



OFFICERS

JOHN A. ARNOLD
President

DAVID DEPAOLI
Vice-President

MARV ROWE
Assessor-Collector

P.O. Box 908 / 315 E. Lindmore Avenue
Lindsay, CA 93247

MICHAEL D. HAGMAN
General Manager

DIRECTORS

Division 1 – Mike Brownfield
Division 2 – Scott Reynolds
Division 3 – Ed Milanesio
Division 4 – David DePaoli
Division 5 – John Arnold

NOTICE AND AGENDA

Joint Meeting
Of the

LINDMORE IRRIGATION DISTRICT
and the
LINDMORE IRRIGATION DISTRICT FINANCING CORPORATION

BOARD OF DIRECTORS MEETING

Tuesday – January 14, 2020 - 2:00 p.m.
315 East Lindmore Avenue Lindsay, CA 93247

Public Participation –Members of the Public may directly address the Board of Directors on any item of interest to the public within the Board's subject matter jurisdiction before or during the Board's consideration of the item. Request to keep comments to a maximum of five minutes. (If assistance is required—please contact the office prior to the meeting so that arrangements can be made.)

A person with a qualifying disability under the Americans with Disabilities Act of 1990 may request the District provide a disability- related modification or accommodation in order to participate in any public meeting of the District. Such assistance includes appropriate alternate formats for the agendas and agenda packets used for any public meetings of the District. Requests for such assistance and for agendas and agenda packets shall be made in person, by telephone, facsimile, or written correspondence to the Lindmore Irrigation District office at least 48 hours before a public District meeting.

AGENDA

1. Roll Call and acknowledgement of visitors
2. Approval of the Agenda
3. Public Comment
4. Minutes –Review and consider adoption of the December 10, 2019 Board Meeting minutes.
5. Approval of minutes for December 10, 2019 and December 11, 2018 meetings.

There will be no other action before the Board for the Lindmore Irrigation District Financing Corporation. Staff will recommend the Board adjourn the Corporation meeting after this item until December 2020.

6. Prior/New Action Items

A. Address Pending/Standing Board actions/discussions/directions:

- Report: Operation and Maintenance Report – Action may be taken to address the policy needs of O&M including additional purchases, labor, or service contracts, etc.

- Water Supply Report – Action may be taken to modify allocation, discuss water purchases, water transfers, in district water management/development opportunities, and any other matter relative to water supply needs in the District
- District Improvement Projects (action may be taken to approve contracts/spend money etc.)
- Status of WaterSMART Grant activity and update on 93.2E Modernization project
- Recharge Basin Development – Update and Direction
- Personnel Policies and Employment Agreement (Berglund/Mauritson)
- Job Descriptions – Board to review developed job descriptions
- Recharge Basin Re-naming
- Status of Assessment Collection transfer to County
- Staffing and Office Space
- Bond Refinance – Fieldman/Rolapp
- Truck Purchase

B. New Action Items

- February 11, 2020 Board meeting (consider moving to February 10)
- Board room accommodations (report from staff on temporary buildings and options – Direction may be given to staff to spend money or sign agreements)
- Miscellaneous Administrative Items (Action to give direction to staff may occur)

C. Review of Accounts Payable Listing - consider ratifying payments made to pay the bills since prior Board action on payments.

D. Financial Reports and Issues

- Treasurer's Cash Report – December 2019
- Investment Analysis/Report of Investments
- Affidavit of Reconciliation – December 2019
- Financial reports for the month ending December 31, 2019

7. Report and Discussion on Meetings Attended or other Water Related Business Report

- Friant Water Authority Report (Brownfield, Hagman)
- Friant Power Authority Report (Arnold, Hagman)
- East Kaweah GSA Report (Milanesio, Hagman)
- Temperance Flat MOU (Hagman)
- Reports on Other Meetings Attended
- Review upcoming Meetings Calendar (Arnold)

8. Closed Session:

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

[Government Code Section 54956.9(d)(1)] City of Fresno, et al. v. United States of America, Court of Federal Claims, Case No. 16-1276L

CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION:

[Government Code Section 54956.9 (d) (2)] - Number of Potential Cases: One

EMPLOYEE EVALUATION – GENERAL MANAGER

[Government Code Section 54957.9]

RETURN TO OPEN SESSION – REPORTABLE ACTION

9. Correspondence

- Miscellaneous pertinent information

10. Other items to be discussed pursuant to Government Code Section 54954.2 (Relating to items not appearing on posted agenda - no action to be taken)

11. Adjournment

LINDMORE IRRIGATION DISTRICT

MINUTES OF THE BOARD MEETING

December 10, 2019

Roll Call and Acknowledgement of Visitors

President Arnold called the joint meeting to order @ 2:00 p.m.

Directors Present: Arnold, DePaoli, Brownfield, Milanesio, Reynolds

Directors Absent:

Others present: Hagman (GM), Bennett (Senior Analyst), Berglund (Special Counsel), Dom Pitigliano (Landowner)

The Lindmore Irrigation District Financing Corporation portion of the joint meeting ended at 2:22 PM and the Lindmore Irrigation District regular meeting began. Separate minutes from these minutes are provided for Financing Corporation meeting.

