30,907	30,153	29,418	28,700	28,000	26,039	31,509	28,996	27,980	23,349	285,050	26,775
6080	Capital and Administrative Fee	13,731	13,397	13,070	12,751	12,440	11,287	9,280	8,470	8,109	8,368	110,902	8,316

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10-Year Actual and Forecasted Income and Expenses

Account	Account Description	2025 Forecast	2024 Forecast	2023 Forecast	2022 Forecast	2021 Budget	2020 Forecast	2019 Actual	2018 Actual	2017 Actual	2016 Actual	10-Year Total	5-Year Average
6081	Permits/Fees	16,557	16,153	15,759	15,375	15,000	10,888	11,490	7,308	7,333	14,318	130,181	9,653
6086	Taxes - Use	552	538	525	513	500	3,499	39	84	276	352	6,879	237
6088	Interest Expense	40,306	40,306	45,955	52,006	56,664	61,735	66,628	71,290	75,916	80,233	591,038	75,813
6120	Bank Service Charges	9,934	9,692	9,456	9,225	9,000	8,357	6,852	6,546	6,646	6,136	81,845	6,443
	Total Expenses	1,596,236	1,562,227	1,522,197	1,508,377	1,552,419	1,359,526	1,319,231	1,181,111	1,233,830	1,135,430	13,970,584	1,183,457
	NET REVENUES	274,598	254,845	242,679	205,823	112,581	377,497	280,340	533,715	419,783	405,759	3,107,623	453,086
													0
	Capital and Planned Maintenance Expenditures												0
1504	Water Mains	20,000	20,000	100,000	20,000	500,000	443,464	0	0	1,099,600	0	2,203,063	366,533
1505	Water Tunnels	0	0	0	0	10,000	0	0	0	23,089	0	33,089	7,696
1506	K-3 Well	50,000	50,000	0	0	0	0	0	0	6,695	0	106,695	2,232
1511	Water Treatment Plant	1,000	1,000	1,000	1,000	6,000	9,626	5,751	1,990	0	0	27,367	663
1512	Water Meters	5,000	5,000	5,000	5,000	20,000	2,996	9,000	16,158	5,509	1,461	75,124	7,709
1513	Electrical/Electronic Equipment	5,000	5,000	5,000	5,000	5,000	0	5,000	0	0	0	30,000	0
1514	Computer/Office Equipment	5,000	5,000	5,000	5,000	5,000	0	4,716	8,035	3,629	1,652	43,032	4,439
1515	Vehicles & Portable Equipment	40,000	40,000	0	40,000	45,000	68,054	0	0	0	20,465	253,519	6,822
1516	Water Company Facilities	10,000	10,000	10,000	10,000	30,000	33,800	20,000	0	0	0	123,800	0
1517	KID Office								538			538	
1523	Construction in Progress - Vosburg	0	0	0	0	0	0	0	0	-1,555,035	317,049	-1,237,986	-412,662
1524	Construction in Progress - East/W	0	0	0	0	0	0	0	0	-713,677	698,128	-15,549	-5,183
1526	Vosburg Booster	0	0	0	0	0	0	0	0	1,555,035	0	1,555,035	518,345
1527	SCADA	10,000	10,000	10,000	10,000	10,000	11,960	42,260	29,853	23,318	7,411	164,802	20,194
1528	Tank and Reservoir Maintenance	0	0	0	0	0	0	0	0	0	21,548	21,548	7,183
1530	Tools	1,500	1,500	1,500	1,500	3,000	0	0	0	0	0	9,000	0
2400	Installment Purchase Agreement	159,896	159,896	154,546	148,796	143,538	138,467	133,574	128,912	124,286	119,969	1,411,881	124,389
	Total Other Expenditures	307,396	307,396	292,046	246,296	777,538	708,366	220,301	185,486	572,448	1,187,682	4,804,958	648,539
												0	
	NET CASH FLOW	-32,798	-52,551	-49,367	-40,473	-664,957	-330,869	60,039	348,229	-152,665	-781,923	-1,697,335	-201,498

Kinneloa Irrigation District 2021 Budget Worksheet (Proposed Rates)

