



Helendale Community Services District

BOARD OF DIRECTORS MEETING
February 20, 2020 at 6:30 PM
26540 Vista Road, Suite C, Helendale, CA 92342

Call to Order - Pledge of Allegiance

1. Approval of Agenda

2. Public Participation - *Anyone wishing to address any matter pertaining to District business listed on the agenda or not, may do so at this time. However, the Board of Directors may not take action on items that are not on the agenda. The public comment period may be limited to three (3) minutes per person. Any member may speak on any agenda item at the time the agenda item is discussed by the Board of Directors.*

3. Consent Items

- Approval of Minutes: February 6, 2019, Regular Board Meeting
- Bills Paid and Presented for Approval

4. Reports

- Directors' Reports
- General Manager's Report

Public Hearing:

5. Public Hearing Regarding the Possible Adoption of Proposed Ordinance 2020-01: Ordinance of the Board of Directors of the Helendale Community Services District Establishing Policies on Discontinuation of Water Service for Non-Payment

Regular Business:

- Discussion Only regarding Mid-Year Financial Budget Review for Fiscal Year 2020
- Discussion and Possible Action Regarding Approval of the Budget Calendar for Development of the Budget for Fiscal Year 2020/2021
- Discussion and Possible Action Regarding the Consumer Price Index Inflationary Factors Related to Budget Development

Other Business

- Requested items for next or future agendas (Directors and Staff only)
- Adjournment

Pursuant to Government Code Section 54954.2(a), any request for a disability-related modification or accommodation, including auxiliary aids or services, that is sought in order to participate in the above agenda public meeting should be directed to the District's General Manager's office at (760) 951-0006 at least 24 hours prior to said meeting. The regular session of the Board meeting will be recorded. Recordings of the Board meetings are kept for the Clerk of the Board's convenience. These recordings are not the official minutes of the Board meetings.

Providing:

- Water
- Wastewater
- Park & Recreation
- Solid Waste Management
- Street lighting
- Graffiti Abatement

OFFICE HOURS:

Monday – Friday
8:00 – 5:30 p.m.

PHONE:

760-951-0006

FAX:

760-951-0046

ADDRESS:

26540 Vista Road
Suite B
Helendale, CA
92342

MAILING

ADDRESS:

PO BOX 359
Helendale, CA
92342

Visit us on the Web
at:

www.helendalecsd.org





Helendale Community Services District

Date: February 20, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Sharon Kreinop / Cheryl Vermette
SUBJECT: Agenda item #3
Consent Items

CONSENT ITEMS

- a. Approval of Minutes: February 6, 2020, Regular Board Meeting
- b. Bills Paid and Presented for Approval



Minutes of the Helendale Community Services District

BOARD OF DIRECTORS MEETING

February 6, 2020 at 6:30 PM

26540 Vista Road, Suite C. Helendale, CA 92342

Board Members Present:

Ron Clark – President; Tim Smith - Vice President; Sandy Haas, Secretary; Craig Schneider – Director;
Henry Spiller – Director

Staff Members Present:

Kimberly Cox, General Manager
Cheryl Vermette, Program Coordinator
Craig Carlson, Water Operations Manager
Jean Thomas, Customer Service Supervisor
Robert Manley, Intern

Consultants:

Steve Kennedy, Legal Counsel

Members of the Public:

There were four (4) members of the public present.

Call to Order and Pledge of Allegiance

The meeting was called to order at 6:30 by President Ron Clark, after which the Pledge of Allegiance was recited.

1. Approval of Agenda

Action: A motion was made by Vice-President Smith to approve the agenda as presented. The motion was seconded by Director Spiller.

Vote: Motion carried by the following vote: 5 Yes – 0 No – 0

2. Public Participation

None

3. Consent Items

- a. Approval of Minutes: January 16, 2020 Regular Board Meeting
- b. Bills Paid and Presented for Approval
- c. Modified 2020 Calendar

Action: A motion was made by Vice President Smith to approve the consent items as presented. The motion was seconded by Director Spiller.

Vote: Motion carried by the following vote: 5 Yes – 0 No

4. Reports

- a. Directors' Reports
Director Haas thanked General Manager Cox for presenting at the Realtor/Broker breakfast.

b. General Manager's Report

GM Cox reported that Staff is working on quotes for the site plan for water and wastewater buildings. The District is getting quotes from three firms. GM Cox met with County regarding the drive approaches at the Community Center and has submitted an application for an encroachment permit. The permit is awaiting review by County. The annual Special Districts Financial Transactions Report has been submitted to the State. Department of Water Resources released their draft small systems ranking, there were some inaccuracies regarding Helendale CSD that Staff is working to correct. DWR Staff realizes that there are issues with the data. GM Cox may need to attend a meeting in Sacramento on February 19th. The Helendale Youth Basketball League's hoop shoot was in the Daily Press on February 5th.

Water Operations Manager Carlson gave the Water Report. Staff replaced a stuck A-stop on Peninsula. The first quarter Water Master Report was completed. Staff finished flooded suction at Well 4A, San Bernardino County Fire Department performed the CUPA inspection for Hazardous waste, and the District had a positive final report. Staff performed monthly inspections at the well and tank sites, completed the annual BAR report for smog inspections, completed the monthly chlorine DPD meter calibration. Well 1A rehab is completed and is back in production pumping 1250-1300 gpm. Staff also installed new solar lights at the driveways to the community center.

Program Coordinator Vermette gave the Program Report. The mobile veterinary clinic new hours are the first and third Thursday of the month. Assemblyman Obernolte's new office hours will now be on the third Tuesday of even numbered months from 2:00 to 5:00 pm. San Bernardino County Aging & Adult Services will hold an 8-week Tai Chi for Arthritis and Fall Prevention class at the CSD beginning March 3rd at 9:00 am.

Program Coordinator Vermette gave the Solid Waste Report. The total recycling for the month of November was 59.3 tons and total trash collected for November was 347.22. Our last e-waste pickup in December totaled 3,566 pounds; the District received a reimbursement of \$255.54. Thrift Store metal recycling for December totaled 3.43 tons and green waste recycling for December totaled 14.07 tons at a cost of \$1,544.54. The Thrift Stores last mattress pick up was for 128 mattresses for a reimbursement of \$225.28. There were 37 bulky item pickups for the month of December.

Regular Business

5. Discussion and Possible Action Regarding First Reading of Proposed Ordinance 2020-01: Ordinance of the Board of Directors of the Helendale Community Services District Establishing Policies on Discontinuation of Water Service for Non-Payment

Discussion: General Manager Cox and Legal Counsel Kennedy reviewed Senate Bill 998 pertaining to the Discontinuation of residential water service for non-payment. SB 998 was authored by Senator Dodd and signed into law on 9/28/18 by Governor Brown. It is chaptered in the Health & Safety Code Section 116900-116926. Mandatory Implementation for Districts less than 3,000 connections is February 1st and Districts with 200 or more connections is April 1st. This policy will only apply to residential connections. The public hearing process will be as follows: a public meeting will be held on 2/6, the public hearing will be held on 2/20 and will be noticed twice in the newspaper. The District will also publish a summary of the Ordinance in the newspaper. The policy requires the District to have a

written policy on "discontinuation of residential service for nonpayment (section 116906). The District will need to modify the billing statement which also needs to include additional information translated into 5 languages on the bill (116908). SB 998 extends the timeframe for payment prior to disconnection to 60 days (section 116908). This bill also extends the disconnection notification (116908). The District must develop payment options (section 116908). Also contemplated in the bill: Specific considerations for low income (116910 & 116914); requirements for posting written notice at a home (116908); prohibition from turning water off (116910); tenant considerations (116916); an appeal process (116908(b)); and the requirement that the District must report annual number of disconnections (116918). The written policy on discontinuation of residential water service for non-payment must be translated into five languages (at a cost of \$2500, the turn around time is less than one week); the policy must be posted on the website, the policy must be available in the office for customers, and the policy or excerpt of the policy must be included with the disconnection door tag. The bill statement modifications will include translation into 5 languages and listing the past due amounts to serve as written notice of impending disconnection. The bill also extends the timeframe for payment prior to disconnection to 60 days. This increases from a maximum of 45 days currently. The customer could have 3 outstanding bills prior to disconnection. The bills will serve as the notice of impending termination. SB 998 also extends the disconnection notification from the current 48 hours to 7 business days; this will always include a weekend (9 days total). Staff will arrange notification and disconnection so disconnection will never fall on a Friday. In cases of payment plan violation, disconnection notification is 3-5 business days. The District must develop payment options in specific cases including where there is a medical requirement for water or low income. These customers must also be willing to enter into a payment arrangement. Low income is defined as below the 200% federal poverty level. Requires a deposit fee of no more than \$50 and an after-hours reconnection fee of no more than \$150. Interest can be waived once per year. The Board extended this consideration to all residential customers regardless of income. This will save staff time certifying income level and managing two different payment levels. A chart of yearly poverty guidelines and thresholds was presented. The requirements for posting a notice to a property include failure of communications, ie returned mail and no phone contact. The post must be in a conspicuous place, payment plans must be made available and the posting must include tenants who may not receive a bill. Tenant considerations include that the District must make a good faith effort to inform a tenant of pending water disconnection in writing 10 days prior to disconnection. Tenants must be allowed to become customers with or without the consent of the owner, but they must be willing to comply with the District's rules and policies including the deposit policy. Proof of prompt payment of rent will qualify in lieu of the District's current requirements. The property owner will be responsible for all prior costs. The District is also required to develop an appeal process. Any adult in the household may appeal a bill. The District cannot disconnect service while an appeal is pending. The General Manager renders the initial decision and that decision may be appealed to the Board at a regular or special board meeting.

In the spirit of SB998 urging water providers to offer a plan for deferred or reduced payment or alternative payment schedules the following provisions have been included for all residential customers. Section IIIC of the policy deferred payment for two weeks one time each year. Reduced fees include a one-time disconnection fee waiver and a one-time late fee waiver. GM Cox presented a graphic of an example payment cycle as well as the proposed new bill form.