Approval of the Agenda

The agenda for the meeting was presented and the following action was taken:

Motion: To approve the agenda for December 11, 2019 Lindmore Irrigation District Board meeting as provided – 1st DePaoli and 2nd Milanesio – Motion passed by unanimous vote of those present

Public Comment

Dom Pitigliano wanted to understand why the District can't deliver more water to his turnout. Hagman noted that it is operated at capacity. The line leaks a lot. Changing the flow would require substantial investment to increase line size ahead of the lateral Mr. Pitigliano is on. No other direction was given to Hagman.

Minutes

The minutes were presented for the November 12, 2019 Regular Board meeting. After discussion, the following action was taken:

Motion: To approve the minutes of the November 12, 2019 Regular Board meeting – 1st Brownfield and 2nd Milanesio – Motion passed by unanimous vote of those present

Prior/New Action Items

A. Report on Prior Board actions/discussions

Operation and Maintenance Report: Hagman reported on staff operations and maintenance efforts.

Water Supply Report: Hagman provided the final delivery numbers and November report. It appears the District will carryover about 4500 AF of water into CY2020.

District Improvement Projects: Hagman presented the status of the currently approved engineering activities in the District (Groundwater Recharge, City of Lindsay Exchanges and JB Rehabilitation

projects). The only engineering activity right now is for 5th Avenue's Junction Box #6 (JB 6). Hagman reported that most of that work will be done by the end of January.

Status of WaterSMART grant: Bennett reported that she filed the first annual performance and financial report that was due October 30, 2019.

Water Recharge 2019: Hagman provided the report for the total program use through November.

Recharge Basin Development: Hagman reported on the success of Sun Pacific's well. The Board continued to express interest in finding a well site for the District. Hagman noted that there are a lot of projects in line. He noted that when the engineer comes on, we can work more on it then. He did, however, note that District consulting engineer had reached out to the USEPA and we now have the process we need to comply with the develop the wells.

Personnel Policies and Employment Agreement: Special Counsel Berglund reported that in closed session we will address the concerns on the MOU and Personnel policies. However, she noted that there were basically three types of personnel policy actions that she has. She can manage most of the variances without meet and confer. The few that remain (to be discussed in closed session) are likely not going to be much of a problem.

Job Descriptions: Hagman noted that he does not yet have job descriptions developed.

Recharge Basin Renaming: Hagman noted that a sign company has been retained to create the sign by the end of March. It will be mounted at the south-west corner of the reservoir. Board members asked when the reservoir will be cleaned up. Hagman noted that Tulare ID will be doing the work before the reservoir renaming meeting. Their equipment is tied up on their sites.

Status of Assessment Collection transfer to County: Hagman noted that he has contacted Cass Cook at the County and they are going to work on it after the first of the year.

B. New Action Items

Approve the EKGSA – LID Interagency Management Agreement: Hagman provided the agreement. Vice-President DePaoli asked if removing Hagman being named makes more sense than Hagman being named specifically. It made sense to the Board. After some minor discussion the following action was taken:

Motion: To approve the Interagency Agreement as provided except to change references to Hagman into references to General Manager - 1st Brownfield and 2nd Reynolds – Motion passed by unanimous vote of those present.

Consider Letter Loan to EKGSA for FY2020 Operations: After review of the material provided by Hagman, the Board did not want to loan money to the EKGSA. They would like to just pay their share of the EKGSA's costs and not be reimbursed for it.

Consider Service Agreement with Fieldman/Rola (FR) for bond refinancing: Hagman referred the Board to the handouts in the Board packet. FR will provide the same service it provided us in the original bond financing at a price of \$17,500 to come out when the financing occurs. This service is helpful because the District will have an individual not associated with any of the financiers or bond counsel and FR's interest will be our interests. After some discussion the following action was taken:

Motion: To approve the agreement for services with Fieldman/Rolapp as provided - 1st DePaoli and 2nd Reynolds – Motion passed by unanimous vote of those present.

Consider purchase of a Tier 4 diesel or gas truck to pull the backhoe: Hagman noted that if the current dump truck is in use, the backhoe can't be towed. It is also noted that the current truck is compliant because of the added particulate filter. After some discussion the following action was taken:

Motion: To approve the purchase of a sufficient truck for up to \$50,000 - 1st Milanesio and 2nd DePaoli – Motion passed by unanimous vote of those present.

Miscellaneous Administrative Items: None were provided.

C. Review accounts payable listing and request by staff that the Board ratify the payments made to pay the bills:

Motion: To ratify the payments made to pay the bills as follows: A/P Checks (#13817 - 13866) November 18, 2019 to December 10, 2019 in the amount of \$366,112.22, and payroll for November 2019 in the amount of \$73,478.54 for a total disbursement of \$439,590.76. - 1st DePaoli and 2nd Brownfield - Motion passed by unanimous vote of those present

D. Financial Reports

Bennett presented the financial statements and reports and answered questions.