Account	Account Description	2020 Budget	2020 FYE Forecast as of 8/31/2020	Variance of 2020 FYE Forecast to 2020 Budget	Proposed 2021 Budget	Variance of Proposed 2021 Budget to 2020 Budget	Notes
4000	Water Sales	1,500,000	1,549,100	49,100	1,500,000	0	Projection based on 3% rate increase and slightly reduced usage
4015	Wholesale Water Sales	90,000	125,407	35,407	100,000	10,000	Projection based on wholesale rate increase and estimated delivery
4020	Service Charges	10,000	8,805	-1,195	10,000	0	
4035	Interest-Reserve Fund	30,000	27,155	-2,845	15,000	-15,000	Will depend on reserve fund balance and investment performance
4036	Unrealized Gain(Loss)-Cal TRUST	0	26,557	26,557	25,000	25,000	Will depend on reserve fund balance and investment performance
	Total Income	1,630,000	1,737,023	107,023	1,650,000	20,000	
5000	Leased Water Rights	63,135	63,135	0	63,135	0	
5005	Electricity	125,000	128,858	3,858	125,000	0	
5010	Maintenance Supplies	25,000	36,558	11,558	30,000	5,000	Based on average of past 5-year actual expense
5011	Material and Labor for Install	10,000	3,333	-6,667	10,000	0	
5012	Safety Equipment	1,600	1,215	-385	1,600	0	
5015	Operations & Maintenance Labor	206,400	196,772	-9,628	290,500	84,100	One new position and merit and cost of living increases
5016	Non-Emergency Operations OT	13,500	15,033	1,533	15,500	2,000	Merit and cost of living increases affect overtime rate
5020	Stand-by Compensation	10,980	11,190	210	10,980	0	
5022	Training/Certification	1,600	683	-917	1,600	0	
5025	Water Treatment/Analysis	22,000	28,588	6,588	22,000	0	
5030	Maintenance Contractors	130,000	131,876	1,876	140,000	10,000	Contractor labor rate has increased
5034	Equipment Maintenance	15,000	18,466	3,466	20,000	5,000	Service providers labor and parts have increased
5035	Vehicle Maintenance	15,000	10,649	-4,351	15,000	0	
5036	Fuel - All Equipment	15,000	15,304	304	20,000	5,000	One additional vehicle in regular use by new field person
5040	Equipment Rental	500	0	-500	500	0	
5045	Insurance-Workers Comp.	20,000	15,279	-4,721	20,000	0	One new staff position offset with lower estimated premium by ACWA JPIA
5046	Insurance-Liability	16,000	15,418	-582	16,000	0	
5048	Insurance-Property	2,500	2,110	-390	2,500	0	
5049	Insurance-Medical	88,500	88,193	-307	103,250	14,750	One new staff position
6000	Engineering Services	47,500	43,625	-3,875	47,500	0	
6005	Watermaster Services	12,000	11,022	-978	12,000	0	
6015	Administrative Salary	154,000	143,324	-10,676	158,600	4,600	Merit and cost of living increase
6017	Administrative Travel	3,000	1,403	-1,597	3,000	0	
6020	BofD Compensation	8,400	7,300	-1,100	8,400	0	
6021	Administrative & Board Expense	1,000	365	-635	1,000	0	
6022	Board of Directors Election	12,500	211	-12,289	12,500	0	
6024	Customer/Public Information	2,000	2,480	480	2,000	0	
6025	PERS - KID	36,000	37,565	1,565	42,000	6,000	One new staff position and merit and cost of living increases
6030	Social Security - KID	29,000	29,069	69	34,000	5,000	One new staff position and merit and cost of living increases
6031	Medicare - KID	6,800	6,805	5	8,000	1,200	One new staff position and merit and cost of living increases
6035	Office/Computer Supplies	7,000	6,530	-470	7,000	0	
6036	Postage/Delivery	5,000	4,343	-657	5,000	0	
6040	Professional Dues	12,000	14,107	2,107	15,000	3,000	Based on announced increases in association dues assessment
6045	Legal Services	15,000	12,374	-2,626	15,000	0	
6050	Telephone	4,500	4,467	-33	4,500	0	
6051	Mobile Telephone	1,500	250	-1,250	500	-1,000	Staff now responsible for providing personal mobile phone and monthly service
6052	Pagers	500	415	-85	500	0	
6053	Internet Service	1,000	840	-160	1,000	0	
6059	Computer/Software Maintenance	12,000	9,454	-2,546	12,000	0	
6061	Office Equipment Maintenance	1,000	333	-667	1,000	0	
6065	Accounting Services	7,000	7,700	700	7,000	0	

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Kinneloa Irrigation District 2021 Budget Worksheet (Proposed Rates)

