

**Durham Irrigation District
Board of Directors
Zoom Guidance for Meeting Attendance**

December 15, 2020 - 5:30 PM
Remote Meeting via Zoom (see below)

Special Notice: Pursuant to California Governor Gavin Newsom's Executive Order N-29-20 issued on March 17, 2020, relating to the convening of public meetings in response to the COVID-19 pandemic, Durham Irrigation District will be closing the Board of Directors Meetings to members of the public and non-essential District staff.

The public may listen to and/or participate in this meeting via landline or mobile telephone or via computer, with video and audio enabled or audio only. If you wish to comment on an item, but do not wish to participate during the meeting, the public may submit comments prior to the meeting via email to info@didwater.org before 5:00 p.m. on the day of the Board Meeting and they will be read into the record.

ACCESSING THE ONLINE MEETING:

We recommend logging-in **15 minutes early (at 5:15 pm)** to get set up and address any technical issues before the meeting starts. When you access the meeting, **you will be placed into a waiting room and admitted** into the meeting by the meeting hosts. There are four methods for joining the meeting:

1 - From Computer - One Click to Join

<https://us02web.zoom.us/j/495193613?pwd=QTduKzhTc0cxMThrOXFMVWdMYVM2QT09>

2 - From Computer Web Browser

<https://zoom.us/join>

When prompted, use Meeting ID: 495 193 613
Passcode: 646356

3 - From your Mobile Phone: One-Tap Mobile

+16699006833,,495193613#,,,,,0#,,646356#

4 - Dial-in using your Mobile Phone or Landline:

+1 669 900 6833

When prompted, use Meeting ID: 495 193 613

**If you are having any issues connecting to the meeting, please call
Durham Irrigation District at (530) 343-1594 for assistance.**

Please note that when you access the meeting, you will be placed into a waiting room and admitted into the meeting by the meeting host.

- The Board of Directors is committed to making its meetings accessible to all citizens. If you need a special accommodation to participate in the meeting, please contact the District Administrative Office at (530) 343-1594 or info@didwater.org at least 24 hours in advance of the meeting.
- The Board of Directors or its President pursuant to Government Code section 54954.3 reserves the right to impose reasonable rules governing public participation on agenda and non-agenda items, including limiting the total amount of time allocated to public testimony on particular issues and for each individual speaker.



**Durham Irrigation District
Board of Directors
MEETING AGENDA
December 15, 2020 - 5:30 PM**

**COPIES OF THIS AGENDA AVAILABLE FROM:
Durham Irrigation District Office or Online at www.didwater.org**

Posted: 5:00p.m., December 10, 2020 at 9418-C Midway, Durham, CA 95938 and Online at www.didwater.org

Board of Directors:

Matt Doyle, Chair
Raymond Cooper
Kevin Phillips

District Staff:

Kamie Loeser, General Manager
Jeff Carter, District Counsel
Rex Munroe and Mike Butler, Water Operator

AGENDA ITEMS:

1. CALL TO ORDER

- 1.1. Roll Call/Establishment of Quorum
- 1.2. Introduction of Guests

2. ADJUSTMENTS AND APPROVAL OF AGENDA

3. PUBLIC COMMENT - public members wishing to address the Board on items not listed on the Agenda.

The Durham Irrigation District Board of Directors may take official action only on items included in the posted agenda for a specific scheduled meeting. Items addressed during the Public Comment section are generally matters not included on the agenda and therefore, the Board will not take action at this scheduled meeting. However, such items may be put on the agenda for a future meeting. The public shall have the opportunity to address items that are on the posted agenda. Speakers shall be limited to three minutes each.

4. PRESENTATIONS (*All Items Informational/Possible Action*)

None.

5. CONSENT AGENDA

All items listed under the Consent Agenda are considered to be routine and will be enacted by one motion unless an item is removed. Resolutions will be read by title only. There will be no separate discussion of these items unless members of the Board, or persons in the audience, request specific items to be removed from the Consent Agenda to the Regular Agenda for separate discussion, prior to

the time the Board votes on the motion to adopt the Consent Agenda. If any item(s) are removed from the Consent Agenda, the item(s) will be considered immediately following action on the Consent Agenda. Action Requested: *that the Board of Directors approve the Consent Agenda.*

- 5.1. Minutes for Regular Meeting held on November 17, 2020
- 5.2. Monthly Financial Report for November 2020, including the Balance Sheet, Year-to-Date Profit & Loss Statement January through November, and the General Ledger.

6. REGULAR AGENDA

- 6.1. Items Removed from Consent Agenda
- 6.2. Payment of monthly bills and approve the warrant sheet and refund register November 18, 2020, through December 15, 2020. Action Requested: *that the Board of Directors authorize payment of the monthly bills and approve the warrant sheet, deposit, and refund registers.*

7. GENERAL ADMINISTRATION BUSINESS (All Items Informational/Possible Action)

7.1. CORRESPONDENCE

- a. California State Controller, November 6, 2020, Subject: 2019-2020 Special Districts' Financial Transactions Report due February 1, 2021. Informational Item Only.
- 7.2. Matthews, Hutton, and Warren, Certified Public Accountants. Engagement Letter for Services for the preparation of the 2018 and 2019 Independent Auditor's Reports for a gross fee, including expenses, not to exceed \$5,500 per report. Requested Action: *Approve the Engagement Letter and gross fee of \$5,500 per report.*
- 7.3. Financial Statements with Independent Auditor's Report for Year ending December 31, 2018. Prepared by Matthews, Hutton & Warren (MHW), Certified Public Accountants. Requested Action: *Review and accept the Draft Report as prepared by MHW.*
- 7.4. Policies and Procedures Document: Chapter 7 – Water Rates, Operating Fees, and Billing Procedure. Possible Action: *Review and approval of Appendix A - Rates, Fees and Charges.*

8. WATER OPERATIONS BUSINESS (All Items Informational/Possible Action)

- 8.1. Daily Log for November 2020 - (Operator Mike Butler):
 - a. Response to questions/comments regarding customer service calls, meter installs etc.
- 8.2. Other Water System Improvements, Needs and Updates:
 - a. New meters installations update
 - b. Fire Hydrant Testing Program, refer to cost estimate provided by Sierra Water Utility
 - c. Other cost estimates and operational needs

9. ATTORNEY REPORT *(All Items Informational/Possible Action)*

9.1. Attorney's Update

10. MANAGER REPORT *(All Items Informational/Possible Action)*

10.1. Manager's Report/Updates *(All Items Informational/Possible Action)*

- a. Request authorization to recruit and hire a part-time Clerical Assistant working 20 to 24 hours/week at \$18-22/hour, with a monthly health insurance stipend and CalPers retirement contribution. The Clerical Assistant duties would include, but are not limited to: data entry; processing water bills and payments; sorting mail; filing; maintaining office hours; responding to customer service inquires/requests; serve as Secretary of the Board, preparing agendas and minutes; and conduct other duties as assigned.

11. VINA GSA

11.1. Vina GSA Report *(District Manager Loeser, Legal Counsel Carter)*

a. December Meeting Dates:

- Vina GSA Board Meeting, December 8, 5:30-7:00pm
- Stakeholder Advisory Committee Meeting, December 15, 9:00am-12:00pm

12. DIRECTORS' COMMENTS: Opportunity for Board comments on items not listed on the agenda.

13. CLOSED SESSION

Pursuant to Government Code Section 54956.9(d)(4), Conference with Legal Counsel - Initiation of litigation: Based on existing facts and circumstances, the Board of Directors is deciding whether to initiate litigation. One case.

OPEN SESSION

14. ADJOURNMENT

- The Board of Directors is committed to making its meetings accessible to all citizens. If you need a special accommodation to participate in the meeting, please contact the District Administrative Office at (530) 343-1594 or info@didwater.org at least 24 hours in advance of the meeting.
- The Board of Directors or its President pursuant to Government Code section 54954.3 reserves the right to impose reasonable rules governing public participation on agenda and non-agenda items, including limiting the total amount of time allocated to public testimony on particular issues and for each individual speaker.

**Durham Irrigation District
Board of Directors
Meeting Minutes**

Item 5.1

November 17, 2020 - 5:30 PM

Board of Directors:

Matt Doyle, Chair – in attendance/remote
Raymond Cooper – in attendance/remote
Kevin Phillips – in attendance/remote

District Staff:

Kamie Loeser, General Manager – in attendance/in office
Jeff Carter, District Counsel – in attendance/in office
Mike Butler, Water Operator – in attendance/remote

AGENDA ITEMS:

1. CALL TO ORDER

1.1. Roll Call/Establishment of Quorum - The meeting was called to order at 5:30PM by Chair Doyle. Roll Call was taken as noted “in attendance” above. Attendees participated via Zoom; with the exception of those noted as “in office” above.

1.2. Introduction of Guests

Guests participated via zoom.

- Mr. Pat Button

2. ADJUSTMENTS AND APPROVAL OF AGENDA

None.

3. PUBLIC COMMENT

None.

4. PRESENTATIONS (All Items Informational/Possible Action)

None.

5. CONSENT AGENDA

5.1. Minutes for Regular Meeting held on October 20, 2020

5.2. Monthly Financial Report for October 2020, including the Balance Sheet, Profit & Loss Statement January through October, and the General Ledger.

Action Requested: that the Board of Directors approve the Consent Agenda.

Action Taken:

On a motion made by Director Phillips, seconded by Director Cooper, the Board of Directors approved the Consent Agenda.

The vote was as follows: Ayes carried.

Roll call vote:

Ayes: Phillips, Cooper, Doyle

Noes: None

Abstained: None

Absent: None

REGULAR AGENDA

5.3. Items Removed from Consent Agenda

None.

5.4. Payment of monthly bills and approve the warrant sheet and refund register October 20, 2020, through November 15, 2020.

Action Requested: that the Board of Directors authorize payment of the monthly bills and approve the warrant sheet, deposit, and refund registers.

Discussion: Director Phillips inquired as to whether or not the shift in the Board's regular meeting day would result or has resulted in any of the District's payments being delinquent. Manager Loeser said no, it is not an issue.

Action Taken: On a motion made by Director Phillips, seconded by Director Cooper, the Board of Directors authorized payment of the monthly bills and approve the warrant sheet, deposit, and refund registers, as applicable.

The vote was as follows: Ayes carried.

Roll call vote:

Ayes: Phillips, Cooper, Doyle

Noes: None

Abstained: None

Absent: None

6. GENERAL ADMINISTRATION BUSINESS (All Items Informational/Possible Action)

6.1. **CORRESPONDENCE:** (All Items Informational/Possible Action)

- a. Butte County Special Districts Association (BCSDA) Request for Nominations. Letter from Secretary/Treasurer Executive Board, Ms. Ann Willmann requesting 4 nominations for the BCSDA Executive Board of Directors, 2 for non-enterprise districts and 2 for enterprise districts. Nominations are due by November 20, 2020.

Possible Action: *Nominate Executive Board Member(s).*

Discussion: The Board identified the following District representatives to be nominated for the Executive Board of Directors for the BCSDA:

Enterprise District

Mark Sulik - Paradise Irrigation District

Non-Enterprise District

Kelly Parsons - Durham Recreation District

Tom Lando - Chico Area Recreation District

Action Taken: On a motion made by Director Phillips, seconded by Chairman Doyle, the Board of Directors nominated the above listed candidates for the BCSDA Executive Board. The vote was as follows: Ayes carried.

Roll call vote:

Ayes: Phillips, Doyle

Noes: None

Abstained: Cooper

Absent: None

- b. State Water Resources Control Board. 2020 Inspection Report. Letter from the Water Boards summarizing the annual inspection conducted with the District Water Operator on September 16, 2020. Provided System Deficiency Record. Noted one deficiency: The District needs to develop and maintain a record keeping system for testing and repairing or replacing backflow devices. Proff of record keeping system must be submitted to the Division by December 1, 2020. Informational Purposes Only, No Action Taken.
 - c. Butte County LAFCo. Election results for the Special District Alternate "Enterprise" Member, provided pursuant to California Government Code Section §56332. Informational Purposes Only, No Action Taken.
- 6.2. Policies and Procedures Document: Chapter 7 – Water Rates, Operating Fees, and Billing Procedure. Possible Action: Review and approval of Appendix A.1 Miscellaneous Utility Billing/Customer Fees.