Reports and Discussion on meetings attended or other water related business reports:

Administrative Report: GM Hagman noted he had nothing to report.

FWA Issues –GM Hagman noted that there was nothing to report. No FWA Board meeting in November.

Friant Power Authority (FPA) – President Arnold reported that this will be FPA's most lucrative year. It would have been more, but we had to create another reserve and pay for some additional construction costs after the legal settlements.

East Kaweah Groundwater Sustainability Agency (EKGSA) – GM Hagman previously reported on EKGSA activities under the EKGSA Agreement agenda item.

Report on Other Meetings/Issues: GM Hagman reported on meetings related to the District, water issues, and or the Friant/CVP.

Meetings Attended/to Attend: Meetings were covered.

Closed Session:

- CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
[Government Code Section 54956.9(d)(1)] City of Fresno, et al. v. United States of America, Court of Federal Claims, Case No. 16-1276L
- CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION
Government Code Section 54956.9 (d) (2)] - Number of Potential Cases: One
- CONFERENCE WITH LABOR NEGOTIATOR
Michael Hagman – International Brotherhood of Electrical Workers (AFL-CIO)
[Government Code Section 54957.6]

President Arnold called the Board to closed session at 4:30 pm and out of closed session at 4:39 pm.

After coming out of closed session, the following action was taken:

Motion: To approve the Memorandum of Understanding between the AFL-CIO IBEW Local 1245 and the Lindmore Irrigation District for the period of January 1, 2020 through December 31, 2022 - 1st Brownfield and 2nd DePaoli – Motion passed by unanimous vote of those present.

Correspondence Report:

None

Other Items to be Discussed per 54954.2 (Items not appearing on the Agenda)

No other items were discussed.

Adjourn

There being no further business to come before the Board, President Arnold asked for a motion to adjourn: Motion to adjourn (Brownfield/DePaoli) carried by unanimous vote of those present. Meeting was adjourned at 4:45 pm.

Michael D. Hagman
District Secretary

LINDMORE IRRIGATION DISTRICT FINANCING CORPORATION

MINUTES OF THE BOARD MEETING

December 10, 2019

Roll Call and Acknowledgement of Visitors

District President Arnold called the joint meeting of the Lindmore Irrigation District and the Lindmore Irrigation District Financing Corporation meeting to order at 2:00 PM he noted that this meeting will run simultaneous with the Lindmore Irrigation District Board meeting and will conclude when all business regarding the Financing Corporation is complete.

Present: Arnold, Brownfield, DePaoli, and Milanesio, Reynolds

Others present: Executive Director Hagman, Counsel Mauritson, Senior Analyst Bennett, Dom Pitigliano (landowner)

Ratification of Actions for Lindmore Financing Corporation

Financing Corporation Executive Director, Michael Hagman reported on the actions taken to comply with maintaining the status of the Corporation and compliance with bond financing. After some discussion, the following action was taken:

**Motion: To ratify actions taken by the Executive Director to comply with maintaining the status of the Corporation and compliance with the terms of the Corporations debt.
1st Milanesio and 2nd Reynolds – Motion passed by a unanimous vote of those present**

Hagman noted that he had not provided December 11, 2018 minutes. He suggested the Board have a joint meeting in January with the Lindmore ID regular board meeting to consider adopting the December 11, 2018 and the December 10, 2019 (today) minutes.

Public Comment

None

Adjourn

There being no further business to come before the Board, President Arnold announced that due to no further business before the Board, he will close the joint portion of the meeting relating to the Financing Corporation (2:22 PM)

Michael D. Hagman
Corporation Secretary

LINDMORE IRRIGATION DISTRICT FINANCING CORPORATION

MINUTES OF THE BOARD MEETING

December 11, 2018

Roll Call and Acknowledgement of Visitors

District President Arnold called the joint meeting of the Lindmore Irrigation District and the Lindmore Irrigation District Financing Corporation meeting to order at 2:00 PM he noted that this meeting will run simultaneous with the Lindmore Irrigation District Board meeting and will conclude when all business regarding the Financing Corporation is complete.

Present: Adam, Arnold, Brownfield, DePaoli, and Milanesio

Absent: Adam left at 2:20 PM due to illness

Others present: Executive Director Hagman, Counsel Mauritson, Senior Analyst Bennett

Officers

Director Brownfield nominated the existing slate of officers of the Lindmore Financing Corporation and Lindmore Irrigation District for the next two years. No other nominations were offered. After minimal discussion the following action took place:

Motion: To appoint the current officers of the Lindmore Finance Corporation and the Lindmore Irrigation District to another two-year term.

1st DePaoli and 2nd Brownfield – Motion passed by a unanimous vote of those present

Oaths of Office

The Oaths of Office were conducted by Donna Olivas (Notary) for Ronnie D. Adam, Michael R. Brownfield, and David A. DePaoli

Ratification of Prior actions:

Ratification of Actions for Lindmore Financing Corporation

Financing Corporation Executive Director, Michael Hagman reported on the actions taken to comply with maintaining the status of the Corporation and compliance with bond financing. After some discussion, the following action was taken:

Motion: To ratify actions taken by the Executive Director to comply with maintaining the status of the Corporation and compliance with the terms of the Corporations debt.