Action: Director Schneider made a motion to waive the full reading of Ordinance 2020-01 and move it forward to the public hearing scheduled for February 2020. The motion was approved by the following roll call vote: 5 – Yes; 0 – No

Director Schneider: Yes; Director Haas: Yes; President Clark: Absent; Vice President Smith: Yes; Director Spiller: Yes

6. Discussion and Possible Action Regarding Adoption of Revised Deposit and Application Policy

Discussion: Minor modifications needed to be made to the Deposit and Application Policy to be consistent with SB998. Other minor modifications were made to Section A(4)(6) and A9) to clarify the process and timeframe for running credit. Section D1, D2 & D3 includes excerpted policies from SB998 regarding discontinuation related to tenant water and the District's requirement to notify customers. Section D4 & D5 imposes requirements not contemplated in SB998 including proof of legal tenancy and termination of assignment if the service is disconnected. Section 3A(1) changes the deposit from 2 months to 3 months, finding that two months would not cover closing bills. Section 3(A)(5) defines a high-risk customer per current practice. Section 7 clarifies the responsibility of notification regarding refunds. Section 8(2) clarifies ACH reinstatement. The basic deposit for water only would go from \$87.72 to \$131.58; water and sewer would go from \$161 to \$241.50; water, sewer and trash service would go from \$204.40 to \$306.60; and trash only would go from \$43.40 to \$65.10.

Action: A motion was made by Vice President Smith to approve the new Deposit Policy with changes as presented effective 4/1/2020. The motion was seconded by Director Schneider.

Vote: The motion was approved by the following roll call vote: 5 – Yes; 0 – No

Director Schneider: Yes; Director Haas: Yes; President Clark: Absent; Vice President Smith: Yes; Director Spiller: Yes

7. Discussion and Possible Action Regarding Adoption of Revised Return Check Policy and Failed Pre-Authorized Payment Policy and Procedures

Discussion: The policy required a few minor modifications to be consistent with SB 998. Added Section 3 to provide clarity with SB998 policy language. Also, in Section 3, the 48-hour notification was removed and replaced with SB998 language. Sections 4 and 5 were modified for clarity.

Action: A motion was made by Vice President Smith to approve the new Deposit Policy with changes as presented effective 4/1/2020. The motion was seconded by Director Schneider.

Vote: The motion was approved by the following roll call vote: 5 – Yes; 0 – No

Director Schneider: Yes; Director Haas: Yes; President Clark: Absent; Vice President Smith: Yes; Director Spiller: Yes

8. Discussion and Possible Action Regarding Nomination of Special District Regular Member on the Local Agency Formation Commission

Discussion: Every two years the District can nominate a representative to the San Bernardino County LAFCO. LAFCO is made up of county supervisors (2 regular members and 1 alternate), City Council Members (2 regular members and 1 alternate), Special Districts (2 regular members and 1 alternate), and public members (1 regular and 1 alternate). There is an unwritten policy to have geographical

distribution for the representatives. The Helendale CSD's General Manager is the incumbent and is willing to continue serving.

Action: A motion was made by Director Haas to nominate Kimberly Cox as the LAFCO Regular Special District Member. The motion was seconded by Vice-President Smith.

Vote: The motion was approved by the following roll call vote: 5 – Yes; 0 – No

Director Schneider: Yes; Director Haas: Yes; President Clark: Absent; Vice President Smith: Yes; Director Spiller: Yes

9. Discussion and Possible Action Regarding Review of Resolution 2019-04: A Resolution of the Board of Directors of the Helendale Community Services District Establishing Policies for its Compensation, Reimbursement and Ethics Training

Discussion: This resolution was last reviewed in May 2019 and requires annual review. Legal Counsel Kennedy provided an overview of the resolution. Previously warrants were listed on the bills Paid report however, payroll is not reflected in that manner. Staff sought options from the Board reflecting payments. The Board also had the opportunity to make additional changes and review exhibit A. The policy will be modified per Board direction and presented on a future consent calendar if no further discussion is needed. The Board requested a more comprehensive list of meetings. Currently board members submit a payment request for the calendar month by the first meeting of the following month, there after the General Manager will issue a check to the Board Member in the amount of the payment request to the extent consistent with the resolution. The check number, name of the Board member, and the amount of the check shall be included in the agenda materials for the next public meeting. Legal Counsel suggested the Board may want to consider a different method. The payment request for a particular month would be submitted to staff, staff puts it on the agenda and is then brought to the Board for review and approval and once the Board approves it, it will be put in to the payroll system and the Board members will be paid consistent with the District's payroll process. Another option suggested was that Directors could submit their payment requests and staff could process them in payroll during the normal cycle. Then staff would put the payment request in the agenda materials for the board to approve. If there were any changes or the board rejects a particular meeting, staff can reconcile that. Board members can still submit payment requests twice a month consistent with payroll and those expenses will be on the consent calendar at the next meeting. The Board would like Legal Counsel to work on a red lined version of the resolution to be brought back at a later meeting. Legal Counsel will make changes to Section 1.3 and Section 2.6 as discussed. The Board can contemplate reimbursable meetings and may also wish to review Section 2, reimbursement of expenses and Section 2.3 rates of reimbursement.

Action: The Board gave direction to staff to work with Legal Council to modify the resolution and bring back to the Board.

Other Business

10. Requested items for next or future agendas (Directors and Staff only)

11. Adjournment

Action: President Ron Clark adjourned the meeting at 8:12 pm

Submitted by:

Approved By:

Ron Clark, President

Sandy Haas, Secretary

The Board actions represent decisions of the Helendale Community Services District Board of Directors. A digital voice recording and copy of the PowerPoint presentation are available upon request at the Helendale CSD office.



Helendale Community Services District

Date: February 20, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Sharon Kreinop, Senior Account Specialist
SUBJECT: Agenda item # 3 b.
Consent Item: Bills Paid and Presented for Approval

STAFF RECOMMENDATION:

Report Only. Receive and File

STAFF REPORT:

Staff issued 58 checks and 11 EFT's totaling \$312,444.50

Total cash available:	<u>2/12/20</u>	<u>2/6/20</u>
Cash	\$ 5,190,057.55	\$ 5,384,486.75
Checks/EFT's Issued	\$ 312,444.50	\$ 309,311.46

Investment Report

The Investment Report shows the status of invested District funds. The current interest rate is 1.73% for Cal TRUST Short-Term and 1.62% for Medium-Term Investments, 2.04% for LAIF, and 0.25% for the CBB Sweep Account for Jan 2019. Interest earned in Jan 2020 on the CalTRUST investments and the CBB Sweep Account is \$5,867.36.



Helendale CSD

Bills Paid and Presented for Approval

Transaction Detail

Issued Date Range: 02/03/2020 - 02/12/2020

Cleared Date Range: -

Issued Date	Number	Description	Amount	Type	Module
Bank Account: 251229590 - CBB Checking					
02/04/2020	22773	Platinum Consulting Group LLC	-11,478.67	Check	Accounts Payable
02/04/2020	22774	Sonic Systems, Inc	-1,428.40	Check	Accounts Payable
02/04/2020	22775	Layne Christensen Company	-60,302.58	Check	Accounts Payable
02/04/2020	22776	Fedak & Brown LLP	-650.00	Check	Accounts Payable
02/05/2020	22777	Southwest Gas Company	-1,962.32	Check	Accounts Payable
02/06/2020	22778	Southern California Edison	-4,498.74	Check	Accounts Payable
02/06/2020	22779	Southern California Edison	-217.82	Check	Accounts Payable
02/06/2020	22780	Southern California Edison	-240.64	Check	Accounts Payable
02/06/2020	22781	Southern California Edison	-152.02	Check	Accounts Payable
02/06/2020	22782	ACI Payments, Inc	-57.90	Check	Accounts Payable
02/06/2020	22783	American Soccer Co, Inc	-100.00	Check	Accounts Payable
02/06/2020	22784	AVCOM Services Inc.	-158.50	Check	Accounts Payable
02/06/2020	22785	Bank of America	-3,846.81	Check	Accounts Payable
02/06/2020	22786	Beck Oil Inc	-2,202.61	Check	Accounts Payable
02/06/2020	22787	Burrtec Waste Industries Inc	-120.49	Check	Accounts Payable
02/06/2020	22788	Burrtec Waste Industries Inc	-1,324.48	Check	Accounts Payable
02/06/2020	22789	Choice Builder	-1,016.63	Check	Accounts Payable
02/06/2020	22790	Diane Ona	-54.00	Check	Accounts Payable
02/06/2020	22791	DOS COSTAS COMMUNICATIONS	-400.00	Check	Accounts Payable
02/06/2020	22792	Government Finance Officers Association	-160.00	Check	Accounts Payable
02/06/2020	22793	Hartford Life	-590.48	Check	Accounts Payable
02/06/2020	22794	Heather L. Starstman	-288.00	Check	Accounts Payable
02/06/2020	22795	I Candy Website & Graphic Design	-48.75	Check	Accounts Payable
02/06/2020	22796	On Line	-34.20	Check	Accounts Payable
02/06/2020	22797	O'Reilly Auto Parts	-639.23	Check	Accounts Payable
02/06/2020	22798	Parkhouse Tire, Inc.	-832.14	Check	Accounts Payable
02/06/2020	22799	Powers Electric Product Co.	-335.73	Check	Accounts Payable
02/06/2020	22800	Sierra Analytical Labs, Inc	-1,760.00	Check	Accounts Payable
02/06/2020	22801	Silver Lakes Market	-373.68	Check	Accounts Payable
02/06/2020	22802	Staples Office Supplies	-566.21	Check	Accounts Payable
02/06/2020	22803	Tyler Technologies, Inc.	-285.16	Check	Accounts Payable
02/06/2020	22804	USA of So. California	-71.05	Check	Accounts Payable
02/06/2020	22805	USA of So. California	-400.43	Check	Accounts Payable
02/06/2020	22806	California State Disbursement Unit	-230.76	Check	Accounts Payable
02/10/2020	22807	Flo-Services, Inc	-27,900.84	Check	Accounts Payable
02/07/2020	22808	JAMI WEISEMAN	-191.29	Check	Utility Billing
02/12/2020	22809	ASBCSD	-105.00	Check	Accounts Payable
02/12/2020	22810	Burrtec Waste Industries, Inc.	-52,884.06	Check	Accounts Payable
02/12/2020	22811	City National Bank	-40,679.37	Check	Accounts Payable
02/12/2020	22812	County of San Bernardino	-120.00	Check	Accounts Payable
02/12/2020	22813	County of San Bernardino, Environmental Health Services	-880.00	Check	Accounts Payable
02/12/2020	22814	Desert Community Bank	-250.00	Check	Accounts Payable
02/12/2020	22815	Frontier Communications	-48.66	Check	Accounts Payable
02/12/2020	22816	Frontier Communications	-127.48	Check	Accounts Payable
02/12/2020	22817	Infosend, Inc	-1,822.15	Check	Accounts Payable
02/12/2020	22818	Lowe's Inc.	-1,192.98	Check	Accounts Payable
02/12/2020	22819	Mojave Water Agency	-241.36	Check	Accounts Payable
02/12/2020	22820	MRV News Group, LLC	-150.00	Check	Accounts Payable
02/12/2020	22821	R & C Compliance Management Services	-700.00	Check	Accounts Payable
02/12/2020	22822	Rebecca Gonzalez	-330.00	Check	Accounts Payable
02/12/2020	22823	State of California Department of Justice	-147.00	Check	Accounts Payable
02/12/2020	22824	SWRCB, Office of Operator Certification	-120.00	Check	Accounts Payable