Action Taken/Direction from Board: The Board directed Manager Loeser to work on the draft Fees, Rates and Charges and submit to Director Phillips for review and input and bring back at the December 15, 2020 for review by the Board and possible approval.

7. WATER OPERATIONS BUSINESS (All Items Informational/Possible Action)

- 7.1. Daily Log for October 2020 - (Operator Rex Munroe/Mike Butler):
 - a. Response to questions/comments regarding customer service calls, meter installs etc.

Informational Purposes Only, No Action Taken.

- Operator Butler provided an overview of the month's activities. The transfer switch for the generator was tested with North State Electric & Pump and does not appear to be deficient.
- Repair of one leak on an older service connection; fixed with minimal down time.

Action Taken/Direction from Board.

- Operator Butler discussed the water tank at the Alley Pump/Well Site #3. There is potential internal corrosion of the tank, which could lead to water service deficiencies if it fails. Operator Butler indicated that he will obtain estimates for the replacement of the tank.
- Operator Butler also requested if he could establish a list of multiple licensed contractors to have on file to provide repair, replacement, and installation services. The Board directed Operator Butler to obtain qualifications and insurance documents from identified contractors, which include but are not limited to R&R Horn, Inc., Brown Engineering Inc., and Nor Cal Excavating, Inc.

7.2. Other Water System Improvements, Needs and Updates:

- a. New Meters Installations
- b. Fire Hydrant Testing Program

Informational Purposes Only, No Action Taken: Manager Loeser discussed the meter installation database that is being created to track new meter installations resulting from home sales and/or new development. Operator provided an estimate to conduct testing on the approximately 70 hydrants within the District's boundaries. This will be discussed at the December 15, 2020 meeting.

8. ATTORNEY REPORT (All Items Informational/Possible Action)

8.1. Attorney's Update

Action Taken/Direction from Board: Attorney Carter indicated that Matthews, Hutton and Warren (MHW) submitted an Engagement Letter for the completion of the 2018 and 2019 Audits for the to be completed by the District. The Letter included a cost estimate. The Board directed that the Engagement Letter be brought back at the December 15, 2020 meeting so that they could review the document.

9. MANAGER REPORT (All Items Informational/Possible Action)

9.1. Manager's Report/Updates (All Items Informational/Possible Action)

- a. Office Procedures Manual preparation. Manager Loeser is preparing a daily office procedures manual detailing the procedures for processing correspondence, emails, water payments, banking procedures, work orders, and other similar record keeping activities.
- b. CSDA Board Secretary/Clerk Virtual Conference. Manager Loeser attended the virtual conference on October 26-28, 2020.

Informational Purposes Only, No Action Taken: Manager Loeser stated that she is in the process of preparing an Office Procedures Manual. She also provided a summary of the Board Secretary/Clerk Virtual Conference.

10. VINA GSA

10.1. Vina GSA Report (*District Manager Loeser, Legal Counsel Carter*)

a. Next Meeting Dates:

- Stakeholder Advisory Committee Meeting, 11/17/20, 9:00am-12:00pm
- Vina GSA Board Meeting, 11/18/20, 5:30-7:00pm

Informational Purposes Only, No Action Taken: Manager Loeser provided a brief summary of the Vina GSA SHAC meeting held that same day, referring to the timeline anticipated over the next year for the completion of the GSP. The dates of the next meetings were noted.

11. DIRECTORS' COMMENTS: Opportunity for Board comments on items not listed on the agenda.

12. CLOSED SESSION

Pursuant to Government Code Section 54956.9(d)(4), Conference with Legal Counsel - Initiation of litigation: Based on existing facts and circumstances, the Board of Directors is deciding whether to initiate litigation. One case.

Public Comment: Mr. Button provided comments on the process for noticing Closed Sessions and what he expected should be summarized during open session.

OPEN SESSION

At 6:42PM the Board returned to Open Session and summarized the Closed Session as follows:

No Action was taken; the matter was continued to the next regular meeting of the Board in Closed Session.

13. ADJOURNMENT

Following the Closed Session Report, the meeting was adjourned at 6:44 p.m.

Kamie Loeser, General Manager

Date

Durham Irrigation District

Balance Sheet

As of November 30, 2020

Item 5.2

Nov 30, 20

ASSETS

Current Assets

Checking/Savings

Current Assets

Cash 163,123.18

Cash on Hand 100.00

Development Fees 26,193.24

Savings 14,377.34

Total Current Assets 203,793.76Total Checking/Savings 203,793.76

Total Current Assets 203,793.76

Fixed Assets

CAPITAL ASSETS

Depreciable Assets

Equipment 43,002.14

Mains 623,540.00

Pumps 172,575.00

Structures 16,084.00

Wells 127,486.00

Less Accum. Dep'n -434,456.00

Total Depreciable Assets 548,231.14

Total CAPITAL ASSETS 548,231.14

Non-Depreciable Assets

Land 20,331.00

Total Non-Depreciable Assets 20,331.00

Total Fixed Assets 568,562.14

TOTAL ASSETS 772,355.90

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Other Current Liabilities

Uncleared Checks 100.00

Total Other Current Liabilities 100.00Total Current Liabilities 100.00

Total Liabilities 100.00

Equity

NET POSITION

Net Investment in Capital Asset 566,549.00

Total NET POSITION 566,549.00

Unrestricted Net Assets 137,166.07

Net Income 68,540.83

Total Equity 772,255.90TOTAL LIABILITIES & EQUITY 772,355.90

Durham Irrigation District
Profit & Loss
 January through November 2020

	Jan 20	Feb 20	Mar 20	Apr 20	May 20
Ordinary Income/Expense					
Income					
Water Sales Income					
OPERATING REVENUES					
Meter Sales	0.00	0.00	0.00	0.00	650.00
Water Sales	25,785.27	18,335.59	30,977.08	26,817.86	26,325.68
Total OPERATING REVENUES	25,785.27	18,335.59	30,977.08	26,817.86	26,975.68
Total Water Sales Income	25,785.27	18,335.59	30,977.08	26,817.86	26,975.68
Total Income	25,785.27	18,335.59	30,977.08	26,817.86	26,975.68
Expense					
Contract Services					
Accounting Fees	606.00	693.75	431.25	393.75	256.50
Engineering Support	0.00	0.00	0.00	1,065.00	0.00
Legal Fees	2,925.00	2,700.00	2,700.00	4,199.65	2,363.51
Management & Administration	7,125.00	4,407.50	4,135.00	5,073.75	4,083.00
Water Operations Mgmt.	2,500.00	6,012.50	5,437.50	4,762.50	1,200.00
Total Contract Services	13,156.00	13,813.75	12,703.75	15,494.65	7,903.01
OPERATING EXPENSES					
Administration					
Board Stipends	300.00	300.00	300.00	600.00	300.00
District Wages, Taxes, Insur.					
Insurance	503.72	0.00	0.00	0.00	0.00
Payroll Service Fees	0.00	185.25	58.00	58.00	70.00
Payroll Tax Expense	0.00	-44.53	0.00	0.00	0.00
Property Taxes	0.00	0.00	0.00	0.00	0.00
Total District Wages, Taxes, Insur.	503.72	140.72	58.00	58.00	70.00
Fees, Dues, Memberships	5,051.20	1,015.00	1,828.00	431.95	12.50
Office Expense					
Meals	0.00	0.00	0.00	0.00	24.64
Postage	300.00	150.00	150.00	150.00	150.00
Software	0.00	0.00	0.00	0.00	0.00
Supplies	147.96	0.00	0.00	186.04	0.00
Website Hosting	75.00	75.00	75.00	150.00	75.00
Office Expense - Other	0.00	0.00	0.00	0.00	0.00
Total Office Expense	522.96	225.00	225.00	486.04	249.64
Rent	556.02	450.00	450.00	450.00	556.02
Software Fees	100.00	100.00	220.00	100.00	100.00
Supplies	17.25	0.00	0.00	0.00	0.00
Utilities					
Garbage	105.56	108.43	108.43	108.43	108.43
Gas & Electric	3,230.13	2,902.08	3,327.49	3,591.78	3,666.81
Telephone/Internet	227.57	226.66	236.92	226.92	253.00
Total Utilities	3,563.26	3,237.17	3,672.84	3,927.13	4,028.24
Water System Maint,Repair,Repl					
Regular Operations & Maint					

Durham Irrigation District
Profit & Loss
January through November 2020

	Jan 20	Feb 20	Mar 20	Apr 20	May 20
O & M Supplies	223.07	218.51	282.33	375.62	960.00
Water Testing Fees	1,510.80	206.40	67.20	67.20	206.40
Weed Management	0.00	0.00	0.00	0.00	680.00
Regular Operations & Maint - Other	0.00	0.00	0.00	0.00	0.00
Total Regular Operations & Maint	1,733.87	424.91	349.53	442.82	1,846.40
Water System Repair & Repl.+					
Repairs	1,194.78	0.00	0.00	93.31	95.99
Repair Supplies	0.00	0.00	0.00	0.00	0.00
Contractor	2,061.00	0.00	0.00	0.00	3,054.12
Water Operator	0.00	0.00	0.00	0.00	0.00
Total Water System Repair & Repl.+	3,255.78	0.00	0.00	93.31	3,150.11
Total Water System Maint,Repair,Repl	4,989.65	424.91	349.53	536.13	4,996.51
Total Administration	15,604.06	5,892.80	7,103.37	6,589.25	10,312.91
Bank Service Charges	0.00	10.00	118.00	0.00	0.00
Total OPERATING EXPENSES	15,604.06	5,902.80	7,221.37	6,589.25	10,312.91
Total Expense	28,760.06	19,716.55	19,925.12	22,083.90	18,215.92
Net Ordinary Income	-2,974.79	-1,380.96	11,051.96	4,733.96	8,759.76
Other Income/Expense					
Other Income					
NON-OPERATING REVENUE					
Interest Income	0.18	0.11	0.12	0.12	0.12
Total NON-OPERATING REVENUE	0.18	0.11	0.12	0.12	0.12
SPECIAL PROJECTS					
Development Projects Income					
Payments Received	0.00	0.00	0.00	0.00	6,889.24
Total Development Projects Income	0.00	0.00	0.00	0.00	6,889.24
Total SPECIAL PROJECTS	0.00	0.00	0.00	0.00	6,889.24
Total Other Income	0.18	0.11	0.12	0.12	6,889.36
Other Expense					
Special District Projects					
Expenses					
Agency Fees	3,109.06	0.00	0.00	0.00	0.00
Development Project Fees	560.17	340.00	0.00	0.00	0.00
Total Expenses	3,669.23	340.00	0.00	0.00	0.00
Total Special District Projects	3,669.23	340.00	0.00	0.00	0.00
Total Other Expense	3,669.23	340.00	0.00	0.00	0.00
Net Other Income	-3,669.05	-339.89	0.12	0.12	6,889.36
Net Income	-6,643.84	-1,720.85	11,052.08	4,734.08	15,649.12