1st Brownfield and 2nd Milanesio– Motion passed by a unanimous vote of those present

Public Comment

None

Adjourn

There being no further business to come before the Board, President Arnold announced that due to no further business before the Board, he will close the joint portion of the meeting relating to the Financing Corporation (2:15 PM)

Michael D. Hagman
Corporation Secretary

LINDMORE IRRIGATION DISTRICT

WATER REPORT

Board Meeting - January 14, 2020

Water Delivery Report November/December 2019

<u>Available Water and Allocation</u>			
Declared Class 1 =	100.00%	33,000	33,000
Declared Class 2 =	0.00%	22,000	-
Millerton Carryover =	100.00%	725	725
Uncontrolled Class 2 =	100.00%	19,762	19,762
Pumped (Wells)	0.00%	-	60
URF Tier 1	100.00%	4,816	4,816
URF Tier 2	100.00%	61	61
Trans In (C1 City)	100.00%	465	465
Trans Out (C1 SCID)	100.00%	(500)	(500)
Trans In (C2/C1 Exchange)	100.00%	2,750	2,750
Trans Out (C2/C1 Exchange)	100.00%	(5,500)	(5,500)
Available Supply			55,639
		Assessed Acres	25,160
		Allocation Available per acre	2.21
		Board Allocation	1.30 + UcS
		Recommendation	1.30 + UcS

2019 Season (Re-cap)

<u>Month</u>	<u>U.S.B.R.</u>	<u>Pumped</u>	<u>Sub Total</u>	<u>Deliv. Per Dist Meters</u>	<u>Quantity Variance</u>	<u>Percent Variance</u>
March	1,157	60	1,217	868	(349)	-28.64%
April	3,763	-	3,763	3,325	(438)	-11.64%
May	4,254	-	4,254	4,273	19	0.45%
June	8,271	-	8,271	8,361	90	1.09%
July	9,474	-	9,474	8,664	(810)	-8.55%
August	9,103	-	9,103	9,372	269	2.96%
September	6,690	-	6,690	6,618	(72)	-1.08%
October	4,962	-	4,962	4,803	(159)	-3.20%
November	3,066	-	3,066	3,175	109	3.56%
Total	50,740	60	50,800	49,460	(1,340)	-2.64%

Total Contract Water Available	55,579
Less USBR Metered	(50,740)
Total Water Remaining	4,839

Available till end of year: **0.186**

Transfers:

Trans Out - C2 LSID Apr	(1,603)
Trans Out - C2 LSID May	(1,829)
Trans Out - C2 LSID June	(1,600)
Trans Out - C1 LSID July	(468)
Trans In - C1 LSID	2,750
Trans Out - C1 SCID Nov	(500)
Net Transfer In/(Out)	(3,250)

<u>Year to Date Variance Analysis</u>	
Diff to date	1,340
System Charge	(88)
Mitigating Ponds	(627)
Well Recharge	(88)
In Transit	-
Op Losses =	537
OP Variance	1.06%

Metered Recharge (Ireton)

Prior Months	2588.56
Current Month	282.93
Year to Date	2871.49

Lindmore Irrigation District

Treasurer's Cash Report December 31, 2019

January 9, 2020

Beginning Cash *	<i>November 30, 2019</i>	5,826,016.22
Deposits		
Bank of the Sierra Checking	1,338,212.02	
Wells Fargo Bond Res.	485,044.73	
LAIF	-	
NFS (Cantella)	13,705.62	
Total Deposits		1,836,962.37
Withdrawals		
Bank of the Sierra Checking	(920,143.56)	
Wells Fargo Bond Reserve	-	
LAIF	-	
NFS (Cantella)	-	
Total Withdrawals		(920,143.56)
Net Increase/(reduction)		916,818.81
Ending Cash Balance	<i>December 31, 2019</i>	6,742,835.03

Balance by Account:

Bof Sierra General Checking	1,174,612.29	
Wells Fargo Bond Reserve	1,023,191.05	
LAIF	1,195,445.45	
NFS (Cantella at Face Value)	3,349,036.24	
Petty Cash	550.00	
Ending Cash Balance	<i>December 31, 2019</i>	6,742,835.03

* Beginning cash may be adjusted compared to prior Board meeting report

FOR MANAGEMENT PURPOSES ONLY

Lindmore Irrigation District

Investment Comparative Analysis LID vs LAIF

January 9, 2020

		Managed LID	LAIF
0-6 mos.	1,844,475.54	35.65%	65.80%
6 m. > 1 yr	-	0.00%	18.50%
1 yr > 2 yr	545,000.00	10.53%	13.30%
2 yr > 3 yr	385,000.00	7.44%	2.40%
3 yr > 4 yr	1,520,000.00	29.37%	0.00%
4 yr > 5 yr	880,000.00	17.01%	0.00%
Total	5,174,475.54	100.00%	100.00%
LAIF		2.030%	
Daily Yield LID Invested		3.700%	
Difference		1.670%	