Account	Account Description	2020 Budget	2020 FYE Forecast as of 8/31/2020	Variance of 2020 FYE Forecast to 2020 Budget	Proposed 2021 Budget	Variance of Proposed 2021 Budget to 2020 Budget	Notes
6070	Office & Accounting Labor	109,500	111,077	1,577	125,750	16,250	Merit and cost of living increases and possible need for temporary help
6075	Professional/Contract Services	28,000	26,039	-1,961	28,000	0	
6080	Administrative Fees	9,000	11,287	2,287	12,440	3,440	Based on approved FMWD administrative fee
6081	Permits/Fees	15,000	10,888	-4,112	15,000	0	
6086	Taxes - Sales/Use	500	3,499	2,999	3,500	3,000	Sales tax on one truck plus use tax of some out-of-state purchases
6088	Interest Expense	61,735	61,735	0	56,664	-5,071	Interest declines as installment payments are made
6120	Bank Service Charges	6,500	8,357	1,857	9,000	2,500	Based on current running rate
Total Expenses		1,390,650	1,359,526	-31,124	1,555,419	164,769	
NET REVENUES		239,350	377,497	138,147	94,581	-144,769	THIS IS THE NET OPERATING REVENUE
Other Expenditures							
1504	Water Mains	500,000	443,464	-56,536	500,000	0	Sierra Madre Villa/Villa Heights or Brown/Glen replacement pipeline
1505	Water Tunnels	10,000		-10,000	10,000	0	House Tunnel Pipeline repair
1511	Water Treatment Plant	6,000	9,626	3,626	6,000	0	
1512	Water Meters	9,000	2,996	-6,004	20,000	11,000	More meters and radio transmitters have reached end of life cycle
1513	Electrical/Electronic Equipment	5,000		-5,000	5,000	0	
1514	Computer/Office Equipment	5,000		-5,000	5,000	0	
1515	Vehicles/Portable Equipment	90,000	68,054	-21,946	45,000	-45,000	Truck needed for new field staff person
1516	Water Company Facilities	30,000	33,800	3,800	30,000	0	Painting and other major facility maintenance
1527	SCADA	10,000	11,960	1,960	10,000	0	
1530	Tools	0	0	0	3,000	3,000	Tools and equipment for one additional truck
2400	Installment Purchase Agreement	138,467	138,467	0	143,538	5,071	Principle increases as installment payments are made
Total Other Expenditures		803,467	708,366	-95,101	777,538	-25,929	
NET CASH FLOW		-564,117	-330,869	233,248	-682,957	-118,840	RESERVE FUNDS WILL BE USED FOR CAPITAL IMPROVEMENT PROJECTS AS NEEDED

Kinneloa Irrigation District 2021 Budget (Proposed)

Account	Account Description	2021 Budget
4000	Water Sales	1,500,000
4015	Wholesale Water Sales	100,000
4020	Service Charges	10,000
4035	Interest-Reserve Fund	15,000
4036	Unrealized Gain(Loss)-Cal TRUST	25,000
Total Income		1,650,000
5000	Leased Water Rights	63,135
5005	Electricity	125,000
5010	Maintenance Supplies	30,000
5011	Material and Labor for Installs	10,000
5012	Safety Equipment	1,600
5015	Operations & Maintenance Labor	290,500
5016	Operations & Maintenance OT	15,500
5020	Stand-by Compensation	10,980
5022	Training/Certification	1,600
5025	Water Treatment/Analysis	22,000
5030	Maintenance Contractors	140,000
5034	Equipment Maintenance	20,000
5035	Vehicle Maintenance	15,000
5036	Fuel - All Equipment	20,000
5040	Equipment Rental	500
5045	Insurance-Workers Compensation	20,000
5046	Insurance-Liability	16,000
5048	Insurance-Property	2,500
5049	Insurance-Medical	103,250
6000	Engineering Services	47,500
6005	Watermaster Services	12,000
6015	Administrative Salary	158,600
6017	Administrative Travel	3,000
6020	Board of Directors Compensation	8,400
6021	Administrative & Board Expenses	1,000
6022	Board of Directors Election	12,500
6024	Customer/Public Information	2,000
6025	PERS - KID	42,000
6030	Social Security - KID	34,000
6031	Medicare - KID	8,000
6035	Office/Computer Supplies	7,000
6036	Postage/Delivery	5,000
6040	Professional Dues	15,000
6045	Legal Services	15,000
6050	Telephone	4,500
6051	Mobile Telephone	500
6052	Pagers	500
6053	Internet Service	1,000
6059	Computer/Software Maintenance	12,000
6061	Office Equipment Maintenance	1,000
6065	Accounting Services	7,000
6070	Office & Accounting Labor	125,750
6075	Professional/Contract Services	28,000
6080	Administrative Fees	12,440
6081	Permits/Fees	15,000
6086	Sales/Use Tax	3,500
6088	Interest Expense	56,664
6120	Bank Service Charges	9,000
Total Expenses		1,555,419
NET REVENUES		94,581