Bank Transaction Report

Issued Date Range: -

Issued Date	Number	Description	Amount	Type	Module
02/12/2020	22825	Tyler Technologies, Inc.	-257.47	Check	Accounts Payable
02/12/2020	22825	Tyler Technologies, Inc. Reversal	257.47	Check Reversal	Accounts Payable
02/12/2020	22826	Southern California Edison	-395.99	Check	Accounts Payable
02/12/2020	22827	Southern California Edison	-778.47	Check	Accounts Payable
02/12/2020	22828	Southern California Edison	-9,963.12	Check	Accounts Payable
02/12/2020	22829	Westech Engineering, Inc.	-45,601.41	Check	Accounts Payable
02/12/2020	22830	Stantec Consulting Services Inc	-185.00	Check	Accounts Payable
02/12/2020	22831	Tyler Business Forms	-257.47	Check	Accounts Payable
02/04/2020	EFT0003101	To record CalPERS Health Premium Paid	-15,858.35	EFT	General Ledger
02/05/2020	EFT0003102	To record Sales Tax Pmt - 2nd Quarter Pmt	-1,751.00	EFT	General Ledger
02/07/2020	EFT0003103	To record Tasc Flex Claim Pmt - PPE 2/2/20	-777.07	EFT	General Ledger
02/05/2020	EFT0003104	To record CalPERS 457 Pmt - PPE 2/2/20	-600.00	EFT	General Ledger
02/07/2020	EFT0003107	EDD StatePayroll Tax PPE 2/2/20	-2,107.28	EFT	General Ledger
02/07/2020	EFT0003108	Federal Payroll Tax - PPE 2/2/20	-7,365.97	EFT	General Ledger
02/03/2020	EFT0003110	To record EVO Rec Desk CC Fees 22567	-89.51	EFT	General Ledger
02/12/2020	EFT0003114	To record Global Open Edge Fees # 4366	-359.28	EFT	General Ledger
02/12/2020	EFT0003115	To record Global Open Edge Fees # 4367	-1,003.25	EFT	General Ledger
02/07/2020	EFT0003117	To record payroll fee payment	-325.00	EFT	General Ledger
02/03/2020	EFT0003118	To record EVO Thrift Store CC Fees 23099	-307.71	EFT	General Ledger
Bank Account 251229590 Total: (71)			-312,444.50		
Report Total: (71)			-312,444.50		

Bank Transaction Report

Bank Account	Count	Amount
251229590 CBB Checking	71	-312,444.50
Report Total:	71	-312,444.50

Cash Account	Count	Amount
99 99-111000 Cash in CBB - Checking	71	-312,444.50
Report Total:	71	-312,444.50

Transaction Type	Count	Amount
Check	59	-282,157.55
Check Reversal	1	257.47
EFT	11	-30,544.42
Report Total:	71	-312,444.50



Helendale Community Services District

Date: February 20, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #5
Public Hearing Regarding the Possible Adoption of Ordinance 2020-01: An Ordinance of the Board of Directors of the Helendale Community Services District Establishing Policies on Discontinuation of Residential Water Service for Non-Payment

STAFF RECOMMENDATION:

Staff requests support for the proposed ordinance to meet state mandates.

STAFF REPORT:

In January, Staff and Counsel presented a draft policy responsive to the requirements of SB998. Work has continued to be done to the draft policy to further refine the policy. After extensive effort the draft policy is ready for presentation at the public meeting and the public hearing. A presentation will be made and input is invited and welcomed. It is the District's goal to make the policy compliant with the law yet understandable. District's Legal Counsel has reviewed the policy to ensure it complies with SB998.

In addition, SB998 requires modification to other policies and procedures to ensure consistency with the new legislation. These policies will be brought to the Board over the next few meetings. Staff will be working on internal administrative procedures as well to ensure the implementation of SB998 is accurate and there are no conflicts between administrative practices and the new law.

Background: SB998 known as the Water Shutoff Protection Act is intended among other things to allow customer's ample time to pay their water bill prior to disconnection by mandating a 60-day timeframe prior to disconnection. SB998 is codified into the Health and Safety Code sections 116900-116926.

The draft Policy presented for consideration must be translated into five languages along with certain verbiage on the bill form. The disconnection notification period is expanded from a 48-hour notification to a seven business day notification. There are expanded requirements for posting notification at a residence. The law also included a particular scenario in which the District cannot disconnect water service. Further SB998 requires for low income households that the reconnection fee cannot exceed \$50, after-hours reconnection fee cannot exceed \$150 and interest is to be waived once per year. The Board, upon review, extended this consideration to all residential

customers. There are additional considerations related to tenants that have been incorporated into the draft policy. The District will be required to contact a tenant in writing in the event of a pending water disconnection and allow the opportunity for a tenant in certain circumstances to become a customer of the District with or without the owner's approval.

Other Considerations: The District bills monthly not only for water but also for wastewater services and trash. The protracted payment period is anticipated to have an impact on the cash flow, however, the degree to which will not be known for a few months. Further, the law requires, under certain circumstances that the District enter into payment arrangements with customers who meet certain criteria which is also impact cash flow to a lesser degree due to the anticipated low number of payment arrangements.

The Board elected to provide additional considerations for all customers:

- Up to a two-week extension to any customer for any reason once per year
- One-time disconnection fee waiver
- One-time late fee waiver

This consideration is responsive to language in SB998 suggesting consideration of a partial or full reduction in an unpaid balance for those meeting specific criteria contemplated in Health and Safety Code 116910(a)3(C).

Process: The implementation of SB998 requires the District to modify numerous policies to ensure compliance. Over the next few meetings Staff will be presenting policies for consideration and modification to ensure the District's compliance.

FISCAL IMPACT: Additional Staff time due to implementation of legislative requirements.
Lag in cash flow due to extended payment timeframe.

POSSIBLE MOTION: Waive full reading of Ordinance 2020-01 and move it forward to the public hearing scheduled for February 20, 2020.

ATTACHMENTS: Proposed Ordinance 2020-01
Government Code Section 116900-116926



ORDINANCE 2020-01

*ORDINANCE OF THE BOARD OF DIRECTORS
OF THE HELENDALE COMMUNITY SERVICES DISTRICT
ESTABLISHING POLICIES ON DISCONTINUATION OF
RESIDENTIAL WATER SERVICE FOR NON-PAYMENT*

WHEREAS, Helendale Community Services District (“District”) is a public agency created under the Community Services District Law, California Government Code Section 61000 et seq., to, among other purposes, provide water service to the water users within the boundaries of the District; and

WHEREAS, pursuant to applicable law, including but not limited to Government Code Sections 61060(b) and 61100(a), the District’s Board of Directors is authorized to establish by ordinance the rules and regulations for water service by the District.

NOW, THEREFORE, BE IT ORDAINED by the Board of Directors of the Helendale Community Services District as follows:

SECTION 1. POLICY. The Policy on Discontinuation of Residential Water Service for Non-Payment attached hereto and incorporated herein by this reference is hereby adopted.

SECTION 2. ENFORCEMENT OFFICER. The District’s General Manager is hereby declared and appointed as the enforcement officer of this Ordinance, and shall be empowered to take such other actions as authorized herein, or as may otherwise be authorized by the District’s Board of Directors or be reasonably necessary, for enforcement of the Ordinance.

SECTION 3. RESERVATION OF RIGHTS. All remedies set forth in this Ordinance are herein declared to be cumulative and non-exclusive, and shall not preclude the District from enforcing any other rights or remedies to discontinue service and/or otherwise enforce this Ordinance or any other rules and regulations of the District.

SECTION 4. SEVERABILITY. If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be unconstitutional or invalid, such decisions shall not affect the validity of the remaining portions of this Ordinance.

SECTION 5. PUBLICATION AND POSTING. The District’s General Manager is hereby directed to cause the full text of this Ordinance to be posted at the District office, and a summary thereof to be published in a newspaper of general circulation in the District, within ten (10) days after adoption with the names of the directors voting for and against the adoption.

SECTION 6. EFFECTIVE DATE. This Ordinance shall become effective immediately upon its adoption and shall supersede any inconsistent provisions of the District's rules and regulations for residential water service.

APPROVED AND ADOPTED this 20th day of February 2020.

President, Board of Directors

STATE OF CALIFORNIA)
)
COUNTY OF SAN BERNARDINO)

I, Sandy Haas, Secretary of the Board of Directors of the Helendale Community Services District, do hereby certify that the foregoing Ordinance, being Ordinance No. 2020-01 was duly adopted by the Board of Directors of said District at a regular meeting of said Board held on February 20, 2020, and that it was so adopted by the following vote:

AYES:

NOES:

ABSENT:

ATTEST:

Secretary of the Helendale Community Services
District and of the Board of Directors thereof

SEAL

February 3, 2020

**HELENDALE COMMUNITY SERVICES DISTRICT
POLICY ON DISCONTINUATION OF
RESIDENTIAL WATER SERVICE FOR NON-PAYMENT**

Notwithstanding any other policy or rule of the Helendale Community Services District, this Policy on Discontinuation of Residential Water Service for Non-Payment shall apply to the District's discontinuation of residential water service for non-payment under the provisions set forth herein. It is the intent of this policy to comply with Government Code Sections 60370-60375.5 and Health and Safety Code ("HSC") Sections 116900-116926. In the event of any conflict between this Policy and applicable law, applicable law shall govern.

I. Application of Policy; Contact Telephone Number; Translations: This policy shall apply only to residential water service for non-payment and the District's existing policies and procedures shall continue to apply to all other service accounts. The CSD can be reached at 760-951-0006 for assistance concerning the payment of water bills and the potential establishment of the alternatives set forth in this policy to avoid discontinuation of service. Translations of this Policy shall be available in English and in the languages listed in Section 1632 of the Civil Code at the District offices, on the District website, and shall be made available as otherwise required.