Benchmark Comparison	
LAIF vs District	
LID Managed	
Investments	\$ 5,174,475.54
Daily Yield Investments	3.700%
Est Investment Payments	\$191,444
LAIF	
Investments	\$ 5,174,475.54
Annualized Rate of Return	2.030%
Est Investment Payments	\$105,042
Annualized difference:	\$86,402

PORTFOLIO STATISTICS				
Investment Type	Dollars	%age	State Code Limit	Annualized ROR:
Agency (Back by Govt Agency)	\$ -	0.00%	None	ROR All Cash 2.196%
Corporate (Not Insured)	2,600,000.00	37.89%	None	ROR Invested Assets 3.700%
Certificates of Deposit (FDIC Insured)	730,000.00	10.64%	None	ROR LAIF 2.030%
Money (NFS - Not Insured)	138,590.09	2.02%	None	Days to Maturity
LAIF (Mostly Insured or Backed)	1,195,445.45	17.42%	None	LID Managed 717.36
Banks (FDIC Insured)	510,440.00	7.44%	None	LAIF Managed 183.00
Operating Cash (Banks FDIC)	1,687,913.34	24.60%	None	
Total	6,862,388.88	100.00%		

January 9, 2020

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LINDMORE IRRIGATION DISTRICT

MEMORANDUM TO THE BOARD

TO: Board of Directors
FROM: Kathryn Bennett
DATE: January 3, 2020
SUBJECT: Affidavit of Reconciliation

I inspected and reconciled the cash accounts of the Lindmore Irrigation District. The Lindmore Irrigation District maintains five cash/investment accounts. For the month of **December 2019**, the district had the following accounts open and with balances:

Working Accounts –

- General Checking (Bank of the Sierra)
- LAIF Investments
- National Financial Services (Cantella – Securities)
- Wells Fargo Bond Accounts

During my reconciliation, I have found the following:

Working Accounts –

- No Variances.

After my reconciliation and inspection of the books, it is my opinion that the cash registers reflect the cash activity of the Lindmore Irrigation District. Lindmore staff allowed me full access to the cash registers and ledgers of the District. The actual reconciling documents are stored in the District vault and can be viewed or copied upon request.


Kathryn Bennett

Lindmore Irrigation District
Income Statement
Compared with Budget
For the Twelve Months Ending December 31, 2019

	Current Month Actual	Year to Date Actual	Year to Date Budget	Year to Date Variance
Revenues				
Water Sales - Irrigation	\$ 47,231.25	\$ 2,180,196.61	\$ 1,795,889.00	121.40%
Water Sales-Out of District	0.00	50,000.00	0.00	0.00%
Penalties on Delinquent Accts	253.23	3,566.73	5,000.00	71.33%
Em Call Outs/Fines Charge	0.00	150.00	500.00	30.00%
Stand-By Charge Revenues	0.00	2,462,901.67	2,469,638.00	99.73%
Stand-By Chg Penalty Revenue	10,640.78	16,500.30	4,000.00	412.51%
2018 WaterSmart Grant	0.00	0.00	75,000.00	0.00%
Interest Revenue - NFS	12,531.93	116,873.53	100,000.00	116.87%
Recognize adj to FMV	(3,029.04)	109,108.62	0.00	0.00%
Interest Revenue - Misc	495.12	26,753.92	5,500.00	486.43%
Adjustment to FMV Bond Reserve	13,063.83	13,063.83	0.00	0.00%
Interest on Unpaid Lien	0.00	0.00	5,000.00	0.00%
Other Misc Revenue	16,505.35	22,675.90	100,000.00	22.68%
Misc Rentals	0.00	0.00	0.00	0.00%
Gain or Loss on Fix Assets	0.00	0.00	0.00	0.00%
Reimburse - EKGSA	12,916.67	155,000.04	157,500.00	98.41%
FPA Power Revenue	233,653.25	2,133,945.90	775,000.00	275.35%
Total Revenues	344,262.37	7,290,737.05	5,493,027.00	132.73%
Cost of Sales				
Irrigation Water	0.00	778,816.08	1,044,000.00	74.60%
T.P.U.D. Charges (Water)	0.00	15,286.40	9,840.00	155.35%
Full Cost 205(a)(3)	0.00	0.00	0.00	0.00%
M&I Water Used	0.00	0.00	2,001.00	0.00%
CVPIA Restoration Fee	0.00	519,385.88	370,946.00	140.02%
Transfer In Water Expense	0.00	240,257.49	0.00	0.00%
Friant Surcharge	0.00	340,536.00	229,593.00	148.32%
FWA O&M Costs	50,539.00	441,876.00	375,000.00	117.83%
Exch Cont O&M Cost	3,380.59	524,707.55	550,000.00	95.40%
SWRCB Fees	24,963.80	54,038.02	47,500.00	113.76%
Water Quality Monitoring	0.00	0.00	1,000.00	0.00%
Water Legal	2,455.72	14,993.46	50,000.00	29.99%
Water FWA - Gen Member	0.00	163,263.36	200,000.00	81.63%
Water Mgmt Plan	0.00	0.00	1,000.00	0.00%
USBR Penalties/Other Charges	0.00	7,677.75	0.00	0.00%
Debt Service 2010A Bond	80,385.42	198,707.30	210,000.00	94.62%
Water-Engineering	0.00	0.00	5,000.00	0.00%
Total Cost of Sales	161,724.53	3,299,545.29	3,095,880.00	106.58%
Gross Profit	182,537.84	3,991,191.76	2,397,147.00	166.50%
Expenses				
FPA Legal Fees	0.00	0.00	0.00	0.00%
Pumping-Power	641.09	71,104.47	60,000.00	118.51%
Pumping-Tele/Communic	0.00	0.00	27,500.00	0.00%
Pumping - Maint/Struct/Impr	0.00	181,890.50	240,000.00	75.79%
O&M Salary Costs	31,129.13	322,473.80	308,748.00	104.45%