Durham Irrigation District
Profit & Loss
 January through November 2020

	Jun 20	Jul 20	Aug 20	Sep 20	Oct 20
Ordinary Income/Expense					
Income					
Water Sales Income					
OPERATING REVENUES					
Meter Sales	650.00	0.00	0.00	0.00	0.00
Water Sales	31,497.51	34,259.95	36,297.33	35,878.85	34,510.56
Total OPERATING REVENUES	<u>32,147.51</u>	<u>34,259.95</u>	<u>36,297.33</u>	<u>35,878.85</u>	<u>34,510.56</u>
Total Water Sales Income	<u>32,147.51</u>	<u>34,259.95</u>	<u>36,297.33</u>	<u>35,878.85</u>	<u>34,510.56</u>
Total Income	<u>32,147.51</u>	<u>34,259.95</u>	<u>36,297.33</u>	<u>35,878.85</u>	<u>34,510.56</u>
Expense					
Contract Services					
Accounting Fees	281.25	318.75	337.50	393.75	337.50
Engineering Support	0.00	1,715.00	1,775.00	210.00	0.00
Legal Fees	2,205.00	2,047.50	1,897.10	2,677.50	1,935.00
Management & Administration	4,015.16	5,183.75	5,266.25	5,115.00	5,183.75
Water Operations Mgmt.	0.00	0.00	0.00	0.00	0.00
Total Contract Services	<u>6,501.41</u>	<u>9,265.00</u>	<u>9,275.85</u>	<u>8,396.25</u>	<u>7,456.25</u>
OPERATING EXPENSES					
Administration					
Board Stipends	300.00	600.00	300.00	500.00	600.00
District Wages, Taxes, Insur.					
Insurance	564.46	5,674.55	0.00	0.00	0.00
Payroll Service Fees	58.00	58.00	70.00	58.00	58.00
Payroll Tax Expense	0.00	0.00	0.00	0.00	0.00
Property Taxes	0.00	0.00	0.00	0.00	11.60
Total District Wages, Taxes, Insur.	<u>622.46</u>	<u>5,732.55</u>	<u>70.00</u>	<u>58.00</u>	<u>69.60</u>
Fees, Dues, Memberships	7.08	1,265.08	1,000.00	1,481.45	1,000.00
Office Expense					
Meals	0.00	0.00	0.00	0.00	0.00
Postage	450.00	150.00	300.00	0.00	150.00
Software	54.99	182.51	0.00	0.00	0.00
Supplies	411.93	136.96	161.52	60.03	394.98
Website Hosting	75.00	75.00	75.00	75.00	150.00
Office Expense - Other	0.00	0.00	0.00	0.00	659.96
Total Office Expense	<u>991.92</u>	<u>544.47</u>	<u>536.52</u>	<u>135.03</u>	<u>1,354.94</u>
Rent	450.00	530.00	556.02	450.00	556.02
Software Fees	100.00	100.00	100.00	100.00	100.00
Supplies	0.00	0.00	0.00	0.00	0.00
Utilities					
Garbage	108.43	108.43	108.43	108.43	108.43
Gas & Electric	4,890.20	6,074.54	6,616.46	7,718.22	5,905.33
Telephone/Internet	253.14	243.14	265.33	254.49	254.49
Total Utilities	<u>5,251.77</u>	<u>6,426.11</u>	<u>6,990.22</u>	<u>8,081.14</u>	<u>6,268.25</u>
Water System Maint, Repair, Repl					
Regular Operations & Maint					

Durham Irrigation District
Profit & Loss
January through November 2020

	Jun 20	Jul 20	Aug 20	Sep 20	Oct 20
O & M Supplies	498.26	2,962.23	1,937.88	1,517.18	4,562.54
Water Testing Fees	134.40	0.00	457.20	269.20	374.60
Weed Management	800.00	800.00	0.00	0.00	1,800.00
Regular Operations & Maint - Other	0.00	0.00	0.00	1,000.00	0.00
Total Regular Operations & Maint	1,432.66	3,762.23	2,395.08	2,786.38	6,737.14
Water System Repair & Repl.+					
Repairs	0.00	1,799.77	-1,126.00	6,759.30	125.00
Repair Supplies	390.35	0.00	0.00	0.00	0.00
Contractor	0.00	6,246.50	0.00	0.00	0.00
Water Operator	7,425.00	2,500.00	2,500.00	2,500.00	2,500.00
Total Water System Repair & Repl.+	7,815.35	10,546.27	1,374.00	9,259.30	2,625.00
Total Water System Maint,Repair,Repl	9,248.01	14,308.50	3,769.08	12,045.68	9,362.14
Total Administration	16,971.24	29,506.71	13,321.84	22,851.30	19,310.95
Bank Service Charges	0.00	0.00	50.85	206.25	189.07
Total OPERATING EXPENSES	16,971.24	29,506.71	13,372.69	23,057.55	19,500.02
Total Expense	23,472.65	38,771.71	22,648.54	31,453.80	26,956.27
Net Ordinary Income	8,674.86	-4,511.76	13,648.79	4,425.05	7,554.29
Other Income/Expense					
Other Income					
NON-OPERATING REVENUE					
Interest Income	0.12	0.12	0.12	0.12	0.12
Total NON-OPERATING REVENUE	0.12	0.12	0.12	0.12	0.12
SPECIAL PROJECTS					
Development Projects Income					
Payments Received	0.00	9,617.00	0.00	0.00	0.00
Total Development Projects Income	0.00	9,617.00	0.00	0.00	0.00
Total SPECIAL PROJECTS	0.00	9,617.00	0.00	0.00	0.00
Total Other Income	0.12	9,617.12	0.12	0.12	0.12
Other Expense					
Special District Projects					
Expenses					
Agency Fees	0.00	0.00	0.00	0.00	0.00
Development Project Fees	662.50	315.00	45.00	0.00	0.00
Total Expenses	662.50	315.00	45.00	0.00	0.00
Total Special District Projects	662.50	315.00	45.00	0.00	0.00
Total Other Expense	662.50	315.00	45.00	0.00	0.00
Net Other Income	-662.38	9,302.12	-44.88	0.12	0.12
Net Income	8,012.48	4,790.36	13,603.91	4,425.17	7,554.41

Durham Irrigation District
Profit & Loss
 January through November 2020

	Nov 20	TOTAL
Ordinary Income/Expense		
Income		
Water Sales Income		
OPERATING REVENUES		
Meter Sales	0.00	1,300.00
Water Sales	29,802.12	330,487.80
Total OPERATING REVENUES	29,802.12	331,787.80
Total Water Sales Income	29,802.12	331,787.80
Total Income	29,802.12	331,787.80
Expense		
Contract Services		
Accounting Fees	375.00	4,425.00
Engineering Support	472.50	5,237.50
Legal Fees	1,912.50	27,562.76
Management & Administration	5,376.25	54,964.41
Water Operations Mgmt.	0.00	19,912.50
Total Contract Services	8,136.25	112,102.17
OPERATING EXPENSES		
Administration		
Board Stipends	300.00	4,400.00
District Wages, Taxes, Insur.		
Insurance	0.00	6,742.73
Payroll Service Fees	13.00	686.25
Payroll Tax Expense	0.00	-44.53
Property Taxes	0.00	11.60
Total District Wages, Taxes, Insur.	13.00	7,396.05
Fees, Dues, Memberships	1,845.00	14,937.26
Office Expense		
Meals	0.00	24.64
Postage	300.00	2,250.00
Software	0.00	237.50
Supplies	0.00	1,499.42
Website Hosting	75.00	975.00
Office Expense - Other	58.47	718.43
Total Office Expense	433.47	5,704.99
Rent	450.00	5,454.08
Software Fees	100.00	1,220.00
Supplies	0.00	17.25
Utilities		
Garbage	108.43	1,189.86
Gas & Electric	5,653.73	53,576.77
Telephone/Internet	256.74	2,698.40
Total Utilities	6,018.90	57,465.03
Water System Maint, Repair, Repl		
Regular Operations & Maint		

Durham Irrigation District
Profit & Loss
January through November 2020

	Nov 20	TOTAL
O & M Supplies	1,028.84	14,566.46
Water Testing Fees	274.00	3,567.40
Weed Management	0.00	4,080.00
Regular Operations & Maint - Other	0.00	1,000.00
Total Regular Operations & Maint	1,302.84	23,213.86
Water System Repair & Repl.+		
Repairs	3,875.00	12,817.15
Repair Supplies	0.00	390.35
Contractor	0.00	11,361.62
Water Operator	0.00	17,425.00
Total Water System Repair & Repl.+	3,875.00	41,994.12
Total Water System Maint,Repair,Repl	5,177.84	65,207.98
Total Administration	14,338.21	161,802.64
Bank Service Charges	243.87	818.04
Total OPERATING EXPENSES	14,582.08	162,620.68
Total Expense	22,718.33	274,722.85
Net Ordinary Income	7,083.79	57,064.95
Other Income/Expense		
Other Income		
NON-OPERATING REVENUE		
Interest Income	0.12	1.37
Total NON-OPERATING REVENUE	0.12	1.37
SPECIAL PROJECTS		
Development Projects Income		
Payments Received	0.00	16,506.24
Total Development Projects Income	0.00	16,506.24
Total SPECIAL PROJECTS	0.00	16,506.24
Total Other Income	0.12	16,507.61
Other Expense		
Special District Projects		
Expenses		
Agency Fees	0.00	3,109.06
Development Project Fees	0.00	1,922.67
Total Expenses	0.00	5,031.73
Total Special District Projects	0.00	5,031.73
Total Other Expense	0.00	5,031.73
Net Other Income	0.12	11,475.88
Net Income	7,083.91	68,540.83

Durham Irrigation District
General Ledger
As of November 30, 2020

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Paid Amount</u>	<u>Balance</u>
Current Assets					196,709.85
Cash					156,039.39
11/02/2020		Deposit	Deposit	58.00	156,097.39
11/02/2020		Deposit	Deposit	30.44	156,127.83
11/02/2020		Bank Charge		-233.87	155,893.96
11/04/2020		Deposit	Deposit	532.96	156,426.92
11/05/2020		Deposit	Deposit	453.29	156,880.21
11/06/2020		Deposit	Deposit	5,122.64	162,002.85
11/06/2020		Deposit	Deposit	179.58	162,182.43
11/09/2020		Deposit	Deposit	186.51	162,368.94
11/09/2020		Deposit	Deposit	152.28	162,521.22
11/09/2020		Deposit	Deposit	55.63	162,576.85
11/10/2020		Deposit	Deposit	356.72	162,933.57
11/10/2020		Paychex		-13.00	162,920.57
11/12/2020		Deposit	Deposit	395.08	163,315.65
11/12/2020		Deposit	Deposit	269.58	163,585.23
11/13/2020		Deposit	Deposit	12,564.39	176,149.62
11/16/2020		Deposit	Deposit	612.02	176,761.64
11/16/2020		Deposit	Deposit	119.86	176,881.50
11/17/2020	9219	Kevin Phillips	Oct 2020	-100.00	176,781.50
11/17/2020	9220	Matt Doyle	Oct 2020	-100.00	176,681.50
11/17/2020	9221	Raymond Cooper	Oct 2020	-100.00	176,581.50
11/17/2020	9222	Tozier's True Value ...	wasp spray/supplies	-16.48	176,565.02
11/17/2020	9223	Basic Laboratory	testing	-274.00	176,291.02
11/17/2020	9224	Sierra Water Utility	Chlorine	-1,012.36	175,278.66
11/17/2020	9225	Sierra Water Utility	labor - repair	-1,375.00	173,903.66
11/17/2020	9226	Camp & McLaughlin	Nov rent	-450.00	173,453.66
11/17/2020	9227	AT & T		-256.74	173,196.92
11/17/2020	9228	PG & E		-5,653.73	167,543.19
11/17/2020	9229	Recology		-108.43	167,434.76
11/17/2020	9230	Sequoyah		-100.00	167,334.76
11/17/2020	9234	Streamline		-75.00	167,259.76
11/17/2020	9231	Sheryl Bosman	Bookkeeping	-375.00	166,884.76
11/17/2020	9232	Carter Law Office		-1,912.50	164,972.26
11/17/2020	9233	Kamela Loeser	Oct 2020	-5,376.25	159,596.01
11/17/2020	9235	Northstar Engineering	lead service laterals, S...	-472.50	159,123.51
11/17/2020	9243	Sierra Water Utility		-2,500.00	156,623.51
11/17/2020	9236	Vina GSA		-1,000.00	155,623.51
11/17/2020	9237	Butte County Specia...	annual dues	-25.00	155,598.51
11/17/2020	9238	California Special Di...		-670.00	154,928.51
11/17/2020	9239	USA North 811		-150.00	154,778.51
11/17/2020	9240	Kamie Loeser	reimb. Staples	-58.47	154,720.04
11/17/2020		FP Mailing Solutions	postage	-150.00	154,570.04
11/17/2020		Deposit	Deposit	479.00	155,049.04
11/18/2020		Deposit	Deposit	44.13	155,093.17
11/20/2020		Deposit	Deposit	5,196.31	160,289.48
11/20/2020		Deposit	Deposit	55.09	160,344.57
11/23/2020		Deposit	Deposit	286.10	160,630.67
11/23/2020		Deposit	Deposit	30.89	160,661.56
11/23/2020		Returned Item	returned item	-40.43	160,621.13
11/25/2020		Deposit	Deposit	779.58	161,400.71
11/25/2020		Deposit	Deposit	155.00	161,555.71
11/25/2020		Deposit	Deposit	1,623.50	163,179.21
11/30/2020		Deposit	Deposit	80.00	163,259.21
11/30/2020		Deposit	Deposit	13.97	163,273.18
11/30/2020		Postalia		-150.00	163,123.18
Total Cash				7,083.79	163,123.18
Cash on Hand					100.00
Total Cash on Hand					100.00
Development Fees					26,193.24
Total Development Fees					26,193.24