II. Discontinuation of Residential Water Service for Non-Payment:

A. Billing:

1. **Rendering and Payment of Bills:** Bills for water service will be rendered to each customer on a monthly basis. Bills for service are due and payable upon presentation. Bills are late as of the tenth (10th) day of each month with late fees posting to the account on the first normal business day of each month. Residential bills become overdue and subject to discontinuation of service if not paid within sixty (60) days from the date of the bill. Payment may be made at the Helendale Community Services District office, on-line, pay by phone, auto debit or auto credit transaction or through the night-drop box located at the office. It is the customer's responsibility to assure that payments are received at the office in a timely manner. Partial payments are not authorized unless prior approval has been received from the CSD.
2. **Monthly Bills:** On or near the first of each month a new bill will be sent to the customer. This bill will include the current amounts due, enumerate any past due amounts and list the date by which past due payment must be received to avoid discontinuation of service.

B. Overdue Bills:

1. **Disconnection for nonpayment:** The District shall not disconnect/shut-off/discontinue water service for nonpayment until the account has been delinquent for at least sixty (60) days. No less than seven (7) business days before

Policy on Discontinuation of Residential Water Service for Non-Payment (Cont'd)

discontinuation of residential water service for nonpayment, the District shall contract the customer named on the account by telephone or written notice.

2. Customer Contact: If the District is unable to make contact with the customer or an adult occupying the residence by telephone, and written notice is returned through the mail as undeliverable, the District shall make a good faith effort to visit the residence and leave, or make other arrangements for placement in a conspicuous place, a notice of imminent discontinuation of service for nonpayment along with a copy of the District's Policy for Discontinuation of Residential Water Service for Nonpayment.
3. Reconnection of Service: Customers whose water service has been disconnected may contact the District by telephone or in person regarding reconnection of water service. Restoration of water service will be subject to payment of all delinquent charges on the account plus any additional fees or charges, (including but not limited to disconnection, reconnection, past due, late fees, service fees and deposit), resulting from the disconnection and reconnection process plus any deposits that may be required by the District.
4. Notices:
 - a. The District may not terminate residential service on account of non-payment of a delinquent account unless the District first gives notice of the delinquency and impending termination at least ten (10) days prior to the proposed termination, by means of a notice mailed, postage prepaid, to the customer to whom the service is billed not earlier than nineteen (19) days from the date of mailing the District's bill for services, and the ten (10) day period shall not commence until five (5) days after the mailing of the notice. [Government Code Section 60373(a)]
 - b. No less than seven (7) business days before disconnection of residential water service for nonpayment, the District shall contact the customer named on the account by telephone or written notice of any delinquency and impending disconnection of water service. When the District contacts the customers by telephone the District shall offer to provide, in writing to the customer, the policy on discontinuation of residential service for nonpayment. The District shall offer to discuss options to avert discontinuation of residential service for nonpayment, including but not limited to, alternative payment schedules, deferred payments, minimum payments, procedures for requesting amortization of the unpaid balance, and petition for bill review and appeal. [HSC Section 116908(a)(1)(A) and (B)]
 - c. When the District contacts the customer named on the account by written notice pursuant to subdivisions (a) and (b) above, the written notice of payment delinquency and impending discontinuation shall be mailed to the customer of the residence to which the residential service is provided. If the customer's

Policy on Discontinuation of Residential Water Service for Non-Payment (Cont'd)

address is not the address of the property to which residential service is provided, the notice also shall be sent to the address of the property to which residential service is provided, addressed to "Occupant". A post office box will be considered the customer's address. The notice shall include, but is not limited to, all of the following information in a clear and legible format [Government Code Section 60373(c) and HSC Section 116908(a)(1)(C)]:

- (1) The name and address of the customer whose account is delinquent
 - (2) The amount of the delinquency
 - (3) The date by which payment or arrangements for payment is required in order to avoid termination
 - (4) A description of the process to apply for an extension of time to pay delinquent charges
 - (5) A description of the procedure to petition for bill review and appeal
 - (6) The procedure by which the customer may initiate a complaint or request an investigation concerning service or charges
 - (7) A description of the procedure by which the customer may request a deferred, reduced, or alternative payment schedule, including an amortization of the unpaid charges, consistent with the written policies set forth herein.
 - (8) The procedure for the customer to obtain information on the availability of financial assistance, including private, local, State, or Federal sources, if applicable.
 - (9) The telephone number of a representative of the District who can provide additional information or institute arrangement for payment.
- d. The District shall make a reasonable, good faith effort to contact an adult person residing at the premises of the customer by telephone or in person at least forty-eight (48) hours prior to any termination of service except that whenever telephone or personal contact cannot be accomplished, the District shall give, by mail or by posting in a conspicuous location at the premises, a notice of termination. [Government Code Section 60373(b)]
- e. If the District is unable to make contact with the customer or an adult occupying the residence by telephone, and written notice is returned through the mail as undeliverable, the District shall make a good faith effort to visit the residence and leave, or make other arrangements for placement in a conspicuous place of, a notice of imminent discontinuation of residential service for nonpayment. [HSC Section 116908(a)(2)]
- f. All written notices that are provided pursuant to HSC Section 116908 shall be provided in English, the languages listed in Section 1632 of the Civil Code, and any other language spoken by ten percent (10%) or more of the customers in the District's service area.

Policy on Discontinuation of Residential Water Service for Non-Payment (Cont'd)

5. **Restrictions:** No termination of service may be affected without compliance with Section II.B.4 above, and any service wrongfully terminated shall be restored without charge for the restoration of service [Government Code Section 60373(e)]. The District shall not, by reason of delinquency in payment for any water services, cause cessation of those services on any Saturday, Sunday, legal holiday, or at any time during which the business offices of the District are not open to the public (Government Code Section 60374).
 6. **Late Charge:** A Late Charge, as specified in the District's fees and charges, shall be assessed and added to the outstanding balance on the customer's account if the amount owing on that account is not paid before the due date specified on the bill.
 7. **Turn-Off Deadline:** Payment for water service charges must be received by the District no later than 5:30 p.m. on the date specified on prior billing notice(s) of impending termination. Postmarks are not acceptable.
 8. **Notification of Returned Check or Failed Automatic Debit Transaction (ACH):** Upon receipt of a returned check or failed ACH transaction rendered for water service or other charges, the District will consider the account not paid. The District will attempt to notify the customer via phone and/or posted notice at the residence. Water service will be disconnected if the amount of the returned check and returned check charge are not paid by the due date specified on the notice, which due date shall not be sooner than the date specified in the Notice of Impending Termination. To redeem a returned check and to pay a returned check charge, all amounts owing must be paid by credit/debit card, cashier's check or money order.
 9. **Returned Check Tendered as Payment for Water Service Disconnected for Nonpayment:**
 - a. If the check tendered and accepted as payment which resulted in restoring service to an account that had been disconnected for nonpayment is returned as non-negotiable, the District may disconnect said water service upon at least three (3) days' written notice. The customer's account may only be reinstated by receipt of outstanding charges in the form of a credit/debit card, cashier's check or money order. Once the customer's account has been reinstated, the account will be flagged for a one-year period indicating the fact that a non-negotiable check was issued by the customer. A deposit may be required to reinstate service.
 - b. If at any time henceforth, the customer's account is again disconnected for nonpayment, the customer will be required to pay by credit/debit card, money order or cashier's check to have said water service restored.
- C. **Conditions Prohibiting Discontinuation:** The District shall not discontinue residential water service if all the following conditions are met:

Policy on Discontinuation of Residential Water Service for Non-Payment (Cont'd)

1. Health Conditions – The customer or tenant of the customer submits certification of a primary care provider that discontinuation of water service would (i) be life threatening, or (ii) pose a serious threat to the health and safety of a resident;
 2. Financial Inability – The customer demonstrates he or she is financially unable to pay for water service within the District's normal billing cycle. The customer is deemed "financially unable to pay" if any member of the customer's household is: (i) a current recipient of the following benefits: CalWORKS, CalFresh, general assistance, Medi-Cal, SSI/State Supplementary Payment Program or California Special Supplemental Nutrition Program for Women, Infants and Children; or (ii) the customer declares the household's annual income is less than 200% of the federal poverty level; and
 3. Alternative Payment Arrangements –The customer is willing to enter into an amortization agreement, alternative payment schedule or a plan for deferred or reduced payment, consistent with the provisions of Section III, below.
- D. Process for Determination of Conditions Prohibiting Discontinuation of Service: The burden of proving compliance with the conditions described in Subdivision (C), above, is on the customer. In order to allow the District sufficient time to process any request for assistance by a customer, the customer is encouraged to provide the District with the necessary documentation demonstrating the medical issues under Subdivision (C)(1), financial inability under Subdivision (C)(2) and willingness to enter into any alternative payment arrangement under Subdivision (C)(3) as far in advance of any proposed date for discontinuation of service as possible. Upon receipt of such documentation, the District's General Manager, or his or her designee, shall review that documentation and respond to the customer within seven (7) days to either request additional information, including information relating to the feasibility of the available alternative arrangements, or to notify the customer of the alternative payment arrangement, and terms thereof, under Section III, below, in which the District will allow the customer to participate. If the District has requested additional information, the customer shall provide that requested information within five (5) days of receipt of the District's request. Within five (5) days of its receipt of that additional information, the District shall either notify the customer that the customer does not meet the conditions under Subdivision (C), above, or notify the customer of the alternative payment arrangement, and terms thereof, under Section III, below, in which the District will allow the customer to participate.
- E. Upon request by a water customer, the District will perform the following:
1. Reconnection Fees: Any reconnection fees during the District's normal operating hours cannot exceed \$50, and reconnection fees during non-operational hours cannot exceed \$150. Those fees cannot exceed the actual cost of reconnection if that cost is less than the statutory caps. Those caps may be adjusted annually for changes in the CPI beginning January 1, 2021.

Policy on Discontinuation of Residential Water Service for Non-Payment (Cont'd)

2. Interest Waiver: The District shall waive interest charges (late fees) on delinquent bills once every 12 months.

F. Landlord-Tenant Scenario: The following procedures apply to individually metered detached single-family dwellings, multi-unit residential structures and mobile home parks where the property owner or manager is the customer of record.

1. Required Notice:

- a. At least 10 days prior if the property is a multi-unit residential structure or mobile home park, or 7 days prior if the property is a detached single-family dwelling, to the possible discontinuation of water service, the District must make a good faith effort to inform the tenants/occupants at the property by written notice that the water service will be discontinued.
- b. The written notice must also inform the tenants/occupants that they have the right to become customers to whom the service will be billed (see Subdivision 2, below), without having to pay any of the delinquent amounts. Delinquent charges will remain the responsibility of the property owner.