**Lindmore Irrigation District
Income Statement
Compared with Budget
For the Twelve Months Ending December 31, 2019**

	Current Month Actual	Year to Date Actual	Year to Date Budget	Year to Date Variance	
O&M OT/PT Labor Cost	1,698.76	37,252.87	25,000.00	149.01%	
Trans/Dist of Mat/Supply	0.00	0.00	12,500.00	0.00%	
Trans Electronic Techn	18,027.38	33,872.30	2,500.00	1354.89%	Electrician support
Stenciling	0.00	0.00	500.00	0.00%	
Power (non-pumping)	237.03	3,788.14	7,500.00	50.51%	
Meter Rep Supply/Services	1,968.69	22,690.31	7,500.00	302.54%	TechnoFlo Systems
Valve Rep - Supply/Service	5,955.16	15,853.61	12,500.00	126.83%	
Moss Screen - Repair Sup/ Serv	0.00	0.00	2,500.00	0.00%	
Pipe Line Repair - Sup/ Serv	1,122.15	144,527.10	47,500.00	304.27%	Vollmer
Above Surf Repair - Sup/ Serv	0.00	17,674.46	5,000.00	353.49%	Sanli Eng-5th Ave JB
Reservoir Repair - Sup/ Serv	0.00	29.58	2,500.00	1.18%	
Misc - Sup/ Serv	0.00	0.00	0.00	0.00%	
Admin/General Salary Costs	14,730.68	188,714.80	180,014.00	104.83%	
Admin OT/PT Labor Cost	0.00	0.00	10,000.00	0.00%	
General Manager (Lindmore)	20,869.52	199,992.64	196,170.00	101.95%	
General Manager (GSA)	3,587.50	43,050.00	43,218.00	99.61%	
Director Per Diem	2,700.00	6,500.00	7,500.00	86.67%	
Travel Expense	105.44	2,130.06	2,500.00	85.20%	
Legal Exp - General	1,912.50	11,900.00	18,000.00	66.11%	
Auditing Costs	9,700.00	9,700.00	11,750.00	82.55%	
Communication	285.18	7,371.85	8,000.00	92.15%	
Utilities - Office	412.05	6,732.77	8,000.00	84.16%	
Supplies - Office	1,144.74	13,056.11	9,500.00	137.43%	
Pstge/Pinting - Office	375.97	11,700.68	8,500.00	137.66%	
Dues/Subscriptions/Contr	0.00	14,071.78	12,500.00	112.57%	
Legal Advertisement	0.00	510.33	400.00	127.58%	
Record Assessment Expense	0.00	176.00	500.00	35.20%	
Misc Office Expense	797.22	4,264.51	0.00	0.00%	
Payroll Service Expense	445.70	1,840.35	1,500.00	122.69%	
Computer Supplies/Services	6,381.78	28,719.63	14,000.00	205.14%	VOIP phones/laptop
Bank Charges	27.50	179.10	500.00	35.82%	
Bond Costs	0.00	1,500.00	0.00	0.00%	
Prop/Liab Insurance	0.00	34,346.00	37,500.00	91.59%	
Workers' Comp Insurance Exp	0.00	22,588.85	27,500.00	82.14%	
Fidelity Bonds	0.00	0.00	0.00	0.00%	
Social Security Expense	4,047.50	54,430.33	50,687.00	107.39%	
Health Insurance Exp	8,247.96	93,345.40	92,899.00	100.48%	
Retirement Contribution Exp	4,839.36	54,518.95	60,166.00	90.61%	
Dental Insurance Exp	377.20	4,591.45	5,500.00	83.48%	
Vision Insurance Exp	72.10	877.81	1,200.00	73.15%	
Life Insurance Expense	164.97	2,151.82	2,400.00	89.66%	
Office Building Maintenance	0.00	183.06	7,500.00	2.44%	
Grounds	0.00	0.00	2,500.00	0.00%	
Office Furniture Exp	1,875.10	1,875.10	2,500.00	75.00%	
Auto Maintenance Exp	126.23	20,242.35	18,000.00	112.46%	
Radio Exp	0.00	0.00	0.00	0.00%	
Small Tool Exp	1,487.09	3,939.86	3,500.00	112.57%	
Shop & Maint Equip Rep Exp	2,455.61	6,410.88	5,000.00	128.22%	
Misc Exp	0.00	25.36	0.00	0.00%	
Shop Bldg Maint	0.00	7,452.93	3,500.00	212.94%	Vollmer-old office slab
Fuel and Oil	5,231.55	44,975.39	30,000.00	149.92%	