Account	Account Description	2021 Budget
Recommended Expenditures for Capital Improvement Projects*		
1504	Water Mains	500,000
1505	Water Tunnels	10,000
1509	Wilcox Well/Wilcox Booster	6,000
1511	Water Treatment Plant	20,000
1512	Water Meters	5,000
1513	Electrical/Electronic Equipment	5,000
1514	Computer/Office Equipment	45,000
1515	Vehicles/Portable Equipment	30,000
1516	Water Company Facilities	10,000
1527	SCADA	3,000
2400	Installment Purchase Agreement	143,538
Total Other Expenditures		777,538
NET CASH FLOW		-682,957

*Major projects will be prioritized during the year based on urgency and available funds and presented to the Board of Directors for approval.

PROPOSED RATES FOR 2021

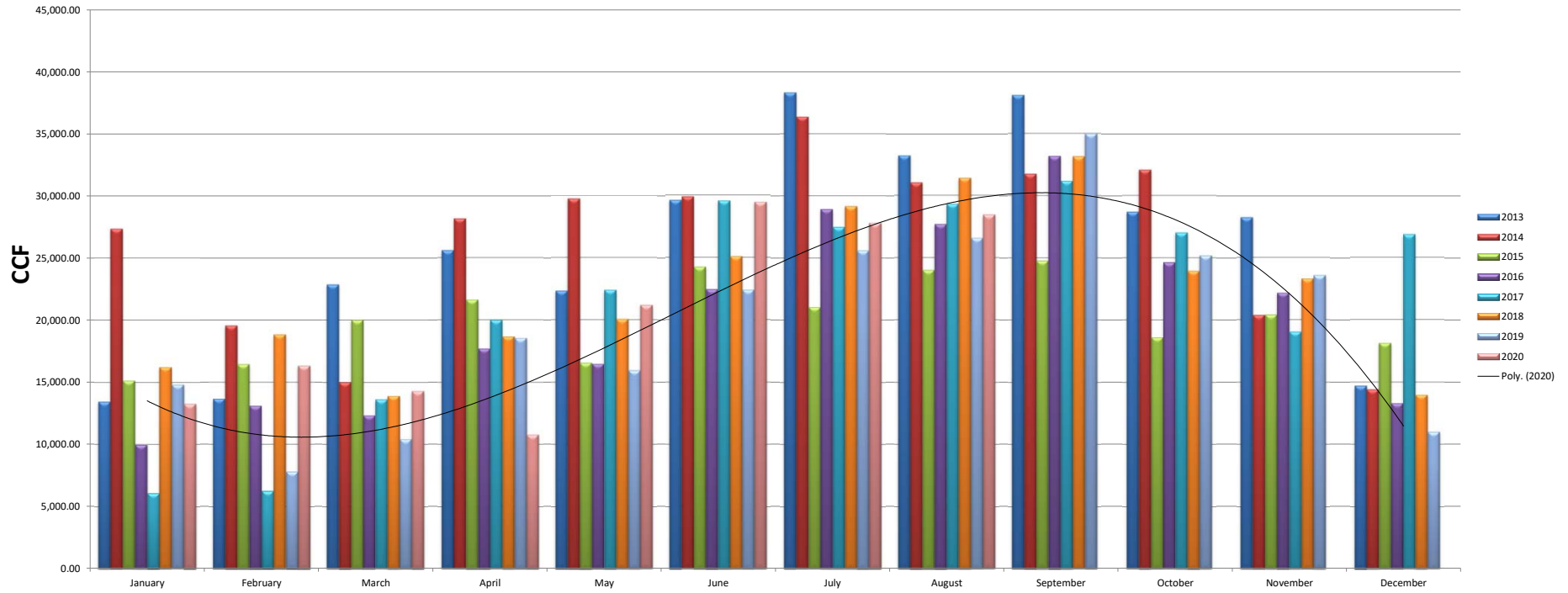
Daily Service Charge (Charge Per Average Month)	\$2.34 (\$71.18)
Usage Charge	\$4.70 per unit