Durham Irrigation District
General Ledger
As of November 30, 2020

Date	Num	Name	Memo	Paid Amount	Balance
Savings					14,377.22
11/30/2020			Interest	0.12	14,377.34
Total Savings				0.12	14,377.34
Total Current Assets				7,083.91	203,793.76
CAPITAL ASSETS					548,231.14
Depreciable Assets					548,231.14
Equipment					43,002.14
Total Equipment					43,002.14
Mains					623,540.00
Total Mains					623,540.00
Pumps					172,575.00
Total Pumps					172,575.00
Structures					16,084.00
Total Structures					16,084.00
Wells					127,486.00
Total Wells					127,486.00
Less Accum. Dep'n					-434,456.00
Total Less Accum. Dep'n					-434,456.00
Total Depreciable Assets					548,231.14
Total CAPITAL ASSETS					548,231.14
Non-Depreciable Assets					20,331.00
Land					20,331.00
Total Land					20,331.00
Total Non-Depreciable Assets					20,331.00
Uncleared Checks					-100.00
Total Uncleared Checks					-100.00
NET POSITION					-566,549.00
Net Investment in Capital Asset					-566,549.00
Total Net Investment in Capital Asset					-566,549.00
Total NET POSITION					-566,549.00
Unrestricted Net Assets					-137,166.07
Total Unrestricted Net Assets					-137,166.07
Water Sales Income					-301,985.68
OPERATING REVENUES					-301,985.68
Meter Sales					-1,300.00
Total Meter Sales					-1,300.00
Water Sales					-300,685.68
11/02/2020		Deposit	Deposit	-58.00	-300,743.68
11/02/2020		Deposit	Deposit	-30.44	-300,774.12
11/04/2020		Deposit	Deposit	-532.96	-301,307.08
11/05/2020		Deposit	Deposit	-453.29	-301,760.37
11/06/2020		Deposit	Deposit	-5,122.64	-306,883.01
11/06/2020		Deposit	Deposit	-179.58	-307,062.59
11/09/2020		Deposit	Deposit	-186.51	-307,249.10
11/09/2020		Deposit	Deposit	-152.28	-307,401.38
11/09/2020		Deposit	Deposit	-55.63	-307,457.01
11/10/2020		Deposit	Deposit	-356.72	-307,813.73
11/12/2020		Deposit	Deposit	-395.08	-308,208.81
11/12/2020		Deposit	Deposit	-269.58	-308,478.39
11/13/2020		Deposit	Deposit	-12,564.39	-321,042.78
11/16/2020		Deposit	Deposit	-612.02	-321,654.80
11/16/2020		Deposit	Deposit	-119.86	-321,774.66
11/17/2020		Deposit	Deposit	-479.00	-322,253.66

Durham Irrigation District
General Ledger
As of November 30, 2020

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Paid Amount</u>	<u>Balance</u>
11/18/2020		Deposit	Deposit	-44.13	-322,297.79
11/20/2020		Deposit	Deposit	-5,196.31	-327,494.10
11/20/2020		Deposit	Deposit	-55.09	-327,549.19
11/23/2020		Deposit	Deposit	-286.10	-327,835.29
11/23/2020		Deposit	Deposit	-30.89	-327,866.18
11/23/2020		Returned Item	returned item	30.43	-327,835.75
11/25/2020		Deposit	Deposit	-779.58	-328,615.33
11/25/2020		Deposit	Deposit	-155.00	-328,770.33
11/25/2020		Deposit	Deposit	-1,623.50	-330,393.83
11/30/2020		Deposit	Deposit	-80.00	-330,473.83
11/30/2020		Deposit	Deposit	-13.97	-330,487.80
Total Water Sales				-29,802.12	-330,487.80
Total OPERATING REVENUES				-29,802.12	-331,787.80
Total Water Sales Income				-29,802.12	-331,787.80
Contract Services					103,965.92
Accounting Fees					4,050.00
11/17/2020	9231	Sheryl Bosman	Bookkeeping	375.00	4,425.00
Total Accounting Fees				375.00	4,425.00
Engineering Support					4,765.00
11/17/2020	9235	Northstar Engineering	meter reading	472.50	5,237.50
Total Engineering Support				472.50	5,237.50
Legal Fees					25,650.26
11/17/2020	9232	Carter Law Office	legal fees	1,912.50	27,562.76
Total Legal Fees				1,912.50	27,562.76
Management & Administration					49,588.16
11/17/2020	9233	Kamela Loeser	Staples reimb.	5,376.25	54,964.41
Total Management & Administration				5,376.25	54,964.41
Water Operations Mgmt.					19,912.50
Total Water Operations Mgmt.					19,912.50
Total Contract Services				8,136.25	112,102.17
OPERATING EXPENSES					148,038.60
Administration					147,464.43
Board Stipends					4,100.00
11/17/2020	9219	Kevin Phillips	Oct 2020	100.00	4,200.00
11/17/2020	9220	Matt Doyle	Oct 2020	100.00	4,300.00
11/17/2020	9221	Raymond Cooper	Oct 2020	100.00	4,400.00
Total Board Stipends				300.00	4,400.00
District Wages, Taxes, Insur.					7,383.05
Insurance					6,742.73
Total Insurance					6,742.73
Payroll Service Fees					673.25
11/10/2020		Paychex		13.00	686.25
Total Payroll Service Fees				13.00	686.25
Payroll Tax Expense					-44.53
Total Payroll Tax Expense					-44.53
Property Taxes					11.60
Total Property Taxes					11.60
Total District Wages, Taxes, Insur.				13.00	7,396.05

Durham Irrigation District
General Ledger
As of November 30, 2020

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Paid Amount</u>	<u>Balance</u>
Fees, Dues, Memberships					13,092.26
11/17/2020	9236	Vina GSA		1,000.00	14,092.26
11/17/2020	9237	Butte County Specia...	annual dues	25.00	14,117.26
11/17/2020	9238	California Special Di...		670.00	14,787.26
11/17/2020	9239	USA North 811		150.00	14,937.26
Total Fees, Dues, Memberships				1,845.00	14,937.26
Office Expense					5,271.52
Meals					24.64
Total Meals					24.64
Postage					1,950.00
11/17/2020		FP Mailing Solutions	postage	150.00	2,100.00
11/30/2020		Postalia		150.00	2,250.00
Total Postage				300.00	2,250.00
Software					237.50
Total Software					237.50
Supplies					1,499.42
Total Supplies					1,499.42
Website Hosting					900.00
11/17/2020	9234	Streamline		75.00	975.00
Total Website Hosting				75.00	975.00
Office Expense - Other					659.96
11/17/2020	9240	Kamie Loeser	reimb. Staples	58.47	718.43
Total Office Expense - Other				58.47	718.43
Total Office Expense				433.47	5,704.99
Rent					5,004.08
11/17/2020	9226	Camp & McLaughlin	Nov rent	450.00	5,454.08
Total Rent				450.00	5,454.08
Software Fees					1,120.00
11/17/2020	9230	Sequoyah		100.00	1,220.00
Total Software Fees				100.00	1,220.00
Supplies					17.25
Total Supplies					17.25
Utilities					51,446.13
Garbage					1,081.43
11/17/2020	9229	Recology		108.43	1,189.86
Total Garbage				108.43	1,189.86
Gas & Electric					47,923.04
11/17/2020	9228	PG & E		5,653.73	53,576.77
Total Gas & Electric				5,653.73	53,576.77
Telephone/Internet					2,441.66
11/17/2020	9227	AT & T		256.74	2,698.40
Total Telephone/Internet				256.74	2,698.40
Total Utilities				6,018.90	57,465.03

Durham Irrigation District
General Ledger
As of November 30, 2020

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Paid Amount</u>	<u>Balance</u>
Water System Maint,Repair,Repl					60,030.14
Regular Operations & Maint					21,911.02
O & M Supplies					13,537.62
11/17/2020	9222	Tozier's True Value ...	wasp spray/supplies	16.48	13,554.10
11/17/2020	9224	Sierra Water Utility	Chlorine	1,012.36	14,566.46
Total O & M Supplies				1,028.84	14,566.46
Water Testing Fees					3,293.40
11/17/2020	9223	Basic Laboratory	testing	274.00	3,567.40
Total Water Testing Fees				274.00	3,567.40
Weed Management					4,080.00
Total Weed Management					4,080.00
Regular Operations & Maint - Other					1,000.00
Total Regular Operations & Maint - Other					1,000.00
Total Regular Operations & Maint				1,302.84	23,213.86
Water System Repair & Repl.+					38,119.12
Repairs					8,942.15
11/17/2020	9225	Sierra Water Utility	labor - repair	1,375.00	10,317.15
11/17/2020	9243	Sierra Water Utility		2,500.00	12,817.15
Total Repairs				3,875.00	12,817.15
Repair Supplies					390.35
Total Repair Supplies					390.35
Contractor					11,361.62
Total Contractor					11,361.62
Water Operator					17,425.00
Total Water Operator					17,425.00
Total Water System Repair & Repl.+				3,875.00	41,994.12
Total Water System Maint,Repair,Repl				5,177.84	65,207.98
Total Administration				14,338.21	161,802.64
Bank Service Charges					574.17
11/02/2020		Bank Charge		233.87	808.04
11/23/2020		Returned Item	returned item	10.00	818.04
Total Bank Service Charges				243.87	818.04
Total OPERATING EXPENSES				14,582.08	162,620.68
NON-OPERATING REVENUE					-1.25
Interest Income					-1.25
11/30/2020			Interest	-0.12	-1.37
Total Interest Income				-0.12	-1.37
Total NON-OPERATING REVENUE				-0.12	-1.37
SPECIAL PROJECTS					-16,506.24
Development Projects Income					-16,506.24
Payments Received					-16,506.24
Total Payments Received					-16,506.24
Total Development Projects Income					-16,506.24
Total SPECIAL PROJECTS					-16,506.24

Durham Irrigation District
General Ledger
As of November 30, 2020

Date	Num	Name	Memo	Paid Amount	Balance
Special District Projects					5,031.73
Expenses					5,031.73
Agency Fees					3,109.06
Total Agency Fees					3,109.06
Development Project Fees					1,922.67
Total Development Project Fees					1,922.67
Total Expenses					5,031.73
Total Special District Projects					5,031.73
TOTAL				0.00	0.00

Scanned/Copied:

Hardcopy File

Electronic File

Board Agenda File

Board Date: 11/17/20

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*mail
email Jon Warren*

BETTY T. YEE

Item 7.1.a

California State Controller

November 6, 2020

District Fiscal Officer
Durham Irrigation District
P.O. Box 98
Durham, CA 95938

SUBJECT: 2019-20 Special Districts' Financial Transactions Report

Dear District Fiscal Officer:

This letter provides information regarding the 2019-20 Special Districts' Financial Transactions Report (FTR). Government Code (GC) section 53891 requires that the financial transactions of each local agency be submitted to the State Controller's Office (SCO) within seven months after the close of the fiscal year. The report must contain underlying data from audited financial statements prepared in accordance with generally accepted accounting principles, if this data is available.

The FTR is due to SCO by February 1, 2021. Reporting instructions and information including COVID-19 FTR guidance for the 2019-20 Special Districts' FTR are on the SCO website at https://www.sco.ca.gov/ard_locinstr_districts_forms.html.

To file your FTR, visit Local Government Reporting System Online (LGRS Online) at <https://lgrsonline.sco.ca.gov>. The entity type, username, and password for the web-based reporting program are:

Entity Type: Special Districts
Username: Durham Irrigation District
Password: Ab#12520401000

The 2019-20 FTR cover page can be signed electronically on LGRS Online.

Blended component units (BCUs), although legally separate entities, are, in substance, part of the primary special district operations. According to GAAP, the financial data from BCUs should be integrated into the appropriate primary special district funds for reporting purposes. The financial data of BCUs must be included in the primary Special Districts' FTR.