Lindmore Irrigation District
Income Statement
Compared with Budget
For the Twelve Months Ending December 31, 2019

	Current Month	Year to Date	Year to Date	Year to Date
	Actual	Actual	Budget	Variance
Backhoe & Diesel	0.00	2,528.17	2,750.00	91.93%
Misc Shop Exp	0.00	0.00	0.00	0.00%
Engineering - General	0.00	200.15	5,000.00	4.00%
Engineering - System	0.00	17,392.63	5,000.00	347.85% P&P JB
Engineering - Groundwater	0.00	6,653.12	0.00	0.00%
Engineering- w/City of Lindsay	0.00	0.00	0.00	0.00%
Engineering - Prop 218	0.00	0.00	0.00	0.00%
Engineering - Temp Flat Study	0.00	0.00	0.00	0.00%
Recharge - Ireton Pond	0.00	2,127.65	0.00	0.00%
Recharge - Drywell	0.00	0.00	0.00	0.00%
SGMA - Governance	0.00	31,714.27	30,000.00	105.71%
SGMA - Plan	0.00	37,635.03	75,000.00	50.18%
SGMA - Implementation	0.00	0.00	0.00	0.00%
Safety Compliance	0.00	3,165.32	15,000.00	21.10%
Well Measurement Supplies	0.00	0.00	500.00	0.00%
Crop Report	0.00	0.00	250.00	0.00%
Easement	0.00	5,290.06	750.00	705.34% chemicals/mowing
Depreciation Expense - System	0.00	0.00	155,000.00	0.00%
Depreciation Expense - Other	0.00	0.00	68,500.00	0.00%
Office Building Construction	0.00	0.00	0.00	0.00%
Capital Purch - Server	0.00	0.00	0.00	0.00%
Capital Purch - SCADA	0.00	0.00	0.00	0.00%
Capital Purchase Tower Project	0.00	0.00	0.00	0.00%
Capital Purchase - FPA QLPP	0.00	0.00	0.00	0.00%
93.2E Modernization (Grant)	0.00	24,000.00	97,000.00	24.74%
Uncollectable Lien Expense	0.00	2,281.00	0.00	0.00%
Total Expenses	153,179.84	1,888,210.69	2,099,402.00	89.94%
Net Income	\$ 29,358.00	\$ 2,102,981.07	\$ 297,745.00	706.30%

Lindmore Irrigation District
Balance Sheet
December 31, 2019

ASSETS

Current Assets

Sierra Checking #0302190470	\$ 1,174,612.29
Wells Fargo Bank Bond Reserve	1,023,191.05
Petty Cash	550.00
LAIF 90-54-016 (02010)	1,195,445.45
Securities - NFS A7T-514144	3,349,036.24
Adjustment to FMV	119,553.85
Bond Res. Capital Appreciation	4,369.43
H2O Sales Receivable	47,687.97
Stand-by Receivable	941,372.37
Misc Accts Receivable	12,916.67
Liens - Amount Sold	56,788.41
Liens - Accumulated Int Due	3,668.27
Pre-Paid Water - USBR	104,474.01
Pre-Paid Ins & Misc	29,074.21
Interest Accrued - NFS	36,389.42
Interest Accrued-Bond Res	4,867.29

Total Current Assets **8,103,996.93**

Property and Equipment

Property/Land/Easements	463,003.40
Distribution System	7,177,406.31
Furniture/Fixtures/Computers	184,123.59
Equipment	188,400.12
Vehicles/Trailers/Other	318,423.43
Buildings/Grounds	470,093.97
Accumulated Depreciation	(6,054,297.96)

Total Property and Equipment **2,747,152.86**

Other Assets

Perpetual Right to Water	7,076,835.00
Inv in Friant Power Authority	5,128,876.02
Inv in USJRWPA	29,108.18

Total Other Assets **12,234,819.20**

Total Assets **\$ 23,085,968.99**

Lindmore Irrigation District
Balance Sheet
December 31, 2019

LIABILITIES AND CAPITAL

Current Liabilities

Accounts Payable	\$ 16,267.46
Account Due - Keller	43,883.57
Accrued Interest 2010A Bond	80,385.42
Employee Accruals Payable	84,312.41
Deferred Stand-By Chg	2,421,803.06
Customer Project	5,018.72
Emp Health Ins Deductions	<u>115.60</u>