Water Sales, Units	212,477
Usage Charge Per Unit	\$4.70
Annual Usage (Commodity) Revenue	\$998,643
Daily Service Charge	\$2.34
Annual Daily Service Charge Revenue	\$501,357
Annual Water Sales	\$1,500,000
Wholesale Water Sales	\$100,000
Other Annual Revenue	\$65,000
Total Revenue	\$1,665,000
Total Expenses	\$1,555,419
Net Revenues	\$109,581
Improvement Projects and Debt Service	\$777,538
Annual Net Cash Flow	-\$667,957
Reserve Fund Balance (Beginning)*	\$2,088,880
Reserve Fund Balance (Year End)*	\$1,420,923
Average Monthly Charge for Low Usage (10 units)	\$118
Average Monthly Charge for Medium Usage (50 units)	\$306
Average Monthly Charge for High Usage (100 units)	\$541

*Reserve fund balance includes targets of \$100,000-\$200,000 for operating reserve, \$200,000-\$400,000 for emergency repairs, \$200,000-\$400,000 for replacement of existing facilities equipment and vehicles and \$500,000-\$4,500,000 for future capital improvement projects. The total target reserve fund range is \$1,000,000-\$5,500,000.

Water Sales

January 2013 through July 2020



Month\Year	2013	2014	Percentage 2014 vs. 2013	2015	Percentage 2015 vs. 2014	2016	Percentage 2016 vs. 2015	2017	Percentage 2017 vs. 2016	2018	Percentage 2018 vs. 2017	2019	Percentage 2019 vs. 2018	2020	Percentage 2020 vs. 2019	Percentage 2020 vs. 2013
January	13,433.84	27,346.09	50.9%	15,139.14	-44.6%	9,976.03	-34.1%	6,087.44	-39.0%	16,209.81	166.3%	14,799.07	-8.7%	13,257.20	-10.4%	-1.3%
February	13,647.60	19,531.19	30.1%	16,426.97	-15.9%	13,087.06	-20.3%	6,260.89	-52.2%	18,825.09	200.7%	7,814.78	-58.5%	16,296.98	108.5%	19.4%
March	22,864.75	14,992.66	-52.5%	20,017.80	33.5%	12,329.17	-38.4%	13,607.67	10.4%	13,905.15	2.2%	10,428.68	-25.0%	14,285.12	37.0%	-37.5%
April	25,580.22	28,144.68	9.1%	21,618.07	-23.2%	17,691.97	-18.2%	19,985.39	13.0%	18,676.28	-6.6%	18,528.34	-0.8%	10,780.05	-41.8%	-57.9%
May	22,344.18	29,731.87	24.8%	16,540.07	-44.4%	16,451.27	-0.5%	22,399.45	36.2%	20,065.74	-10.4%	15,942.43	-20.5%	21,173.67	32.8%	-5.2%
June	29,605.73	29,878.35	0.9%	24,248.07	-18.8%	22,444.33	-7.4%	29,548.21	31.7%	25,095.13	-15.1%	22,403.98	-10.7%	29,448.17	31.4%	-0.5%
July	38,314.11	36,366.62	-5.4%	21,045.33	-42.1%	28,938.82	37.5%	27,507.42	-4.9%	29,171.12	6.0%	25,606.25	-12.2%	27,820.42	8.6%	-27.4%
August	33,199.17	31,022.84	-7.0%	24,001.09	-22.6%	27,685.37	15.4%	29,322.57	5.9%	31,398.23	7.1%	26,596.35	-15.3%	28,451.82	7.0%	-14.3%
September	38,084.37	31,754.34	-19.9%	24,753.39	-22.0%	33,175.96	34.0%	31,192.59	-6.0%	33,153.90	6.3%	34,990.24	5.5%		-100.0%	-100.0%
October	28,679.52	32,084.57	10.6%	18,597.68	-42.0%	24,632.13	32.4%	27,026.88	9.7%	23,936.21	-11.4%	25,178.15	5.2%		-100.0%	-100.0%
November	28,223.52	20,371.82	-38.5%	20,412.15	0.2%	22,153.05	8.5%	19,043.64	-14.0%	23,302.79	22.4%	23,561.50	1.1%		-100.0%	-100.0%
December	14,695.84	14,383.35	-2.2%	18,124.47	26.0%	13,295.95	-26.6%	26,845.02	101.9%	13,968.63	-48.0%	10,982.31	-21.4%		-100.0%	-100.0%
Total	308,672.85	315,608.38	2.2%	240,924.23	-23.7%	241,861.11	0.4%	258,827.17	7.0%	267,708.08	3.4%	236,832.08	-11.5%	161,513.43	-31.8%	-47.7%