Top Ten Reporting Issues for Special Districts' Financial Transactions Report

1. A Special District that has no financial transactions during the year must file the Cover Page form and the General Information form of the Special Districts' Financial Transactions Report, stating "No Activity" on the Cover Page form. A Special District that has no financial transactions but has outstanding debt taken out in the Special District's name must report the debt and any debt payments on the appropriate Debt and Statement of Revenues, Expenditures, and Changes in Fund Balances forms.
2. The activity type must reflect the services the Special District provides. Select the type of governmental/enterprise activity for which this report is being prepared.
3. Major variances require footnotes. If there is an overall reporting change, add an explanation in the Comments form. Access the footnote panel by double-clicking on the field in which the balance was reported. Invalid footnotes will be questioned by staff upon review of the Financial Transactions Report (FTR). Simply noting "Correct," "Confirmed OK," or "increase/decrease" is not acceptable. Please indicate what caused the variance (i.e., New AB 1234 law enforcement grant).
4. The Other fields on the revenue and expenditure forms are for items that do not apply to a hard-coded field elsewhere on the form. Please review all of the fields on the forms before reporting an item as Other. A footnote is required for those entries.
5. Include a footnote to explain the reason for a prior period adjustment exceeding 20% of the Fund Balance/Net Position, Beginning of Period.
6. Report residual equity transfers and transfers of capital assets as Transfer In and Transfer Out. Include a footnote to explain why and where a transfer was made.
7. The Appropriations Limit Information form must be completed by all special districts that receive property taxes and are subject to the provisions of California Constitutional Article XIII B. Refer to California Constitutional Article XIII B for specific information on this requirement. If the Special District is exempt from having an appropriation, note that in the General Comment form. Failure to report your Appropriations Limit might affect your mandated cost reimbursement.



September 1, 2020

To the Board of Trustees
Durham Irrigation District
P.O. Box 98
Durham, CA 95938

Dear Board of Trustees:

We are pleased to confirm our understanding of the services we are to provide Durham Irrigation District for the years ended December 31, 2018 and 2019. We will audit the basic financial statements of the Durham Irrigation District as of and for the year ended December 31, 2018 and 2019. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the District's RSI, if applicable, in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Audit Objective

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of the District's financial statements. Our report will be addressed to the governing board of the District. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or may withdraw from this engagement.

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Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Audit Procedures—Compliance

As part of obtaining reasonable consistency with management's responses to our inquiries, the basic financial statements, and assurance about whether the financial statements are free of material misstatement, we will perform tests of District's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Other Services

We will also prepare the financial statements of the District in conformity with U.S. generally accepted accounting principles based on information provided by you. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment,

reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for designing, implementing, and maintaining effective internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to [include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon]. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

You agree to assume all management responsibilities for financial statement preparation services and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

The audit documentation for this engagement is the property of Matthews, Hutton & Warren, CPAs and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the State of California or its designee. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Matthews, Hutton & Warren, CPAs' personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the State of California or its designee. The State of California or its designee may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

We expect to begin our audit on September 1, 2020 and to issue our reports no later than November 31, 2020. Jon Warren is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses will not exceed **\$5,500 per year**. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to Durham Irrigation District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



Matthews, Hutton, & Warren
Certified Public Accountants

RESPONSE:

This letter correctly sets forth the understanding of Durham Irrigation District.

By: _____

Title: _____

Date: _____

DURHAM IRRIGATION DISTRICT
Durham, California

FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED
December 31, 2018

**DURHAM IRRIGATION DISTRICT
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December 31, 2018**

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**DURHAM IRRIGATION DISTRICT
BOARD OF DIRECTORS
December 31, 2018**

<u>NAME</u>	<u>OFFICE</u>	<u>TERM EXPIRES</u>
Raymond Cooper	President/General Manager	December 2020
Kevin Phillips	Director	December 2018
Matt Doyle	Director	December 2018



Matthews, Hutton & Warren

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Durham Irrigation District
Durham, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Durham Irrigation District (the District), as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the District as of December 31, 2018, and the results of their operations and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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INDEPENDENT AUDITOR'S REPORT (Continued)

Other Matters

Required Supplementary Information

Management has omitted the management's discussion and analysis and budgetary comparison information that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section is presented for purposes of additional analysis and is not a required part of the basic financial statements. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated **November XX, 2020**, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



MATTHEWS, HUTTON & WARREN, CPAS
Paradise, California

November XX, 2020

**DURHAM IRRIGATION DISTRICT
STATEMENT OF NET POSITION
December 31, 2018**

ASSETS

Current assets:

Cash and cash equivalents	\$ 149,960
Accounts receivable	17,345
	<hr/>
Total current assets	167,305

Capital assets:

Capital assets, net of depreciation	557,881
	<hr/>

Total Assets	\$ 725,186
	<hr/> <hr/>

LIABILITIES

Current liabilities:

Accounts payable	\$ 23,474
Accrued wages	1,237
	<hr/>
Total liabilities	24,711
	<hr/>

NET POSITION

Net investment in capital assets	557,881
Unrestricted	142,594
	<hr/>
Total net position	700,475
	<hr/>
Total Liabilities and Net Position	\$ 725,186
	<hr/> <hr/>

DURHAM IRRIGATION DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Year Ended December 31, 2018

OPERATING REVENUES

Water sales	\$	255,100
Meter installations		1,300
Other income		33,080
		289,480
Total operating revenues		289,480

OPERATING EXPENSES

Board stipends		3,600
Contract services		267,693
Memberships and dues		1,209
Insurance		3,774
Office expense		3,934
Salaries and benefits		18,420
Permits and fees		11,343
Rent		5,400
Supplies		225
Utilities		57,714
Depreciation		26,337
		399,649
Total operating expenses		399,649
Operating income (loss)		(110,169)

NON-OPERATING REVENUE

Interest income		3
		3
Total non-operating revenue		3

CAPITAL CONTRIBUTIONS

Capital contributions		15,656
		15,656
Total capital contributions		15,656

Change in net position		(94,510)
Net position - beginning of year		794,985
Net position - end of year	\$	700,475

See Accompanying Notes to Financial Statements

**DURHAM IRRIGATION DISTRICT
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2018**

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 290,778
Payments to employees	(15,539)
Payments to suppliers	<u>(360,951)</u>
Net cash provided (used) by operating activities	<u>(85,712)</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Purchases of capital assets	<u>(2,013)</u>
Net cash provided (used) by capital and related financing activities	<u>(2,013)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest earnings	<u>3</u>
Net cash provided (used) by investing activities	<u>3</u>

Net increase (decrease) in cash and cash equivalents	(87,722)
Cash and cash equivalents - beginning of year	<u>237,682</u>
Cash and cash equivalents - end of year	<u><u>\$ 149,960</u></u>

RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES

Operating income (loss)	\$ (110,169)
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	26,337
Decrease (increase) in accounts receivable	1,298
Increase (decrease) in accounts payable	(3,116)
Increase (decrease) in accrued payroll expenses	(62)
Net cash provided (used) by operating activities	<u><u>\$ (85,712)</u></u>

See Accompanying Notes to Financial Statements

DURHAM IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Durham Irrigation District (District) is a political subdivision of the State of California, existing pursuant to Section 20700 et seq. of the California Water Code. The District provides domestic water to residents located in Durham, California. The District is governed by a three-member Board of Directors.

Basis of Accounting and Measurement Focus

The District reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the District is that the costs of providing water to its service area on a continuing basis be financed or recovered primarily through user charges (water sales). The District's financial statements are reported using the economic resources measurement focus and the accrual method of accounting. The District does not have any fiduciary funds nor component units that are fiduciary in nature.

Operating revenues, such as water sales, result from exchange transactions associated with the principal activity of the District. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as investments income, result from non-exchange transactions, in which, the District gives (receives) value without directly receiving (giving) value in exchange.

The financial statements of the District are prepared in accordance with accounting principles general accepted in the United States of America (GAAP) issued by Governmental Accounting Standards Board (GASB) applicable to governmental entities that use proprietary fund accounting. Revenues are recognized in the accounting period in which they are earned, and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported changes in net assets during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statements of cash flows the District considers all highly liquid investments with a maturity of three months or less when purchased to be cash and cash equivalents.

Concentration of Credit Risk

The District's receivables are from consumers within a specific geographic area.

DURHAM IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Receivables

Accounts receivable arise from billings to customers for water usage and certain improvements made to customers' property. The District determined that as of December 31, 2018, an allowance for doubtful accounts was not needed, as all amounts are considered collectible.

Capital Assets

Capital asset acquisitions are recorded at historical cost. When assets are retired or otherwise disposed of, the carrying value and related accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized in income for the period. Depreciation is provided in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives, ranging from five to fifty years using the straight-line method. The cost of repairs and maintenance is charged to expense as incurred and significant renewals and betterments are capitalized. The capitalization threshold is based on the Board's discretion.

Net Position

The financial statements utilize a net position presentation. Net position is categorized as follows:

Net Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation and reduced by any outstanding debt related to the acquisition, construction or improvement of those assets.

Unrestricted – This component of net position consists of unrestricted resources to satisfy future spending plans. There is no external restriction on these amounts and the future use of these funds may be modified, amended or removed by Board action.

The District has not formally adopted a policy regarding when to apply restricted or unrestricted resources as all of the District's resources are unrestricted.

Income Tax

The District qualifies for tax-exempt status as an integral part of the State of California or a political subdivision in accordance with Internal Revenue Code (IRC) Section 115.

NOTE 2 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents consisted of the following as of December 31, 2018:

Deposits held with financial institutions	\$ 149,860
Cash on hand	100
Total Cash and Cash Equivalents	<u>\$ 149,960</u>

DURHAM IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE 2 – CASH AND CASH EQUIVALENTS (CONTINUED)

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state and local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

At December 31, 2018, the carrying amounts of District's deposits in financial institutions were \$149,860. The bank balances were \$152,303. The differences are due to normal deposits in transit and outstanding checks. The total bank balances in financial institutions were covered by federal depository insurance.

Authorized Deposits and Investments

The District has not formally adopted deposit and investment policies but is generally authorized under state statute and local resolutions to invest in demand deposits with financial institutions, savings accounts, certificates of deposit, U.S. Treasury securities, federal agency securities, State of California notes or bonds, notes or bonds of agencies within the State of California, obligations guaranteed by the Small Business Administration, bankers' acceptances, commercial paper, and the Local Agency Investment Fund of the State of California. The District did not hold any investments at December 31, 2018.

NOTE 3 – BUDGETARY COMPARISON INFORMATION

The District has not adopted a budget for the year ended December 31, 2018 since it is not legally required to do so. Therefore, comparative budget and actual results have not been included as required supplementary information.

**DURHAM IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2018**

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2018, is summarized as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Non-depreciable assets:				
Land	\$ 20,331	6,926	0	\$ 27,257
Total non-depreciable assets:	<u>20,331</u>	<u>6,926</u>	<u>0</u>	<u>27,257</u>
Depreciable assets:				
Structures	16,084	0	0	16,084
Wells	127,486	0	0	127,486
Pumps	172,575	0	0	172,575
Mains	623,540	10,743	0	634,283
Equipment	<u>40,989</u>	<u>0</u>	<u>0</u>	<u>40,989</u>
Total depreciable assets	980,674	10,743	0	991,417
Less accumulated depreciation	<u>(434,456)</u>	<u>(26,337)</u>	<u>0</u>	<u>(460,793)</u>
Total depreciable assets, net	<u>546,218</u>	<u>(15,594)</u>	<u>0</u>	<u>530,624</u>
Total capital assets, net	<u>\$ 566,549</u>			<u>\$ 557,881</u>

Depreciation expense for the year ended December 31, 2018 was \$26,337. Capital asset additions for 2018 consisted of backflow devices, mainline extension and easement.

NOTE 5 – RISK MANAGEMENT - INSURANCE

Durham Irrigation District is a member of the Special District Risk Management Authority (SDRMA), and intergovernmental risk sharing joint powers authority, created pursuant to California Government Code Sections 6500 et. Seq. SDRMA's board of directors consists of seven members elected from member agencies participating in both SDRMA's Property/Liability and Workers' Compensation Programs.