Total Current Liabilities **2,651,786.24**

Long-Term Liabilities

Series 2010A Bond	<u>4,285,000.00</u>
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Total Long-Term Liabilities **4,285,000.00**

Total Liabilities **6,936,786.24**

Capital

Inv In Utility Plant	2,810,231.81
Inv in Property	159,368.43
FB - Unappropriated	3,116,315.39
FB -Operating	1,053,334.42
FB -Water Purchases	1,500,000.00
FB -EOM&R Dist System	3,881,712.01
FB - Unemp Res	25,000.00
FB - Multi Lia Ins (Deduct.)	50,000.00
FB - Power Dev Reserve	800,000.00
FB - Reserve for SLDMWA/FWA	500,000.00
FB - Vehicle Replacement Reser	150,239.62
Net Income	<u>2,102,981.07</u>

Total Capital **16,149,182.75**

Total Liabilities & Capital **\$ 23,085,968.99**

LINDMORE IRRIGATION DISTRICT

MEMORANDUM TO THE BOARD

TO: Board of Directors

FROM: Michael D. Hagman, General Manager

DATE: January 8, 2020

SUBJECT: Manager's Report for the January 14, 2020 Regular Board Meeting

Open a Financing Corporation meeting long enough to review and adopt minutes then close it.

PRIOR ITEMS

Operations and Maintenance:

- All lines are offline. Winter maintenance has begun. Expected to replace about 1200 feet of Lateral 4.9S on 10th Avenue. To begin this week. Approximate completion date is January 31. We are going to consider charging 10th Avenue main and isolate the 4.9S. It is a new valve on that line.
- Waiting on SCE to energize the pumping plant for the Modernization Project. Expectation is January 20th. There have been some challenges on the site. In particular, underground power conduit was saturated and had several burn points. We have to do some trenching and replacing the conduit and wire. This will add about a week to the timeline. We expect to have the Modernization project completed by January 31.
- New JB#6 structure is in getting galvanized. There is a manufacturing hang up on the replacement valve. This has delayed repairs by about 10 days. We expect to be able to have JB#6 back up by February 6th.

Water Supply Report:

- No adjustments to allocation by the USBR since the last Board meeting. Carryover is about 4,500 AF (represent about .18 AF per acre).

District Improvement Projects:

Groundwater Recharge – Deliverable includes developing a map of the District rating recharge zones, recharge site identification, design of recharge basins, etc. (Engineering Budget: \$77,500; Spent \$57,027) Board abandoned large recharge basin effort and changed direction to Ireton Pond and Micro-basins. **No activity**

JB Rehab – Design and supervision on all the District's JBs (Engineering Budget: \$354,000, Spent \$137,024). Working on 5th Avenue's JB#6 replacement and box refresh. There has been some work last year and this year on this by P&P. Total engineering costs will be about \$12,500 **No other cost activity**

City of Lindsay – Project was to study opportunities for recharge and exchanges between the City and the District. City remains interested. We are waiting on SGMA information to develop this activity. **No activity**

WaterSMART Grant and 93.2E Modernization: Anticipated completion date is January 28.

Recharge Basin Development: Would the Board authorize a long term (25 year with an option to purchase) lease agreement for about 5-acres of land? At about \$750 acre plus taxes and assessments. On five acres we can do a couple of the wells and a reservoir. I just need to find the five acres.

Personnel Policies and Procedures: With the approved agreement, Special Counsel Berglund will be able to focus on the nits of the MOU and its relationship to the personnel policies of the District.

Job Descriptions – Report: These are likely going to be developed after we get an engineer on staff.

Recharge Basin Name – Report: TID did a site visit and will be providing me a proposal this week or early next week. They can cut the weeds, but we need to find a slope grader, because they are behind on that in their district. We expect to have it done by the end of February.

Status of Assessment Collection using Tulare County Tax Rolls: We should have some direction in the next two weeks. Essentially, finding anyone available at the county was difficult. I had to pull a power move and got hold of the elected (Treasurer).

Staffing and Office Space – The Board room has been completely commandeered. Two workstations have been set up in there. We have a meeting at Sunkist today to look at their facilities, so we are underway trying to develop reasonable option for a Board meeting site on District property.

So far, all the temporary site stuff has been outrageous. I only had a couple referrals (from VP DePaoli). We did an internet search. We had one reasonably priced option of an 8 foot by 40-foot temp on site for \$7500 plus all the connections (about \$5k-\$7k) for a total cost of about \$12-\$15k. Other options we have considered are building our own building at the Districts main corporation yard or rehab the old steel building at the old site. Same price as the above but we have it for a permanent space. Most of the other options exceeded \$40,000. The old building is my preference because it already exists, and it would just be an improvement permit. I think we can work those kinds of details out with the City.

NEW ACTION ITEMS

February Board meeting: As is the case every year, the February meeting lands on the first day of the Ag Expo. Recommendation is to consider moving it to Monday the 10th (one day earlier).

Board Room Accommodations: This is a specific agenda item to give the Board the option of directing staff to make agreements or spend money. We will have the options for the Board on Monday or at the Board meeting. I apologize for this.