SURVEY OF FEES AND CHARGES FOR WATER SERVICE

	Crescenta Valley Water District	La Cañada Irrigation District	Las Flores Water Company	Lincoln Avenue Water Company	Liberty Utilities	Rubio Cañon Land & Water Association	Valley Water Company	City of Pasadena	City of Sierra Madre	Kinneloa Irrigation District
Monthly or Bimonthly	Monthly (billed bimonthly)	Monthly (billed bimonthly)	monthly	monthly	monthly	monthly	monthly	Monthly (billed bimonthly)	Monthly (billed bimonthly)	monthly
Service charges each meter size	3/4" - 27.05 1" - 40.35 1-1/2" - 73.60 2" - 113.51 3" - 239.96 4" - 426.09	5/8 & 3/4" - 27.80 1-1/4" & 1" - 57.63 1-1/2" - 107.34 2" - 166.99 3" - 355.92	\$28.88 service charge all sizes	\$29.90 monthly standby fee +\$5 for multiple dwelling \$3.75 monthly Catastrophic Loss Fund	5/8" - 22.00 3/4" - 33.00 1" - 55.00 1-1/2" - 110.00 2" - 176.00 3" - 330.00 4" - 550.00 6" - 1100.00 8" - 1760.00	5/8 & 3/4" - \$28.50 1" - 34.15 1-1/2" - 38.20 2" - 47.00 over 2" - 52.00 \$10 each addl unit with only one meter	3/4" - \$10.18 1" - 15.95 1-1/2" - 44.00 2" - 68.75 3" - 143.00 4" - 220.00 6" - 297.00 8" - 357.50	5/8 & 3/4" - \$24.66 1" - 46.83 1-1/2" - 97.37 2" - 221.99 3" - 542.31 4" - 830.22 6" - 1289.37 8" - 2090.33 10" - 2721.21	5/8 & 3/4" - 39.84 1" - 53.50 1-1/2" - 76.27 2" - 103.59 3" - 180.26 4" - 303.09	\$71.18/month service charge all sizes
Commodity rates	1 - 10 units @ \$5.17/unit (1 Unit = 1,000 gal) 11 - 26 Units @ \$8.14/unit 27 Units and over @ \$12.26/unit	1st 14 units (ccf) \$3.79 ea 15 to 70 units @ \$4.81 ea Over 70 units @ \$5.37 ea	1 to 10 units \$3.66 ccf 11 to 20 units \$4.02 ccf 21 to 40 units \$4.62 ccf Over 40 units \$5.78 ccf Foothill MWD Charge: \$0.53/unit (ccf) Energy Surcharge \$0.15 ccf	1 to 7 units (ccf) \$3.30 ea* 8 to 20 units @ \$3.89 ea 21 to 40 units @ \$4.32 ea 41 units and over @ \$4.79 ea *Tier 1 allocation is 7 units per share of stock (i.e. 2 shares receive 14 units at tier 1 rate, 3 shares receive 21 units, etc..)	1 to 9 units (ccf) \$5.46 10 units and over \$6.28	1 - 12 units (ccf) \$3.00 13 - 26 units (ccf) \$3.65 27 units and over \$4.00	1 - 50 Units (ccf) @ \$4.282/unit 51 to 100 units @ \$4.677/unit 100 units and over @ \$5.471 ea	1st 8 units (ccf) \$2.45 ea 9 to 15 units @ \$4.08 ea 16 to 19 units @ \$4.61 ea greater than 20 units @ \$5.38 ea A capital improvement charge of \$1.25 per unit is included in above commodity rates. However, rates do not include purchased water adjustment, utility users' tax of 7.67% or other fees.	1st 11 units (ccf) \$2.70 ea 12 to 33 units @ \$4.23 ea 34 to 66 units @ \$4.23 ea greater than 66 units @ \$5.55 ea non-residential uniform @ 3.89 ea.	\$4.70/unit (ccf)
	Eff. 9/1/19	Eff. 5/1/19	Eff. 1/1/2020	Eff. 6/1/18	Eff. 12/1/19	Eff. 6/1/2019	Eff. 1/1/17	Eff. 7/1/20	Eff. 7/1/2019	Proposed 1/1/2021
Water system connection charge	\$4,200 per EDU		N/A			N/A	N/A	Main fees plus costs		\$3,000 per EDU effective 1/90