The following policies are in effect for Durham Irrigation District as of December 31, 2018:

General Liability: \$2,500,000 per occurrence from personal injury and property damage subject to a \$500 deductible.

DURHAM IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE 5 – RISK MANAGEMENT – INSURANCE (CONTINUED)

Public Officials and Employees Errors: \$2,500,000 per occurrence, with an annual aggregate of \$2,500,000.

Personal Liability Coverage for Board Members: \$500,000 per occurrence, \$500,000 general aggregate, subject to a \$500 deductible.

Employment Practices and Benefits Liability: \$2,500,000 per occurrence with an annual aggregate of \$2,500,000.

Employee and Public Officials Dishonesty Coverage: \$400,000 per occurrence.

Property Coverage: Replacement cost, for property on file, if replaced, and if not replaced within two years after the loss, paid on an actual cash value basis, to a combined total of \$1 billion per occurrence, subject to a \$2,000 deductible per occurrence.

Boiler and Machinery: Replacement cost up to \$100 million per occurrence, subject to a \$1,000 deductible.

Auto Liability: \$2,500,000 per occurrence for personal injury and property damage subject to a \$1,000 deductible.

Uninsured/Underinsured Motorists: \$750,000 for each accident.

As of December 31, 2018, there were no reported claims filed against Durham Irrigation District.

NOTE 6 – EMPLOYEE RETIREMENT PLAN

Durham Irrigation District employees participate in a simplified employee pension plan (“SEP”), in the form of Self-Directed Individual Retirement Accounts, for employees who meet certain eligibility requirements. The plan is administered by USAA Financial Advisors, Inc. The District has no fiduciary responsibility for this plan. There were no employer contributions for the year ended December 31, 2018.

NOTE 7 – CONTINGENCIES

The District is party to various claims, legal actions and complaints that arise in the normal operation of business. Management and the District’s legal counsel believe that there are no material loss contingencies that would have a material adverse impact on the financial position of the District.

**DURHAM IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2018**

NOTE 8 – OPERATING LOSS

The District had an operating loss of \$110,169 for the year ended December 31, 2018.

NOTE 9 – SUBSEQUENT EVENTS

On April 2, 2020, the Governor of the State of California issued an Executive Order (“Order”) N-42-20 responding to the COVID-19 pandemic, which prohibits the discontinuation of water service for lack of payment. The accompanying financial statements do not include the effects, if any, that this Order may have on the District.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Durham Irrigation District
Durham, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Durham Irrigation District (District), as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated **November XX, 2020**.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS
(CONTINUED)**

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



MATTHEWS, HUTTON & WARREN, CPAS
Paradise, California

November XX, 2020



DURHAM
IRRIGATION DISTRICT
SERVING OUR COMMUNITY SINCE 1948

**Durham Irrigation
District Policy and
Procedures Manual**

PO Box 98

Durham, Ca 95938

Adopted:

Amended:

Durham Irrigation District

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THIS IS A DRAFT DOCUMENT CURRENTLY BEING REVISED AND EDITED BY DISTRICT STAFF, TO BE VETTED THROUGH A PUBLIC PROCESS, AND ADOPTED BY THE BOARD OF DIRECTORS.

CHAPTER 7 - WATER RATES, OPERATING FEES, AND BILLING PROCEDURE

7.1 WATER RATES

A current schedule of prevailing water rates, service charges, and operating fees shall be determined and approved by the Board and shall be available upon request at the District office. A current schedule of these rates, charges, and fees shall be included in Appendix A.1 of this manual.

7.2 PUBLIC NOTIFICATION OF WATER RATE CHANGES

Revisions to water rates, service charges, and operating fees shall normally be established as required through the public hearing process. To the extent possible, water rate changes will become effective with the next billing date which will be at least thirty (30) days following the date on which the Board approved the rate change. The District will endeavor to make public notification of the rate changes through the news media and on customer water bills, space permitting. Emergency rate changes may become effective at the discretion of the Board.

7.3 SERVICE CALL CHARGE

A charge may occur for each service call where it is done for the convenience of the user or made necessary through non-payment of charges or to enforce the rules of the District. A current schedule of these rates, charges, and fees shall be included in Appendix A.1 of this manual.

~~7.4 DUPLICATE BILLING CHARGE~~

~~At landowner's request, the District will send a duplicate billing to a second address (this does not change the landowner's responsibility for meter charges). A charge for this service will be added to the bill.~~

7.4 READING OF METERS

A. Special Meter Reading Charge

For those parcels with water meters installed, water supplied by the District will be measured by means of water meters. The cubic foot will be the unit of measure and amounts charged for service shall be based on the current rates established by the District.

In general, meters shall be read on a monthly basis. As it is not always practicable to read meters at equal intervals, the period between reading dates may vary as much as five days.

A charge shall be made for any special or additional reading requested by the ~~owner~~ Owner, Tenant, Occupant, Property Manager, Agent, etc.. A current schedule of these rates, charges, and fees shall be included in Appendix A.1 of this manual.

B. Unreadable Meters

Bills for service will be based on an estimate if a meter fails to register the volume of water consumed or cannot be read. In estimating consumption, due consideration will be given to fluctuations in usage caused by seasonal changes or known service interruption.

Where a meter cannot be read without undue difficulty because of obstruction, access, etc., the customer will be notified and requested to correct the condition. The District has the right to estimate water usage if the condition is not corrected.

7.4.5 EXAMINATION OF METERS CHARGE

Upon executing an application and depositing an inspection fee, any customer may request that his meter be examined and tested to determine its accuracy. The inspection fee shall be fixed from time to time by the Board and be available upon request at the District office.

If such examination and test shows the meter to register over five percent (5%) more water than actually passed through it, the inspection fee will be returned to the customer and the bill for the preceding billing period and current billing period will be adjusted. If a water meter is not registering in excess of five percent (5%), the inspection fee will be retained by the District.

At the customer's request, arrangements will be made for the customer to be present while the test is being made.

7.56 SEALED METER CHARGE

Commented [KL1]: I want to be sure that we charge for service calls. In addition, can we also add an Escrow "Demand Request" charge for meter reading?

Commented [KL2]: Some policies turn off the water, but if they are paying their bill, then why turn off the water. Do we want to limit the number of times we will "estimate" and then if we can't read the meter, we charge a fee? This will take coordination in that the meter reader needs to note the cause of not being able to read the meter.

A. Authorization

Proper authorization shall be required to seal or unseal a water meter. A service call charge shall apply to each activity required. During the period a meter is sealed, one-half the monthly water service charge shall apply. That same charge will also apply to sealed meters converted from the discontinued category of “temporarily removed meter.”

B. Tampering Charge / Meter Reinstallation Fees

Should the Owner or Occupant, or their tenant, of any Property for which water service has been discontinued by the District tamper or remove any locking device placed on the water service connection by the District, the District shall (i) assess a lock tampering fee (the “Tampering Charge”) as determined by the District’s board of directors from time to time to cover its damages resulting therefrom and, in addition, immediately upon its discovery of such tampering or removal of any such locking device, (ii) remove the water meter to the Property. Upon removal of the water meter by the District, a meter removal fee (the “Meter Removal Fee”) as determined by the District’s board of directors from time to time also shall be assessed to cover the District’s costs in removing the meter. In order to restore water service to the Property following the removal of the water meter to the Property, the Owner must pay in full the entire Delinquent Balance, accrued late fees thereon, and all Default Fees including a meter reinstallation fee (the “Meter Reinstallation Fee”) as determined by the District’s board of directors from time to time, together with any security deposit that may be required on the Account pursuant to subsection k. below.

C. Discontinued Service

Reasons for Discontinuation of Water Service include at customer’s request, delinquent balance for non-residential property/land use (refer to Section 7.8), and noncompliance with these regulations.

If an ~~property owner~~ Owner chooses to discontinue service and not pay the sealed meter rate (Discontinued Service), they will be required to pay a meter removal charge. If service is later reactivated, the ~~property owner~~ Owner may then be responsible for the cost of LEMO (Labor, Equipment, Materials, and Overhead) for the installation of a new service line from the District Main to the property line (Service Line). Situations in which a service line may need to be replaced include, but are not limited to:

1. If leak occurs on the Service Line to a property with Discontinued Service, the line will not be replaced, but turned off at the District Main.

Commented [KL3]: Do we want this language?

Commented [KL4]: This is where we put the meter, do we want to say that

2. If the District is replacing a mainline that serves a property with Discontinue Service, the Service Line will not be replaced.

D. Reactivating Service

An ~~property~~ Owner reactivating service on a parcel with a Service Line that is still pressurized will be charged the same rate as a $\frac{3}{4}$ " Meter Installation on a Developer Financed Service Line or LEMO, whichever is applicable.

7.7 BILLING PROCEDURES

A. Monthly Billing Statements

Because unpaid water charges may be assessed and levied upon the parcel of real property (the "Property") to which such services are provided under California Water Code sections 22284 and 25806, an account (the "Account") for water service provided to a parcel of real property (the "Property") in the District is generally established in the name of the owner (the "Owner") of the Property only. ~~Owners shall be responsible for and receive all water statements regardless of whether or not the property or premises is being rented or leased by others.~~ In such event, the District's monthly billing statement for the Account (the "Bill") will be sent to the Owner at the Owner's address. The Owner may request in writing that the District send the Bill to the address of the Property, if different than the Owner's address (i.e., Tenant, Occupant, Property Manager, Agent, etc.). In such event, the District will send the Bill and any and all notices described below (each, a "Default Notice" and collectively, the "Default Notices") to the address of the Property, but also will send a copy of the Bill and any Default Notice to the Owner at the Owner's address. Refer to Section 7.7.B. Duplicate Billing Fee.

~~Only property owners shall be allowed to make application for water service. A property owner may request duplicate bills be sent to the tenant for a fee. The property owner will remain responsible for unpaid charges.~~ The Duplicate Billing Fee shall be established in the Fees and Charges approved by the Board of Directors.

B. Duplicate Billing Fee

To cover its costs in providing such copies, the District shall add an administrative fee ("Duplicate Bill Fee") as determined by the District's board of directors from time to time to its monthly Bills for the Account. While the Owner of the Property may make arrangements with a tenant on or occupant of the Property (each, an "Occupant") to pay the District's Bill for such Property, the Owner ultimately is responsible for payment of all charges on the Account, including any unpaid Account balance, late fees, Duplicate Bill Fee, Delinquency Fee, Lock-Off Fee, Disconnection Fee, Reconnection Fee, Tampering Charge, Meter Removal Fee, Meter Reinstallation Fee, and Processing Fee as described below each individually a "Default Fee" and collectively the "Default

Commented [KL5]: I think we should send a letter to all property owner's who have tenants, stating such.

Commented [KL6]: Do we want to say something that when a tenant requests to have the bill sent to them, that the owner is notified? Do we want to add (i.e., Tenant)

Fees”). A current schedule of these rates, charges, and fees shall be included in Appendix A.1 of this manual.

C. Owner’s Mailing Address

The District shall presume that the Owner’s address for all purposes related to this policy is the address of the Property unless the Owner notifies it otherwise in writing providing it with the correct mailing address, including street address, and e-mail address and fax number, if any. The Owner is responsible for notifying the District immediately in writing of any change in the Owner’s mailing address, street address, e-mail address or fax number.

D. Owner Designated Agent

An Owner who has appointed an Agent (the “Agent”) to manage the Owner’s Property and wishes the District to deal only with the Agent with respect to the Property shall complete, sign and file with the District a written request directing and authorizing the District to deal with the Agent and not the Owner on all matters relating to the District’s provision of water service to the Property and the billing therefor. Upon the Owner’s submitting such request to the District, and until the Owner notifies the District in writing of the Owner’s termination and rescission of such appointment, the District shall deal with the Agent as if the Agent were the Owner and will no longer deal with the Owner. For purposes of this Policy, any Agent so appointed by an Owner of a Property shall be deemed the Owner.

E. Billing Period

Customer accounts are billed on a monthly basis. The District will endeavor to read meters on the same dates every month. Variations to this practice will be in accordance with industry-accepted practices.