2. Tenants/Occupants Becoming Customers:

- a. The District is not required to make service available to the tenants/occupants unless each tenant/occupant agrees to the terms and conditions for service and meets the District's requirements and rules.
- b. However, if (i) one or more of the tenants/occupants assumes responsibility for subsequent charges to the account to the District's satisfaction, or (ii) there is a physical means to selectively discontinue service to those tenants/occupants who have not met the District's requirements, then the District may make service available only to those tenants/occupants who have met the requirements.
- c. If prior service for a particular length of time is a condition to establish credit with the District, then residence at the property and proof of prompt payment of rent for that length of time, to the District's satisfaction, is a satisfactory equivalent.
- d. If a tenant/occupant becomes a customer of the District and the tenant's/occupant's rent payments include charges for residential water service where those charges are not separately stated, the tenant/occupant may deduct from future rent payments all reasonable charges paid to the District during the prior payment period.

III. **Alternative Payment Arrangements**: For any customer who meets the three conditions under Section II(C), above, in accordance with the process set forth in Section II(D), above,

Policy on Discontinuation of Residential Water Service for Non-Payment (Cont'd)

the District shall offer the customer one of the following alternative payment arrangements, to be selected by the District in its discretion: (i) amortization of the unpaid balance under Subdivision (A), below; (ii) alternative payment schedule under Subdivision (B), below; (iii) partial or full reduction of unpaid balance under Subdivision (C), below; or (iv) temporary deferral of payment under Subdivision (D), below. The General Manager, or his or her designee, shall, in the exercise of reasonable discretion, select the most appropriate alternative payment arrangement after reviewing the information and documentation provided by the customer and taking into consideration the customer's financial situation and District's payment needs. A customer is allowed one active payment arrangement at a time.

A. **Amortization:** Any customer who is unable to pay for water service within the District's normal payment period and meets the three conditions under Section II(C), above, as the District shall confirm, may, if the District has selected this alternative, enter into an amortization plan with the District on the following terms:

1. **Term:** The customer shall pay the unpaid balance, with the administrative fee as specified in Subdivision (2), below, over a period not to exceed twelve (12) months, as determined by the District's General Manager or his or her designee. The unpaid balance, together with the applicable administrative fee, shall be divided by the number of months in the amortization period and that amount shall be added each month to the customer's ongoing monthly bills for water service.

2. **Administrative Fee:** For any approved amortization plan, the customer will be charged an administrative fee, in the amount established by the District from time to time, representing the cost to the District of initiating and administering the plan.

3. **Compliance with Plan:** The customer must comply with the amortization plan and remain current as charges accrue in each subsequent billing period. The customer may not request further amortization of any subsequent unpaid charges while paying delinquent charges pursuant to an amortization plan. If the customer fails to comply with the terms of the amortization plan for sixty (60) days, or fails to pay the customer's current service charges for sixty (60) days, the District may discontinue water service to the customer's property at least five (5) business days after the District posts at the customer's residence a final notice of its intent to discontinue service.

B. **Alternative Payment Schedule:** Any customer who is unable to pay for water service within the District's normal payment period and meets the three conditions under Section II(C), above, as the District shall confirm, may, if the District has selected this alternative, enter into an alternative payment schedule for the unpaid balance in accordance with the following:

1. **Repayment Period:** The customer shall pay the unpaid balance, with the administrative fee as specified in Subdivision (2), below, over a period not to exceed twelve (12) months, as determined by the District's General Manager or his or her designee.

Policy on Discontinuation of Residential Water Service for Non-Payment (Cont'd)

2. Administrative Fee: For any approved alternative payment schedule, the customer will be charged an administrative fee, in the amount established by the District from time to time, representing the cost to the District of initiating and administering the schedule.
 3. Schedule: After consulting with the customer and considering the customer's financial limitations, the District's General Manager or his or her designee shall develop an alternative payment schedule to be agreed upon with the customer. That alternative schedule may provide for periodic lump sum payments that do not coincide with the District's established payment date, may provide for payments to be made more frequently than monthly, or may provide that payments be made less frequently than monthly, provided that in all cases, the unpaid balance and administrative fee shall be paid in full within twelve (12) months of establishment of the payment schedule. The agreed upon schedule shall be set forth in writing and be provided to the customer.
 4. Compliance with Plan: The customer must comply with the agreed upon payment schedule and remain current as charges accrue in each subsequent billing period. The customer may not request a longer payment schedule for any subsequent unpaid charges while paying delinquent charges pursuant to a previously agreed upon schedule. If the customer fails to comply with the terms of the agreed upon schedule for sixty (60) days or more, or fails to pay the customer's current service charges for sixty (60) days or more, the District may discontinue water service to the customer's property at least five (5) business days after the District posts at the customer's residence a final notice of its intent to discontinue service.
- C. Additional Payment Options: Any customer within the District's normal payment period may be eligible for one or more of the following:
1. Deferred Payment to avoid disconnection: A payment extension of up to two weeks is available to customers one time per year. Applicable penalties will apply during the extension period. Failure to comply with payment extension will result in discontinuation of service upon a forty-eight (48) hour courtesy phone notification.
 2. Reduced Fees: A one-time disconnection fee waiver and a one-time late fee waiver are available to any customer upon request. These waivers are available one-time over the life of the account.

IV. Appeals: The procedure to be used to appeal the amount set forth in any bill for residential water service is as follows:

- A. Time for Appeal: Within ten (10) days of receipt of the bill for water service, but no later than the last business day of the month, the customer has a right to initiate a complaint or request an investigation regarding any bill or charge rendered by the

Policy on Discontinuation of Residential Water Service for Non-Payment (Cont'd)

District. Such protest shall be made in writing and be delivered to the District's office. While the customer's appeal and any resulting investigation is pending, the District cannot discontinue water service to the customer.

- B. Appeal Hearing: Following receipt of a complaint or a request for an investigation, a hearing date shall be set before the General Manager, or his or her designee (the "Hearing Officer"). After evaluation of the evidence provided by the customer and the information on file with the District concerning the water charges in question, the Hearing Officer shall render a decision as to the accuracy of the water charges and shall provide the appealing customer with a brief written summary of the decision.
1. If water charges are determined to be incorrect, a corrected invoice will be provided and payment of the revised charges will be due within ten (10) days of the invoice date for revised charges. If the revised charges remain unpaid for more than sixty (60) days after the corrected invoice is provided, water service will be disconnected, on the next regular working day after expiration of that sixty (60) day period; provided that the District shall provide the customer with the Overdue Notice in accordance with Section II(B), above. Water service will only be restored upon full payment of all outstanding water charges, penalties, and any and all applicable reconnection charges.
 2.
 - a. If the water charges in question are determined to be correct, the water charges are due and payable at the time the Hearing Officer's decision is rendered. At the time the Hearing Officer's decision is rendered, the customer will be advised of the right to further appeal before the District's Board of Directors. Any such appeal must be filed in writing within seven (7) days after the Hearing Officer's decision is rendered and will be heard as soon as possible at the next regularly-agendized meeting of the District's Board of Directors, or at a special meeting of the District's Board of Directors as agreed upon by customer and District.
 - b. If the customer does not timely appeal to the District's Board of Directors, the water charges in question shall be immediately due and payable. In the event the charges are not paid in full within sixty (60) days after the original billing date, then the District shall proceed with the Notice of Impending Termination in accordance with Section II(B), above, and may proceed in potentially discontinuing service to the customer's property.
 3. When an appeal hearing before the Board of Directors is requested, such request shall be made in writing and delivered to the District at its office. The customer will be required to personally appear before the Board and present evidence and reasons as to why the water charges in question are not accurate. The Board shall evaluate the evidence presented by the customer, as well as the information on file with the District concerning the water charges in question, and render a decision as to the accuracy of said charges.

Policy on Discontinuation of Residential Water Service for Non-Payment (Cont'd)

- a. If the Board finds the water charges in question are incorrect, the customer will be invoiced for the revised charges. If the revised charges remain unpaid for more than sixty (60) days after the corrected invoice is provided, water service will be disconnected, on the next regular working day after expiration of that sixty (60) day period; provided that the District shall provide the customer with the Notice of Impending Termination in accordance with Section II(B), above. Water service will be restored only after outstanding water charges and any and all applicable reconnection charges are paid in full.
- b. If the water charges in question are determined to be correct, the water charges are due and payable at the time the decision of the Board is rendered. In the event the charges are not paid in full within sixty (60) days after the original billing date, then the District shall proceed with the Notice of Impending Termination in accordance with Section II(B), above, and may proceed in potentially discontinuing service to the customer's property.
- c. Any overcharges will be reflected as a credit on the next regular bill to the customer, or refunded directly to the customer, at the sole discretion of the Board.
- d. Water service to any customer shall not be discontinued at any time during which the customer's appeal to the District or its Board of Directors is pending.
- e. The Board's decision is final and binding.

- V. **Restoration of Service:** In order to resume or continue service that has been discontinued by the District due to non-payment, the customer may be required to pay a security deposit and will be required to pay a Reconnection Fee established by the District, subject to the limitation set forth in Section II(D), above. The District will endeavor to make such reconnection as soon as practicable as a convenience to the customer. The District shall make the reconnection no later than the end of the next regular working day following the customer's request and payment of any applicable Reconnection Fee.
- VI. **Unauthorized Action:** This policy does not apply to the termination of a service connection by the District due to an unauthorized action of a customer.

HEALTH AND SAFETY CODE - HSC

DIVISION 104. ENVIRONMENTAL HEALTH [106500 - 119406]

(Division 104 added by Stats. 1995, Ch. 415, Sec. 6.)

PART 12. DRINKING WATER [116270 - 117130]

(Part 12 added by Stats. 1995, Ch. 415, Sec. 6.)

CHAPTER 6. Discontinuation of Residential Water Service [116900 - 116926]

(Chapter 6 added by Stats. 2018, Ch. 891, Sec. 2.)

116900.

This chapter shall be known, and may be cited, as the Water Shutoff Protection Act.

(Added by Stats. 2018, Ch. 891, Sec. 2. (SB 998) Effective January 1, 2019.)

116902.

For the purposes of this chapter, the following definitions apply:

- (a) "Board" means the State Water Resources Control Board.
- (b) "Public water system" has the same meaning as defined in Section 116275.
- (c) "Residential service" means water service to a residential connection that includes single-family residences, multifamily residences, mobilehomes, including, but not limited to, mobilehomes in mobilehome parks, or farmworker housing.
- (d) "Urban and community water system" means a public water system that supplies water to more than 200 service connections.
- (e) "Urban water supplier" has the same meaning as defined in Section 10617 of the Water Code.

(Added by Stats. 2018, Ch. 891, Sec. 2. (SB 998) Effective January 1, 2019.)

116904.