Fire service line	1" - 7.41 2" - 10.43 3" - 20.59 4" - 36.37 6" - 93.02 8" - 190.73 10" - 337.70	same as meter charge	same as meter charge	\$35.00/mo	4" - 26.58 6" - 39.93	\$30	same as meter charge		2" - 6.29/ccf 4" - 38.95/ccf	same as meter charge
OTHER CHARGES										
Temporary construction meter	\$1,000 Deposit \$25 Non-refundable Fee Commodity rate - Tier 2	\$1000.00 deposit \$100 setup charge 3 tier commodity rates	\$700 deposit \$45/mo. rental \$3.25/ccf	\$1500 deposit \$4.61/ccf +\$5.00/day	\$1,200 deposit \$153.66/mo + ccf charge	\$1800 deposit \$50/week + water usage	\$1500 deposit + \$35 setup +\$15/mo +Commodity Rate			\$850 deposit +\$9.40/ccf \$100 minimum
Turn-on fee -- delinquency	\$75 during office hours \$125 after hours	\$100.00	\$50.00	\$50.00 reconnection \$100.00 after hours	\$20.00	\$50.00 reconnection	Total bill + \$50.00			\$50.00
Turn-on fee -- new service/owner	\$100 Deposit for renters \$40 during office hours \$60 outside of office hours	\$10.00	0	\$200 dep for owner \$350 dep for renter	Renter-\$34 deposit on acct	Handled through escrow	\$5 - owner Renter-\$65 deposit +\$5		\$51--\$83	\$50.00
Delinquency penalty	\$25.00	None	\$10.00	\$15.00	2 mo avg bill on deposit	\$10.00	\$50.00 + total bill		\$94 deposit	\$15/month plus 10% interest
Fire flow tests	\$300.00	\$250.00 Supervision of Test	\$100	\$200.00	\$390	\$120	\$50.00	\$200.00		\$900.00
New metered service installation + labor + material	All Sizes- time & material	all sizes (applied to material, labor & 30% o/h) plus 5/8"-1" \$1,500 > 2" \$3,000	\$1,275-\$1,375	\$5,000-\$15,000	0	billed for permits, materials, & \$75/hr labor	Labor & Material	actual cost	3/4" and 1" - \$674 minimum or actual cost with \$3,065-\$4,508 deposit 1 1/2" and 2" - \$907-\$1,143 minimum or actual cost with \$5,365-\$5,506 deposit	all sizes time & material +15%
Other	\$35 returned check	\$10 returned check	\$12 returned check	\$150 non-emerg.call \$50 meter test \$30 returned check \$15 autopay returned item	move a service -time & mat. CPUC Fee -> .01168 * entire bill \$15-ret'd check	\$30 returned check After Hours \$70	move a service -time & mat. of new service \$15-ret'd check			\$30 returned check
MUTUALS										
Stock transfer fee			\$75	\$100		\$75	\$50			
Affidavit of lost stock			0	\$100		no charge	\$50			
Purchase of additional shares			\$100/share	\$2,800		current audited price	\$60/share			
Shares required			2-1/2 shares	5 shares/acre			1 share every one tenth acre			
Next anticipated rate increase						6/1/2019				1/1/2021
Drought Surcharge	No	No	No	None as of yet	No	No	+4.597/unit, +35 units			
Low Income Discount	No	No	No	No	No	No	No	Yes	Yes	No
Approximate number of connections	8,000	2,900	1,400	4,500	710	3,100	3,580	56,000	4,750	584
Monthly Charge for Low Usage (10 units)*	\$109.47	\$102.31	\$72.28	\$68.42	\$110.42	\$64.15	\$58.77	\$74.59	\$87.39	\$118.18
Monthly Charge for Medium Usage (50 units)*	\$448.53	\$317.11	\$289.88	\$250.62	\$361.62	\$217.25	\$230.05	\$277.61	\$256.59	\$306.18
Monthly Charge for High Usage (100 units)*	\$908.18	\$569.93	\$612.88	\$486.37	\$675.62	\$416.10	\$463.40	\$546.61	\$556.53	\$541.18