The District bills each Account monthly. The Bill shows any unpaid balance from the previous Bill, water usage since the previous billing (if metered account), current charges for monthly water service, and the total amount due. The Bill is due and payable on the date it is received and is late if unpaid in full by 5:00 p.m. on the fifth day of the following month. Payments on a Bill shall be applied first to the unpaid previous balance due, including late fees and Default Fees, if any, and the balance, if any, shall be applied to current charges. Any balance of a previous Bill for water usage or water service charges, but not for a Default Fee, unpaid in full by 5:00 p.m. on the fifth day of the month immediately following for which the Bill was dated shall be late and shall be assessed a late fee of one and one-half percent the amount thereof.

~~Customer accounts are billed on a monthly basis. The District will endeavor to read meters on the same working date every month. Variations to this practice will be in accordance with industry-accepted practices.~~ Customers may make advance payments to maintain water service during

Commented [KL7]: Do we want to mention for “for metered accounts”?

Commented [KL8]: Do we want to clarify the difference between late and default fees?

their absence (non-residential land uses). The billing will reflect the current credit balance until expended. Monies placed on deposit will not bear interest.

7.78 DELINQUENT ACCOUNTS

~~The District reserves the right to refuse or discontinue service to any customer who is delinquent in payment of water charges, in accordance with District policy, unless and until such payments have been paid in full. This rule shall be effective notwithstanding the fact that the customer may not be the same person who owned the property when the delinquent charges were incurred.~~

~~Where service is at risk of being discontinued, payment may be accepted from a tenant. When this occurs, the District will have no reimbursement responsibilities to any party.~~

BA. Payment Due Date

All charges shall become delinquent if not paid within fifteen (15) days after the billing date, and if not paid prior to the next billing, there shall be added thereto and become a part of such charges, and be collected by the District, a penalty of one and one-half percent per month on delinquent balances. Application of such penalty shall continue until the account is current, or to the time when the unpaid and delinquent charges are added to the annual assessment of the District as provided in the Water Code.

CB. Insufficient Funds / Processing Fee

Any and all fees, charges, or costs incurred by the District as a result of a check or credit/debit card payment submitted in payment on an Account being returned or not accepted for insufficient funds or due to the account upon which it was drawn being closed, together with an administrative fee to cover the District's costs in processing such (the "Processing Fee") as determined by the District's board of directors from time to time, shall be assessed to the Account.

CC. Security Deposit

In the event three payments on an Account are returned or not accepted within any 12 consecutive month period, then (i) payments on the Account made for the 12 months immediately following the third such returned payment must be by cash, money order or certified check only and (ii) the District may charge a security deposit on the Account pursuant to subsection ~~AK~~ below. Payments on such Account in any other form shall not be accepted. Any and all convenience charges imposed on an electronic check or credit/debit card payment transaction by the person or persons providing such services to the District shall be the sole responsibility of the Owner or Occupant.

Commented [KL9]: Water bills say that payments are due on the 15th and show the amount due if paid after the 15th, although the actual late amount is not applied until water bills are issued, this is inconsistent with Section 7.7.E, which states a default fee is applied on the 5th day of the month immediately following for which the bill was dated.

RECOMMENDATION:
Bills are due on 28th of the month, a fee of 1 ½% is charged if paid/ after the 28th of the same month the bill is dated, so if issued on 1/1/20, due by 1/28/20, late fee if not paid on or before the 28th.

This recommendation is based upon how we input payments and process water bills.

ED. Delinquency Fees and Notices

Any previous balance of a Bill unpaid for at least 45 days shall be delinquent. To cover its administrative costs in providing notice of the delinquency as provided below, the District then shall assess the Account a delinquency fee (the "Delinquency Fee") as determined by the District's board of directors from time to time. On the first business day thereafter the District shall send a written notice (the "Delinquency Notice") to the Owner or Occupant informing the Owner or Occupant of the Account's delinquency, the imposition of the Delinquency Fee thereon, and the Account balance as of that date (the "Delinquent Balance"), including any previous balance due, late fees thereon, the Delinquency Fee, and current charges.

Commented [KL10]: Sequoyah allows us to look at accounts 30, 60, and 90 days

FE. Discontinuation of Water Service: Lock-Off Notices and Fees - Non-residential Property

1. The District may refuse service to any non-residential Property if there is a Delinquent Balance, including accrued late fees and Default Fees due, on the account for such Property which have not been paid within a reasonable time pursuant to Water Code section 22282.1.

2. For non-residential property, if the Delinquent Balance is not paid in full by the first working day of the month immediately following the month in which the Delinquency Notice was sent, then the District may discontinue water service to the Property. At least 48 hours prior to the date the District intends to discontinue water service to the Property, the District shall post a lock-off notice (the "1st Lock-Off Notice") conspicuously on the Property notifying the Owner or Occupant that unless the Account is paid in full by the date and time posted on the 1st Lock-Off Notice, water service to the Property shall be discontinued. A Lock Off Notice fee as determined from time to time by the Board of Directors of the District shall be assessed the account upon posting of the 1st Lock Off Notice. The 1st Lock-Off Notice also shall notify the Owner or Occupant that in the event water service is disconnected, in order for water service to be reinstated, then, in addition to payment of the Delinquent Balance in full, the Owner shall have to pay an additional lock-off fee (the "Disconnection Fee") and a reconnection fee (the "Reconnection Fee") as both shall be determined by the District's Board of Directors from time to time. These fees cover the District's costs in installing and removing lock-off devices on the Property's water service connection. The 1st Lock-Off Notice, as well as the 2nd Lock-Off Notice discussed in subsection i. below, also shall notify the Owner or Occupant that should water service to the Property be discontinued, any fire sprinkler system on the Property connected to the District's water service will not operate and the improvements protected by such fire sprinkler system shall be at risk.

2. Should the District discontinue water service to the non-residential Property, a second lock-off notice (the "2nd Lock-Off Notice") shall be posted conspicuously on the Property following such discontinuance of service and mailed to the Owner, informing the Owner and Occupant that water service to the Property has been discontinued by the District and that such shall be

reinstated only upon payment in full by the Owner of the entire outstanding, due and owing Delinquent Balance, late fees thereon, and any and all Default Fees then assessed.

G.F. Delinquent Balance - Residential Property

The District shall not disconnect water service to any residential property due to non-payment therefor. With respect to any Property, residential or non-residential, to which the District provides water service, any Delinquent Balance due and owing thereon as of June 30 of any year may be assessed and levied upon the Property pursuant to California Water Code sections 22284 and 25806.

H.G. Delinquent Balance - Assessment Lien

Any Delinquent Balance and Default Fees owed the District on an Account as of June 30 of any year shall be reported to the Butte County Tax Collector and shall be added to and become an assessment levied and shall constitute a lien on the Property pursuant to Water Code sections 22284 and 25806.

H. Foreclosures

Should the District have actual knowledge that a Property is in pending foreclosure proceedings or has been sold at foreclosure sale and the Owner or Occupant is not residing on the Property, the District may, but shall not be obligated to, place the Account for the Property on standby status and toll the lapse of any of the time periods provided above for a period not to exceed 90 days to facilitate transfer of ownership of the Property and payment by the new Owner of any and all amounts then due on the Account for the Property and resumption of water service to the Property. During the period of time that the Account is on standby status, it shall be assessed only the standby, and not the standard monthly fees for water service as determined by the District's board of directors from time to time, which fees shall be added to the balance of the Account immediately preceding the Account being placed on standby status, including the Delinquent Balance, accrued late fees, and any Default Fees. Should the District have actual knowledge of the name and address of a Trustee under a deed of trust on a property in foreclosure or of a new Owner of a Property following its sale on foreclosure, it shall give written notice to such person of the total amounts then due on the Account for the Property. Such amounts shall be fully due and payable within 30 days from the date of such notice and if not paid in full, the District shall remove the Account from standby status and restore it to active status, at which time the time periods provided above shall resume running.

J. Delinquent Accounts - Economic Hardship

Commented [KL11]: Thoughts on what to call this?

The Board of Directors of the District, in its sole and absolute discretion, may extend the date on which payment on an Account is due and toll the lapse of any time periods provided above for a period not to exceed 90 days from the date on which the Account becomes delinquent when it deems it necessary to prevent economic dislocation or hardship to the Owner. The Board also may extend the date on which payment on an Account is due and toll the lapse of any time period provided above for a period not to exceed 90 days from the date the Account becomes delinquent in the case where the Property is owned by a federal or state agency and the financial or budgetary condition of the federal or state government prevents timely payment on the Account for the Property by the agency. Any such extension shall be on such terms and conditions as the Owner or resident of the Property and the Board agree and shall be formalized in writing signed by them.

K. Charge and Fee Disputes

An Owner who disputes any charge or Default Fee on a Bill for the Owner's Account shall meet with the manager of the District in good faith in an attempt to resolve his or her complaint. If such meeting does not resolve the dispute, the Owner may appeal to District's Board of Directors. Any such appeal must be in writing and must set forth in detail each fact upon which the Owner believes the charge or Default Fee is not proper. Such appeal must be received by the District within ten days of the date of the meeting between the Owner and the District's manager. Any appeal received by the District more than 10 days after the date of such meeting shall be null and void and have no force or effect. The District's Board of Directors shall consider and act upon the appeal at its next regular meeting that is more than six calendar days after the District's receipt of the appeal. Upon timely receipt by the District of and pending action by the Board of Directors on the appeal, the District shall not impose any additional Default Fee or discontinue water service to the Owner's Property if such have not then already been discontinued. The Owner shall pay in full any amount determined by the Board of Directors to be due and owing on the Account following its hearing on the appeal by 5:00 p.m. on the Friday immediately following the hearing. Should the Owner fail to do so, the Account shall be deemed delinquent pursuant to subsection f above.

L. Security Deposit for Reinstatement of Water

The District may charge a security deposit (the "Security Deposit") on any Account for a Property to which it has discontinued water service as a condition to reinstatement of water service to the Property. The Security Deposit shall be an amount equal to twice the amount of the highest monthly Bill billed the Account during the 12 months immediately preceding the discontinuance of water service to the Property. For a period of one year from and after the date of reinstatement of water service to the Property, provided there is no delinquency on the Account during such

period, the District shall keep and maintain the Security Deposit as security for payment of any and all Delinquent Balances owed to it on the Account. The District may use the Security Deposit to the extent available to pay any Delinquent Balance on the account upon its discontinuance of water service to the Property pursuant to subsections h. and i. above. In such event, in order to reinstate water service to the Property, the Owner, in addition to all other amounts owed pursuant to subsections h. and i. above, will have to pay such additional amount as necessary to replenish the Security Deposit to its original amount. Upon replenishment of the Security Deposit to its original amount, the District shall continue to hold the Security Deposit for one year thereafter. At the end of one year without delinquency of the Account, the Security Deposit shall be refunded to the Owner by application on future Bills for water service provided to the Property until so refunded in full. No interest shall accrue on the Security Deposit.

7.79 LEAK POLICY, ADJUSTMENTS, AND APPEALS

A. The customer is responsible for all water going through the meter. Leaks caused by frozen or broken pipes, damage, or other leaks on the customer's side of the meter shall be the responsibility of the customer. The District may, upon request of the customer, provide for a payment plan of up to one year, with no penalties, to assist customers in paying amounts billed that are attributed to a leak.

B. The customers are expected to respond to leak detection notifications from the District and repair leaks promptly.

D. The District may, upon written request of a customer supported by repair bills or other appropriate documentation, adjust such customer's bill in the case of loss of water due to circumstances beyond the reasonable control of such customer, such as a mechanical malfunction, blind leak, theft of water, vandalism, unexplained water loss or other unusual or emergency conditions. Adjustments shall not be made for faucet or toilet leaks.

E. The District will use its billing system to determine the amount of water usage attributable to the leak. Customers that fix leaks within seven days of the District's leak notification, may, upon the customer's request, and if the District determines that an adjustment is appropriate and reasonable under the circumstances, receive a credit for leak usage of up to seven days from the District's notification.