- (a) An urban water supplier not regulated by the Public Utilities Commission shall comply with this chapter on and after February 1, 2020.
- (b) An urban and community water system regulated by the Public Utilities Commission shall comply with this chapter on and after February 1, 2020. The urban and community water system regulated by the Public Utilities Commission shall file advice letters with the commission to conform with this chapter.
- (c) An urban and community water system not described in subdivision (a) or (b) shall comply with this chapter on and after April 1, 2020.

(Added by Stats. 2018, Ch. 891, Sec. 2. (SB 998) Effective January 1, 2019.)

116906.

(a) An urban and community water system shall have a written policy on discontinuation of residential service for nonpayment available in English, the languages listed in Section 1632 of the Civil Code, and any other language spoken by at least 10 percent of the people residing in its service area. The policy shall include all of the following:

- (1) A plan for deferred or reduced payments.
- (2) Alternative payment schedules.
- (3) A formal mechanism for a customer to contest or appeal a bill.
- (4) A telephone number for a customer to contact to discuss options for averting discontinuation of residential service for nonpayment.

(b) The policy shall be available on the urban and community water system's Internet Web site, if an Internet Web site exists. If an Internet Web site does not exist, the urban and community water system shall provide the policy to customers in writing, upon request.

(c) (1) The board may enforce the requirements of this section pursuant to Sections 116577, 116650, and 116655. The provisions of Section 116585 and Article 10 (commencing with Section 116700) of Chapter 4 apply to enforcement undertaken for a violation of this section.

(2) All moneys collected pursuant to this subdivision shall be deposited in the Safe Drinking Water Account established pursuant to Section 116590.

(Added by Stats. 2018, Ch. 891, Sec. 2. (SB 998) Effective January 1, 2019.)

116908.

(a) (1) (A) An urban and community water system shall not discontinue residential service for nonpayment until a payment by a customer has been delinquent for at least 60 days. No less than seven business days before discontinuation of residential service for nonpayment, an urban and community water system shall contact the customer named on the account by telephone or written notice.

(B) When the urban and community water system contacts the customer named on the account by telephone pursuant to subparagraph (A), it shall offer to provide in writing to the customer the urban and community water system's policy on discontinuation of residential service for nonpayment. An urban and community water system shall offer to discuss options to avert discontinuation of residential service for nonpayment, including, but not limited to, alternative payment schedules, deferred payments, minimum payments, procedures for requesting amortization of the unpaid balance, and petition for bill review and appeal.

(C) When the urban and community water system contacts the customer named on the account by written notice pursuant to subparagraph (A), the written notice of payment delinquency and impending discontinuation shall be mailed to the customer of the residence to which the residential service is provided. If the customer's address is not the address of the property to which residential service is provided, the notice also shall be sent to the address of the property to which residential service is provided, addressed to "Occupant." The notice shall include, but is not limited to, all of the following information in a clear and legible format:

(i) The customer's name and address.

(ii) The amount of the delinquency.

(iii) The date by which payment or arrangement for payment is required in order to avoid discontinuation of residential service.

(iv) A description of the process to apply for an extension of time to pay the delinquent charges.

(v) A description of the procedure to petition for bill review and appeal.

(vi) A description of the procedure by which the customer may request a deferred, reduced, or alternative payment schedule, including an amortization of the delinquent residential service charges, consistent with the written policies provided pursuant to subdivision (a) of Section 116906.

(2) If the urban and community water system is unable to make contact with the customer or an adult occupying the residence by telephone, and written notice is returned through the mail as undeliverable, the urban and community water system shall make a good faith effort to visit the residence and leave, or make other arrangements for placement in a conspicuous place of, a notice of imminent discontinuation of residential service for nonpayment and the urban and community water system's policy for discontinuation of residential service for nonpayment.

(b) If an adult at the residence appeals the water bill to the urban and community water system or any other administrative or legal body to which such an appeal may be lawfully taken, the urban and community water system shall not discontinue residential service while the appeal is pending.

(Added by Stats. 2018, Ch. 891, Sec. 2. (SB 998) Effective January 1, 2019.)

116910.

(a) An urban and community water system shall not discontinue residential service for nonpayment if all of the following conditions are met:

(1) The customer, or a tenant of the customer, submits to the urban and community water system the certification of a primary care provider, as that term is defined in subparagraph (A) of paragraph (1) of subdivision (b) of Section 14088 of the Welfare and Institutions Code, that discontinuation of residential service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where residential service is provided.

(2) The customer demonstrates that he or she is financially unable to pay for residential service within the urban and community water system's normal billing cycle. The customer shall be deemed financially unable to pay for residential service within the urban and community water system's normal billing cycle if any member of the customer's household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or the customer declares that the household's annual income is less than 200 percent of the federal poverty level.

(3) The customer is willing to enter into an amortization agreement, alternative payment schedule, or a plan for deferred or reduced payment, consistent with the written policies provided pursuant to subdivision (a) of Section 116906, with respect to all delinquent charges.

(b) (1) If the conditions listed in subdivision (a) are met, the urban and community water system shall offer the customer one or more of the following options:

(A) Amortization of the unpaid balance.

(B) Participation in an alternative payment schedule.

(C) A partial or full reduction of the unpaid balance financed without additional charges to other ratepayers.

(D) Temporary deferral of payment.

(2) The urban and community water system may choose which of the payment options described in paragraph (1) the customer undertakes and may set the parameters of that payment option. Ordinarily, the repayment option offered should result in repayment of any remaining outstanding balance within 12 months. An urban and community water system may grant a longer repayment period if it finds the longer period is necessary to avoid undue hardship to the customer based on the circumstances of the individual case.

(3) Residential service may be discontinued no sooner than 5 business days after the urban and community water system posts a final notice of intent to disconnect service in a prominent and conspicuous location at the property under either of the following circumstances:

(A) The customer fails to comply with an amortization agreement, an alternative payment schedule, or a deferral or reduction in payment plan for delinquent charges for 60 days or more.

(B) While undertaking an amortization agreement, an alternative payment schedule, or a deferral or reduction in payment plan for delinquent charges, the customer does not pay his or her current residential service charges for 60 days or more.

(Added by Stats. 2018, Ch. 891, Sec. 2. (SB 998) Effective January 1, 2019.)

116912.

An urban and community water system that discontinues residential service for nonpayment shall provide the customer with information on how to restore residential service.

(Added by Stats. 2018, Ch. 891, Sec. 2. (SB 998) Effective January 1, 2019.)

116914.

(a) For a residential customer who demonstrates to an urban and community water system household income below 200 percent of the federal poverty line, the urban and community water system shall do both of the following:

(1) Set a reconnection of service fee for reconnection during normal operating hours at fifty dollars (\$50), but not to exceed the actual cost of reconnection if it is less. Reconnection fees shall be subject to an annual adjustment for changes in the Consumer Price Index beginning January 1, 2021. For the reconnection of residential service during nonoperational hours, an urban and community water system shall set a reconnection of service fee at one hundred fifty dollars (\$150), but not to exceed the actual cost of reconnection if it is less. Reconnection fees shall be subject to an annual adjustment for changes in the Consumer Price Index beginning January 1, 2021.

(2) Waive interest charges on delinquent bills once every 12 months.

(b) An urban and community water system shall deem a residential customer to have a household income below 200 percent of the federal poverty line if any member of the household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or the customer declares that the household's annual income is less than 200 percent of the federal poverty level.

(Added by Stats. 2018, Ch. 891, Sec. 2. (SB 998) Effective January 1, 2019.)

116916.

(a) This section applies if there is a landlord-tenant relationship between the residential occupants and the owner, manager, or operator of the dwelling.

(b) If an urban and community water system furnishes individually metered residential service to residential occupants of a detached single-family dwelling, a multiunit residential structure, mobilehome park, or permanent residential structure in a labor camp as defined in Section 17008, and the owner, manager, or operator of the dwelling, structure, or park is the customer of record, the urban and community water system shall make every good faith effort to inform the residential occupants, by means of written notice, when the account is in arrears that service will be terminated at least 10 days prior to the termination. The written notice shall further inform the residential occupants that they have the right to become customers, to whom the service will then be billed, without being required to pay any amount which may be due on the delinquent account.

(c) The urban and community water system is not required to make service available to the residential occupants unless each residential occupant agrees to the terms and conditions of service and meets the requirements of law and the urban and community water system's rules and tariffs. However, if one or more of the residential occupants are willing and able to assume responsibility for the subsequent charges to the account to the satisfaction of the urban and community water system, or if there is a physical means legally available to the urban and community water system of selectively terminating service to those residential occupants who have not met the requirements of the urban and community water system's rules and tariffs, the urban and community water system shall make service available to those residential occupants who have met those requirements.

(d) If prior service for a period of time is a condition for establishing credit with the urban and community water system, residence and proof of prompt payment of rent or other credit obligation acceptable to the urban and community water system for that period of time is a satisfactory equivalent.

(e) Any residential occupant who becomes a customer of the urban and community water system pursuant to this section whose periodic payments, such as rental payments, include charges for residential water service, where those charges are not separately stated, may deduct from the periodic payment each payment period all reasonable charges paid to the urban and community water system for those services during the preceding payment period.

(f) In the case of a detached single-family dwelling, the urban and community water system may do any of the following:

(1) Give notice of termination at least seven days prior to the proposed termination.

(2) In order for the amount due on the delinquent account to be waived, require an occupant who becomes a customer to verify that the delinquent account customer of record is or was the landlord, manager, or agent of the dwelling. Verification may include, but is not limited to, a lease or rental agreement, rent receipts, a government document indicating that the occupant is renting the property, or information disclosed pursuant to Section 1962 of the Civil Code.

(Added by Stats. 2018, Ch. 891, Sec. 2. (SB 998) Effective January 1, 2019.)

116918.

An urban and community water system shall report the number of annual discontinuations of residential service for inability to pay on the urban and community water system's Internet Web

site, if an Internet Web site exists, and to the board. The board shall post on its Internet Web site the information reported.

(Added by Stats. 2018, Ch. 891, Sec. 2. (SB 998) Effective January 1, 2019.)

116920.

(a) The Attorney General, at the request of the board or upon his or her own motion, may bring an action in state court to restrain by temporary or permanent injunction the use of any method, act, or practice declared in this chapter to be unlawful.

(b) For an urban and community water system regulated by the Public Utilities Commission, the commission may bring an action in state court to restrain by temporary or permanent injunction the use by an urban and community water system regulated by the commission of any method, act, or practice declared in this chapter to be unlawful.

(Added by Stats. 2018, Ch. 891, Sec. 2. (SB 998) Effective January 1, 2019.)

116922.