*Monthly charges shown above are based on 1" meter which is the most common size used in the Kinneloa Irrigation District. Monthly charges increase substantially for larger meters for agencies that base service charges on meter size. Also water agencies that read meters bi-monthly and bill bi-monthly base the charges on two months of usage which usually moves the customer into higher tier rates. For example a customer that uses 10 units per month and 20 units for two months will be billed for the first 10 units at lowest tier rate and 10 units at the next higher tier rate. Since cities usually add other taxes and fees to the bill such as capital improvement fees and utility users' tax, comparison of rates is difficult. Crescenta Valley's typical monthly charges have been adjusted to reflect the difference in billing units (1000 gallons vs. ccf) so that the typical charges are uniform for all agencies.

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November 22, 2002

Mr. William Redcay
General Manager
Kinneloa Irrigation District
P.O. Box 5578
Pasadena, CA 91117

Re: District Minutes

Dear Mr. Redcay:

You have asked us for a summary of the guidelines concerning the maintenance of minutes by a public district.

California law does not specifically require that a district maintain minutes of its activities, however, it is a very good idea to do so. Minutes document decisions made by the board of directors and form the basic public record concerning the business affairs of the district. Accurate and complete minutes will often save the district time and expense later, since clearly documented policies and decisions often minimize future disputes.

It is within the broad discretion of the board of directors to determine what will be included in the minutes. At a minimum, any specific decisions made by the board should be set forth in writing. In many situations, a summary is made of the salient points regarding any debate leading up to a decision by the board. Many districts also summarize comments made by the public at a meeting.

The contents of the official record of a meeting will be determined exclusively by a majority of the board. Minutes can be as detailed or as sparse as the majority directs, but should at least reflect any decisions made. It is generally a good idea to provide sufficient context so that the decision may be fully understood. Minutes typically do not, however, fully summarize everything said at a meeting, although nothing prevents a district from doing so.

In most districts staff prepares the initial draft without board input, and the draft is discussed, corrected and adopted at the next meeting. Minutes typically document decisions by showing the maker of a motion and the second, followed by the numeric vote. In situations where a roll-call vote was conducted at the meeting, each individual's vote should be recorded.

Although the adopted minutes form the only "official" record of decisions, in some situations a district will permit the filing of a "minority report" setting forth any dissenting comments by any director who disagrees with the official record of the meeting. These reports are typically allowed as a courtesy to the dissenting director, and do not in any way reflect the decisions made by the district itself. Minority reports are typically maintained in the district's files, and a notation of the existence

Mr. William Redcay
November 22, 2002
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of a minority report is typically made on the minutes to which it pertains. There is no law requiring that dissenting directors be permitted to file such reports.

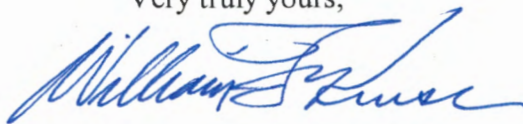
It is my view that minutes typically should not amount to a "transcript" of everything that occurs at the meeting. Rather, the minutes should generally summarize the discussions held at the meeting, and should discuss with specificity any decisions actually made by the board. Minutes should be maintained as a part of the permanent public record of the district.

A question has also been raised concerning when "public comment" should be taken at a meeting. Government Code § 54954.3 requires that every agenda provide an opportunity for members of the public "to directly address the legislative body on any item of interest to the public, before or during the legislative body's consideration of an item." The district may adopt reasonable rules regarding public comment, including time limits. The law does not require a public interchange as each item is discussed, and public comment may be limited to a comment period early in the agenda. So long as it is not unduly disruptive, however, most districts permit public comment on an item as that item comes up for discussion.

One final note: the draft minutes for the October 15, 2002 meeting contain a discussion of the "approval" of the agenda. The posted agenda must legally be the "agenda" for the meeting and no "approval" is required. While items may be deleted by the board during their discussions, special rules must be followed and a supermajority vote must be obtained for any additions to be made to a posted agenda. No change in the actual wording of descriptive items may be made at a meeting, although, of course, the board has broad power to take action related to anything on the posted agenda.

Please feel free to contact me if you require further clarification.

Very truly yours,

A handwritten signature in blue ink, appearing to read "William F. Kruse".

William F. Kruse

of

Lagerlof, Senecal, Bradley, Gosney & Kruse, LLP

WFK/dmn
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