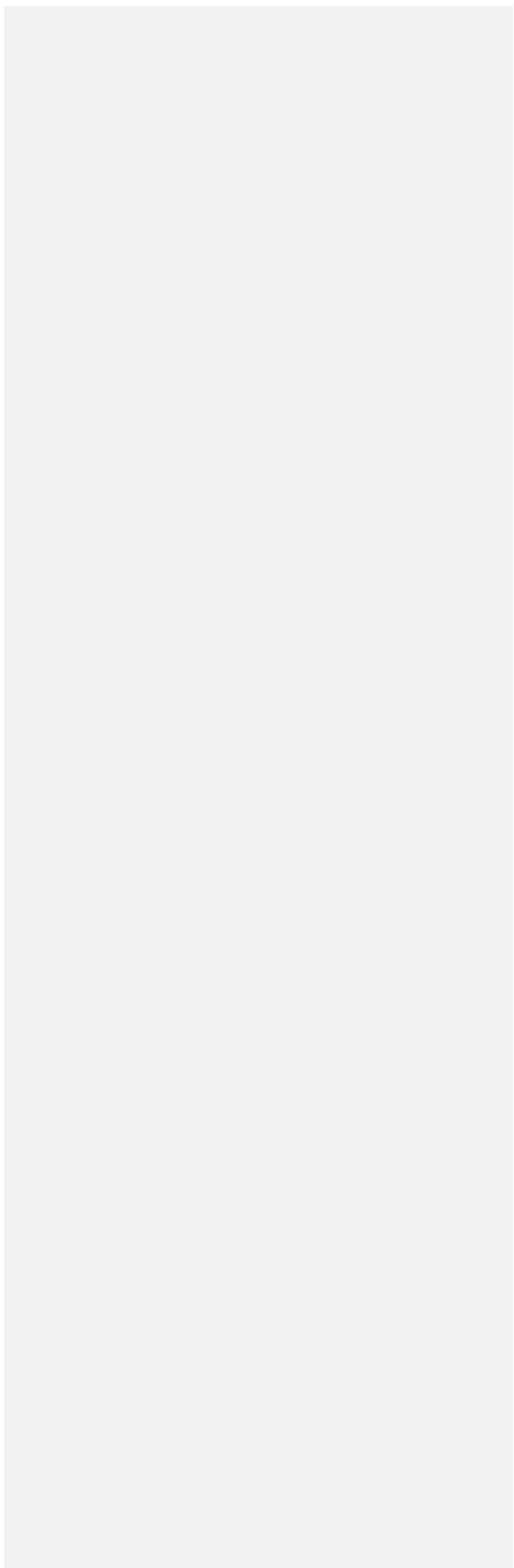
F. The District Manager, or ~~his or her~~their designee, may, in ~~his or her~~their sole discretion, grant an adjustment for usage attributed to the leak that occurred after the above-described seven-day period. In making such a determination, the District Manager, or ~~his or her~~their designee, may take into account the cause of water loss, any negligence or fault of the customer in connection therewith, and the difficulty of repair.

G. Any customer seeking relief under this policy must make a written request to the District as soon as possible and in no event later than ninety days after the closing date of the billing cycle in which the leakage occurred.

H. The District's determinations under this policy will be made by District staff in writing and mailed to the Owner at the billing address on the District's records. Any person aggrieved by a staff determination may file a written appeal to the Board of Directors, no later than sixty days after the date of staff's determination. The Board will consider the appeal and make its decision at a noticed public meeting.

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Appendix A Rates, Fees and Charges

Connection Fees, Flat Rates, Metered Rates for Services	Fee
Meter Charges	
Meter Installation During Sale of Home	\$650
Flat Rate Services ¹	
¾" Service	\$57.98
1" Service	\$75.66
1-1/2" Service	\$119.60
2" Service	\$169.92
Development	\$985.63
Meter Rate Base Fee*	
¾" Service	\$31.89
1" Service	\$41.87
1-1/2" Service	\$62.07
2" Service	\$85.79
3" Service	\$175.37
4" Service	\$281.71
6" Service	\$547.32
Miscellaneous Service	\$637.72
*Quantity Fee per CCF	\$0.86/CCF
Connection Fees	
¾" Meter Size	\$5,810
1" Meter Size	\$9,617
1-1/2" Meter Size	\$19,181
2" Meter Size	\$30,800
3" Meter Size	\$53,846
4" Meter Size	\$90,011
6" Meter Size	\$179,469

¹ January 2021 Applied Rate Increase

Appendix A Rates, Fees and Charges

Customer Service and Noticing	Fee
Customer Set Up Fee / New Account Fee	\$25
Duplicate Bill ²	\$2.75
Water Bill Late Fee/Penalty Fee	1 ½ percent of late balance
Delinquency ² (unpaid bill after 45 days)	\$20
Closing Account Fee	\$25
Lock-Off Notice ²	\$20
Fifteen Day Notice (non-residential property)	\$15
Delivery of 48-hour Notice (non-residential property)	\$25
Disconnection Fee ²	\$32.50
Reconnection Fee ²	\$32.50
Returned Check ²	\$25
Meter Inspection / Testing (<i>refundable if accuracy differs +/- 5%</i>)	\$50
Transfer of Ownership, Special Meter Reading, Title Company Payoff Demand Request (<i>responding to demand requests, processing, meter reading, etc.</i>)	\$30
Credit Card Transaction Fees for Online Payments	
Online Payments	No Charge
Wasteful Use Fees (non-compliance related)	
Notification Fee (non-compliance related)	\$25
Compliance Review (non-compliance related)	\$25
Work Orders	
Service Trip Charge (resulting in owner/occupant repair)	\$50
After Hours Call-out (between 5:00pm-8:00am, \$65/hr, 2hr min.)	\$130 +
Backflow Fees:	
Annual Testing	\$75
Re-Testing	\$75
Meter Tampering	
First Offense ²	\$50 plus repair costs
Second Offense ²	\$250 plus repair costs
Subsequent Offenses ²	\$250 plus repair costs and meter removal cost
Meter Removal & Re-Installation	LEMO ³ plus a processing fee of \$30.00

² Adopted 11-12-15

³ LEMO - Labor, Equipment, Materials, Overhead

Appendix A Rates, Fees and Charges

Operations, Administrative & Engineering	Fee
Will-Serve Letters & Processing	
Preliminary Review - District Administrative Overhead Filing and Research	\$850 deposit required, 100% actual cost, plus outside professional and agency processing fees
Subdivisions	\$5000 deposit required, 100% actual cost, plus outside professional and agency processing fees
Legal Document Preparation	\$850 deposit required, 100% actual cost, plus outside professional and agency processing fees
Annexation Processing	100% actual cost, deposit required, plus outside professional and agency processing fees
District Overhead Charges Administrative/Operations/Labor	100% actual cost
Engineering Fees	
Planning Review Fee, Parcel Maps & Other	\$2500 deposit required, 100% actual cost, including outside professional and agency processing fees
Other Services (Planning, Legal)	
Planning Review Fee, Subdivision Maps	\$5000 deposit required, 100% actual cost, including outside professional and agency processing fees
Duplication Fees	
Photocopy General Business Documents (B&W up to 11x17)	\$0.25
Photocopy General Business Documents (Color up to 11x17)	\$1.50
Engineering Drawings & Maps - Large Format Printing	
Line work, < 10% Coverage **	\$5.00 / file + \$1 / sq. ft. paper
Areas > 10% Coverage **	\$5.00 / file + \$2 / sq. ft. paper
Engineering Drawings & Maps*- Digital Copies Processing	\$5.00 + \$1 / file
Bid Documents	Regular Copy Fee
District Specifications (hardcopies)	Regular Copy Fee

** Existing Files – Ready to Print

Item
8.1.a

Month: <i>November 2020</i>			
Date	Task Description/Notes	Regular Hrs and Duties (M-F)	Additional Hrs (above 50hrs*/month)
11/2/20	Performed daily checks, checked lubrication of all pumps.	1.50	
11/3/20	Performed daily checks, checked lubrication of all pumps.	1.50	
11/4/20	Performed daily checks, checked lubrication of all pumps. Added 27 gallons to Library site. Added 13 gallons to Holland site. Changed pump tube at Holland site.	2.00	
11/5/20	Performed daily checks, checked lubrication of all pumps. Switched pump rotation to winter mode. Verified all time clocks are functioning correctly. Verified pump programming was all correct. Correct pump rotation observed.	2.00	
11/6/20	Performed daily checks, checked lubrication of all pumps. Cleaned sites. Topped oil off at Library and Holland. Met with Foothill Fire protection to oversee a hydrant flow test for San Rafael Ct. Changed injection fitting at Library. Pressure tank at Alley site is starting to form pitting around access cover. It is 70 years old and should be replaced to avoid any liability issues if it were to experience catastrophic failure.	2.00	0.50
11/9/20	Performed daily checks, checked lubrication of all pumps. Added 30 gallons to Alley site.	2.00	
11/10/20	Performed daily checks, checked lubrication of all pumps.	2.00	
11/11/20	Performed daily checks, checked lubrication of all pumps. Met with customer at 9429 Goodspeed to mark water line.	2.00	0.25
11/12/20	Performed daily checks, checked lubrication of all pumps. Cleaned Y strainer for Alley site pre lube.	2.00	
11/13/20	Performed daily checks, checked lubrication of all pumps. Cleaned sites. Topped oil off at Library and Holland.	2.00	
11/16/20	Performed daily checks, checked lubrication of all pumps.	1.50	
11/17/20	Performed daily checks, checked lubrication of all pumps.	1.50	
11/18/20	Performed daily checks, checked lubrication of all pumps.	1.50	
11/19/20	Performed daily checks, checked lubrication of all pumps.	1.50	
11/20/20	Performed daily checks, checked lubrication of all pumps. Cleaned sites. Topped oil off at Library and Holland.	2.00	
11/23/20	Performed daily checks, checked lubrication of all pumps.	1.50	
11/24/20	Performed daily checks, checked lubrication of all pumps.	1.50	
11/25/20	Performed daily checks, checked lubrication of all pumps.	1.50	
11/26/20	Performed daily checks, checked lubrication of all pumps.	1.50	
11/27/20	Performed daily checks, checked lubrication of all pumps. Cleaned sites. Topped oil off at Library and Holland.	2.00	
11/30/20	Performed daily checks, checked lubrication of all pumps.	1.50	
Subtotal Regular Hours		36.50	

Date	Task Description/Notes	Regular Hrs and Duties (M-F)	Additional Hrs (<i>above 50hrs*/month</i>)
Date	METER READING (<i>assumes meter reading approx. 10 hrs/month</i>)*		
11/25/20	Meter Reading	5.00	
11/27/20	Meter Reading	5.00	
Subtotal Meter Reading		10.00	
TOTAL REGULAR HOURS		46.50	
Total Additional Hours (<i>above 50hrs/month</i>)			0.75
Signature:	<i>Michael Butler</i>		
Title:	Operation's Assistant		

Sierra Water Utility

1380 East Ave, Ste 124 PMB 313
 Chico, CA 95926 US
 +1 5306807079
 sierrawaterutility@gmail.com



Estimate

ADDRESS

DURHAM IRRIGATION DISTRICT
 P.O. Box 98
 DURHAM, CA 95928

SHIP TO

DURHAM IRRIGATION DISTRICT
 P.O. Box 98
 DURHAM, CA 95928

ESTIMATE #
 1001

DATE
 11/12/2020

DATE	ACTIVITY	QTY	RATE	AMOUNT
	Hydrant Testing flush, test, and paint fire hydrant.	70	200.00	14,000.00
TOTAL				\$14,000.00

Accepted By

Accepted Date

North State Electric & Pump

3282 Hwy 32
 Chico, Ca 95973
 Lic.# 534959

530-891-5545

Estimate

Date	Estimate #
11/10/2020	13011

Name / Address
DURHAM IRR. DISTRICT P.O. BOX 98 DURHAM, CA 95938

Project

E20397 GENERATOR

Description	Qty	Cost	Total
THIS ESTIMATE IS FOR LABOR & MATERIALS TO INSTALL A 50-KW GENERATOR AND TRANSFER SWITCH WITH A 137-GALLON SUB-BASE FUEL TANK.			
50-KW GENERATOR, TRANSFER SWITCH & FUEL TANK	1	48,555.60	48,555.60T
CONCRETE SLAB ~ 14' X 6' X 12" ~ REBAR REINFORCED	1	3,000.00	3,000.00T
MISC MATERIALS NEEDED FOR INSTALL	1	1,477.50	1,477.50T
ELECTRICAL FIELD LABOR	1	11,250.00	11,250.00
Butte County Sales Tax		7.25%	3,844.90
		Total	\$68,128.00

Sign & Date for acceptance.

Signature _____

Quoted By: _____