All written notices required under this chapter shall be provided in English, the languages listed in Section 1632 of the Civil Code, and any other language spoken by 10 percent or more of the customers in the urban and community water system's service area.

(Added by Stats. 2018, Ch. 891, Sec. 2. (SB 998) Effective January 1, 2019.)

116924.

Where provisions of existing law are duplicative of this chapter, compliance with one shall be deemed compliance with the other. Where those provisions are inconsistent, the provisions of this chapter shall apply. Nothing in this chapter shall be construed to limit or restrict the procedural safeguards against the disconnection of residential water service existing as of December 31, 2018.

(Added by Stats. 2018, Ch. 891, Sec. 2. (SB 998) Effective January 1, 2019.)

116926.

This chapter does not apply to the termination of a service connection by an urban and community water system due to an unauthorized action of a customer.

(Added by Stats. 2018, Ch. 891, Sec. 2. (SB 998) Effective January 1, 2019.)



Helendale Community Services District

Date: February 20, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #6
Discussion Only Regarding Mid-Year Budget Review for Fiscal Year 2020

STAFF RECOMMENDATION:

Staff seeks input from the Board regarding mid-year financials.

STAFF REPORT:

The Board previously had requested quarterly budget reviews however with the implementation of monthly financial statement, the need for quarterly updates are no longer necessary. Because the December financials represent the District's mid-year position, it is agendized for Board discussion and review.

As Staff begins working on next year's budget, the mid-year budget provides an important starting point for the upcoming budget year.

Staff will provide a detailed presentation at the Board meeting.

FISCAL IMPACT: None.

ATTACHMENTS: December Financial Report

Helendale CSD
Statement of Revenues and Expenses - Water
As of December 31, 2019
(Unaudited)

	Dec. 2019	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Meter Charges	\$ 126,699	\$ 748,408	\$ 1,495,518	50%	\$ 680,977
3 Water Sales	54,341	521,094	866,897	60%	536,546
4 Standby Charges	11,833	22,116	24,410	91%	11,972
5 Other Operating Revenue	8,820	55,720	88,100	63%	53,623
6 Total Operating Revenues	201,692	1,347,337	2,474,924	54%	1,283,118
7 Non-Operating Revenues					
8 Grant Revenue	1,129	1,532	75,000	2%	(473)
9 Miscellaneous Income (Expense)	-	-	3,000	0%	-
10 Total Non-Operating Revenues	1,129	1,532	78,000	2%	(473)
11 Total Revenues	202,821	1,348,870	2,552,924	53%	1,282,645
12 Expenses					
13 Salaries & Benefits					
14 Salaries	20,153	157,697	339,707	46%	152,242
15 Benefits	3,420	74,316	118,201	63%	71,911
16 Total Salaries & Benefits	23,573	232,013	457,908	51%	224,153
17 Transmission & Distribution					
18 Contractual Services	2,553	12,320	30,150	41%	8,130
19 Power	7,917	67,285	113,730	59%	67,298
20 Operations & Maintenance	14,181	47,877	143,824	33%	33,632
21 Rent/Lease Expense	800	6,060	10,860	56%	6,060
22 Permits & Fees	13,987	18,053	22,740	79%	18,042
23 Total T&D	39,438	151,595	321,304	47%	133,162
24 General & Administrative					
25 Utilities	454	2,581	5,124	50%	2,367
26 Office & Other Expenses	136	463	2,235	21%	3,432
27 Admin Allocation	40,959	245,755	491,511	50%	228,792
28 Total G&A	41,549	248,799	498,870	50%	234,590
29 Debt Service	24,580	194,367	388,734	50%	287,577
30 Total Expenses	129,140	826,774	1,666,815	50%	879,482
31 Net Income (Loss) Before Capital	73,681	522,096	886,109	59%	403,163
32 Capital Expenses	-	(250,568)	(2,230,667)	11%	231,958
33 Net Income (Loss) After Capital	\$ 73,681	\$ 271,528	\$ (1,344,558)		\$ 635,121

Helendale CSD
Financial Statement Analysis
For the Month Ended December 31, 2019 – 50% of Fiscal Year

Fund 01-Water Revenues and Expenses

Line 2 Meter Charges: Meter Charges are the fixed monthly charge for water service. Year to Date (YTD) Meter charges is trending on budget at 50%.

Line 3 Water Sales: Water Sales reflects water consumption and is trending at 60% of budget due to higher consumption in the summer months.

Line 4 Standby Charges: Standby Charges includes Special Assessment Standby charges for the current & prior years, and Delinquent Tax penalties. Year to Date (YTD) can trend over/under budget due to timing of assessment receipts and unbudgeted receipts of delinquent assessments, which is causing this category to trend over budget.

Line 5 Other Operating Revenue: Other Operating Revenue includes Permit & Inspection Charges, Connection Fees, Meter Installation Fees, Other Fees/Charges & Mechanic Service Reimbursements. Connection & Meter Installation fees are not budgeted due to the unexpected nature of these fees, is causing this category to trend over budget.

Line 8 Grant Revenue: YTD is at 2% due to timing of Grant Revenue receipts. A \$75K grant from the Bureau of Reclamation for installation of AMI smart meters is anticipated this fiscal year. Receipts through 12/31 include the Scada Enernoc grant.

Line 9 Miscellaneous Income (Expense): Miscellaneous Income includes Gain/Loss on Sale of Assets, the Enel X Demand Response Program & Other Miscellaneous income. No receipts year to date.

Line 14 Salaries: Amounts for Water Department employees and share of Mechanic's payroll. YTD is a little under budget at 46%

Line 15 Benefits: Benefits includes health insurance, CalPERS retirement, worker's compensation insurance, payroll taxes, and employee education and trainings. YTD is over budget due the timing of the annual worker's compensation renewal paid in July. This renewal also was 14% higher than budgeted for FY 19/20.

Line 16 Total Salaries & Benefits: Salaries & Benefits include all salaries & benefits paid. YTD Total Salaries & Benefits is trending near target at 51%.

Line 18 Contractual Services: Contract Services includes Lab Testing, Engineering, GIS Support & Other Contract Services. YTD is trending at 41%.

Line 19 Power: This account includes electricity used for Transmission & Distribution. YTD is trending at 59% due to increased volume of water pumped in the summer months.

Line 20 Operations & Maintenance: This line includes Operations & Maintenance expense, Vehicle Maintenance & Vehicle Fuel. YTD is trending below target at 33% of budget due to lower than planned maintenance through 12/31.

Line 21 Rent/Lease Expense: Rent/Lease Expense includes Rental Costs for the Water Shop & BLM Tank Sites. YTD is trending over budget due to annual receipt of BLM Tank Site rent in November.

Line 22 Permits & Fees: Includes all water permits, miscellaneous fees, and Watermaster fees. YTD is at 79% due to timing of Watermaster fees, which are paid in July for the entire year.

Line 25 Utilities (G&A): Utilities includes Gas & Telephone expenses. YTD is trending on budget at 50%.

Line 26 Office & Other Expenses: Office & Other includes Mileage/Travel Reimbursements, Office Supplies, Water Conservation Program, and Dues & Subscriptions. YTD will trend higher or lower than budget % due to timing of expenses.

Line 27 Administrative Allocation: This is the monthly distribution of the budgeted Fund 10 expenses, Admin Fund, to the enterprise funds.

Line 29 Debt Service: Debt Service includes Interest & Principal payments on outstanding debt. YTD is at 50% due to timing of payments.

Line 32 Capital Expenses: YTD balance in Capital expenses includes the following:

- \$250.5K Water Rights Purchase

Helendale CSD
Statement of Revenues and Expenses - Sewer
As of December 31, 2019
(Unaudited)

	Dec. 2019	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Sewer Charges	\$ 106,660	\$ 639,535	\$ 1,279,029	50%	\$ 639,193
3 Standby Charges	10,661	20,909	21,350	98%	10,275
4 Other Fees & Charges	1,691	12,637	18,000	70%	15,083
5 Other Income/(Expense)	-	-	-	0%	7,407
6 Total Revenues	119,012	673,081	1,318,379	51%	671,958
7 Expenses					
8 Salaries & Benefits					
9 Salaries	19,326	118,214	246,229	48%	111,418
10 Benefits	3,547	60,471	98,728	61%	64,663
11 Total Salaries & Benefits	22,873	178,684	344,957	52%	176,081
12 Sewer Operations					
13 Contractual Services	5,175	20,899	77,082	27%	39,755
14 Power	5,147	40,320	68,955	58%	35,010
15 Operations & Maintenance	5,708	28,243	70,138	40%	16,262
16 Permits & Fees	-	22,851	26,000	88%	24,900
17 Total Sewer Operations	16,030	112,312	242,175	46%	115,927
18 General & Administrative					
19 Utilities	519	2,482	5,616	44%	2,075
20 Office & Other Expenses	203	2,053	11,393	18%	3,816
21 Admin Allocation	40,140	240,840	481,681	50%	224,216
22 Total G&A	40,862	245,375	498,690	49%	230,107
23 Debt Service	37,517	37,517	75,042	50%	50,030
24 Total Expenses	117,283	573,888	1,160,864	49%	572,145
25 Net Income (Loss) Before Capital	1,729	99,192	157,516	63%	99,813
26 Capital Expenses	-	(48,421)	(1,237,000)	4%	40,844
27 Net Income (Loss) After Capital	\$ 1,729	\$ 50,771	\$ (1,079,484)		\$ 58,969

Fund 02 - Sewer Revenues and Expenses

Line 2 Sewer Charges: YTD is trending on budget at 50%.

Line 3 Standby Charges: Standby Charges includes Special Assessment Standby charges for the current & prior years, and Delinquent Tax penalties. YTD can trend over/under budget due to timing of receipts.

Line 4 Other Fees & Charges: Other Fees & Charges includes Permit & Inspection Charges, Connection Fees, Other Fees/Charges & Delinquent Charges on Fees. Connection & Permit fees are not budgeted due to the unexpected nature of these fees. YTD is at 70% due to higher than expected delinquent fees penalties.

Line 5 Other Income/(Expense): Other Income includes Gain/Loss on Sale of Assets & Other Misc. Income.

Line 9 Salaries: Salaries for sewer employments, trending slightly under budget. Salaries for the mechanic are budgeted and accounted for in Line 15, Vehicle Maintenance.

Line 10 Benefits: Benefits include employee insurance, PERS retirement, workers compensation, payroll taxes, and education and training. YTD is at 61% due to the annual worker's compensation expenses being paid in July. This renewal also came in 14% higher than budgeted.

Line 13 Contractual Services: Contract Services include Lab Testing, Engineering, GIS Support & Other Contractual Services. YTD is trending at 27% due to the timing of engineering fees.

Line 14 Power: YTD is trending above budget at 58% due to electricity at the park for the Recycled Water Project (\$3.7K).

Line 15 Operations & Maintenance: This account includes Compost Disposal, Vehicle Maintenance, Vehicle Fuel, Uniforms & Small Tools. Year to date is trending at 40% due to lower than planned maintenance through 12/31.

Line 16 Permits and Fees: This accounts for all annual permitting and fees paid to the state. YTD is at 88% of budget due to timing of annual payments.

Line 19 Utilities (G&A): Utilities includes Gas & Telephone expenses. YTD is trending under budget at 44%.

Line 20 Office & Other Expenses: Office & Other includes Mileage/Travel Reimbursements, Operating Supplies, Public Outreach, and Dues & Subscriptions. Will trend under or over budget depending upon time of year expenses are incurred.

Line 21 Administrative Allocation: This is the monthly distribution of the budgeted Fund 10 expenses, Admin Fund, to the enterprise funds.

Line 23 Debt Service: Debt Service includes Interest & Principal payments on outstanding debt. Payments are made twice a year in June & December.

Line 26 Capital Expenses: YTD balance in capital expense includes the following:

- \$2.8K Monitoring Wells
- \$45.6K Grit Removal System Replacement

Helendale CSD
Statement of Revenues and Expenses - Recycling Center
As of December 31, 2019
(Unaudited)

	Dec. 2019	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Retail Sales	\$ 22,833	\$ 146,256	\$ 294,000	50%	\$ 160,240
3 Donations	-	-	-	0%	186
4 Board Discretionary Revenue	-	-	(74,940)	0%	-
5 Total Revenues	22,833	146,256	219,060	67%	160,426
6 Expenses					
7 Salaries & Benefits					
8 Salaries	9,894	63,542	152,959	42%	58,355
9 Benefits	1,141	10,718	21,103	51%	12,642
10 Total Salaries & Benefits	11,035	74,260	174,062	43%	70,996
11 Recycling Center Operations					
12 Contractual Services	-	-	5,300	0%	60
13 Operations & Maintenance	992	6,434	12,000	54%	6,764
14 Total Recycling Center Operations	992	6,434	17,300	37%	6,824
15 General & Administrative					
16 Utilities	978	5,564	19,098	29%	7,246
17 Office & Other Expenses	918	5,411	8,600	63%	2,234
18 Total G&A	1,896	10,975	27,698	40%	9,480
19 Total Expenses	13,923	91,670	219,060	42%	87,301
20 Net Income (Loss) Before Capital	\$ 8,910	\$ 54,586	\$ -		\$ 73,125
21 Capital Expenses	-	10,736	-	0%	-
22 Net Income (Loss) After Capital	\$ 8,910	\$ 43,850	\$ -	0%	\$ 73,125

03-Recycling Center Revenues and Expenses

Line 2 Retail Sales: YTD is trending on budget at 50%.

Line 3 Donations: Donations is not budgeted due to the unexpected nature of these revenues.

Line 4 Board Discretionary Revenue: This line shows the transfer of net cash from the Recycling Center to Parks & Rec. This transfer is done at year end so will be zero throughout the fiscal year until June 2020.

Line 8 Salaries: Salaries for part-time recycling center employees. YTD is trending below budget at 42%.

Line 9 Benefits: Benefits include employee insurance, workers compensation, payroll taxes, and education and training. YTD is at 51% due to the annual worker's compensation expenses being paid in July. This renewal came in 14% higher than budgeted.

Line 10 Total Salaries & Benefits: Salaries & benefits include all salaries paid, health insurance, worker's compensation insurance, payroll taxes, and employee education and training. YTD is trending below budget at 43%.

Line 12 Contractual Services: Contract Services includes software support & other contract services. Will trend under or over budget depending upon time of year expenses are incurred.

Line 13 Operations & Maintenance: Operations & Maintenance includes vehicle maintenance, vehicle fuel, operating supplies & uniforms. YTD is trending near budget at 54%.

Line 16 Utilities (G&A): Utilities includes electric & telephone expenses. YTD is at 29% of budget due to lower than expected expenses.

Line 17 Office & Other Expenses: This line includes advertising, bank charges and other miscellaneous expenses. Office & other includes advertising, bank charges, & other misc. expenses. YTD is trending at 63% due to higher than anticipated bank charges.

Line 20 Net Income: Net income in the Recycling Center is moved to Fund 05 Parks & Recreation at year end through Board Discretionary Revenue.

Line 21 Capital Expenses: YTD balance consists of a \$10.7K purchase of a Dock Lift for Thrift Store Mattress Recycling.

Helendale CSD
Statement of Revenues and Expenses - Property Rental
As of December 31, 2019
(Unaudited)

	Dec. 2019	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Property Rental Revenues	\$ 10,803	\$ 63,572	\$ 132,408	48%	\$ 64,145
3 Other Income	-	150	-	0%	50
4 Board Discretionary Revenue	-	-	(22,310)	0%	-
5 Total Revenues	10,803	63,722	110,098	58%	64,195
6 Expenses					
7 Contractual Services	-	200	10,000	2%	348
8 Utilities	537	2,740	6,216	44%	11,828
9 Operations & Maintenance	4,449	5,565	8,000	70%	3,164
10 Debt Service	42,944	42,944	85,882	50%	67,493
11 Total Expenses	47,930	51,449	110,098	47%	82,833
12 Net Income (Loss)	\$ (37,127)	\$ 12,272	\$ -		\$ (18,638)

04-Property Rental Revenues and Expenses

Line 2 Property Rental Revenues: Property Rentals includes revenues from 15302 Smithson & 15425 Wild Road. YTD is trending near budget at 48%.

Line 3 Other Income: Other Income includes delinquent penalties & other misc. income. Due to the unexpected nature of these revenues, these accounts are not budgeted.

Line 4 Board Discretionary Revenue: This line shows the transfer of net cash from the Property Rental Fund to Parks & Rec. This entry will be done at year-end in June 2020.

Line 7 Contractual Services: Contract services includes contractor/handyman expense for installation of appliances, drywall repair, roofing or plumbing repairs. YTD is below budget due to timing of services needed.

Line 8 Utilities: Utilities includes Electric & Gas expense for the rental properties. YTD is trending under target at 44%.

Line 9 Operations & Maintenance: O&M includes maintenance & other costs relating to the rental properties. YTD is trending at 70% due to timing of maintenance expenses.

Line 10 Debt Service: Debt Service includes interest & principal payments on outstanding debt, paid in December and June.

Line 12 Net Income: Net income in the Property Rental fund is moved to Fund 05 through Board discretionary revenue at year end in June 2020.

Helendale CSD
Statement of Revenues and Expenses - Parks & Recreation
As of December 31, 2019
(Unaudited)

	Dec. 2019	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Program Fees	\$ 5,177	\$ 19,627	\$ 26,700	74%	\$ 16,168
3 Property Taxes	-	7,366	16,600	44%	-
4 Donations & Sponsorships	31	7,224	14,440	50%	13,235
5 Rental Income	2,738	16,207	35,100	46%	-
6 Developer Impact Fees	-	1,720	-	0%	1,720
7 Grants	-	-	130,000	0%	-
8 Interfund Transfer Out/(In)	-	-	(42,100)	0%	(210,764)
9 Board Discretionary Revenue	62,132	158,595	420,668	38%	143,597
10 Total Revenues	70,077	210,739	601,408	35%	(36,044)
11 Expenses					
12 Salaries & Benefits					
13 Salaries	6,821	27,716	103,129	27%	21,181
14 Benefits	1,823	18,507	38,599	48%	7,024
15 Total Salaries & Benefits	8,643	46,223	141,727	33%	28,205
16 Program Expense	1,094	32,936	61,862	53%	23,779
17 Contractual Services	-	11,641	11,800	99%	3,095
18 Utilities	1,997	14,860	40,180	37%	9,126
19 Operations & Maintenance	9,595	23,781	21,440	111%	10,363
20 Permits & Fees	-	2,625	1,848	142%	1,615
21 Grant Expense	-	-	-	0%	-
22 Other Expenses	308	1,411	2,955	48%	975
23 Debt Service	-	20,340	40,679	50%	-
24 Total Expenses	21,638	153,817	322,492	48%	77,158
25 Net Income (Loss) Before Capital	48,439	56,922	278,917	20%	(113,202)
26 Capital Expenses	-	(32,140)	(225,000)	14%	(74,129)
27 Net Income (Loss) After Capital	\$ 48,439	\$ 24,782	\$ 53,917		\$ (187,331)

05-Parks & Recreation Revenues and Expenses

Line 2 Program Fees: Program Fees include Recreation Program Fees, Basketball League Fees, Youth Soccer League Fees & Farmers Market Revenue. YTD is trending at 74% due to timing of soccer & basketball league fees.

Line 3 Property Taxes: Property taxes accounts for the transfer of property taxes for streetlight utility expenses. YTD is trending a slightly under budget at 44%

Line 4 Donations & Sponsorships: This account includes Concert in Park Sponsorships, Event Sponsorship and Other Donations/Sponsorships.

Line 5 Rental Income: Rental Income Includes Rent/Lease income from the Water Shop, Storage for the Recycling Center, Unit C Room Rental, Unit D Church Rental, and Unit D Gymnastics. YTD is trending at 46%.

Line 6 Developer Impact Fees: Developer Impact Fees are not budgeted due to the unexpected nature of these revenues.

Line 7 Grant Revenue: YTD is at 0% due to timing of grant revenue receipts. The budget in grant revenue anticipates \$130K in grant revenues from the Land and Wildlife Conservation Fund.

Line 8 Interfund Transfer Out/(In): This line shows the transfer of cash balance from the Recycling Center & Property Rental to the Parks & Rec Fund. This entry will be done at year-end in June 2020 when it is known exactly how much net income is available to transfer.

Line 9 Board Discretionary: Board Discretionary Revenue in November includes the following:

- Radio Tower Site Rent – \$10,498
- Property Taxes - \$44,508
- Solid Waste Franchise Fees - \$7,126

Line 13 Salaries: Amounts for full & part-time Parks Department employees. YTD is under budget at 27%.

Line 14 Benefits: Benefits includes health insurance, CalPERS retirement, worker's compensation insurance, payroll taxes, and employee education and trainings. YTD is trending at 48% due to the annual worker's compensation expenses being paid in July. This renewal came in 14% higher than budgeted.

Line 16 Program Expense: Program expense includes supplies/expenses for the Youth Soccer League, Park, Community Center, Farmers Market, & other programs. YTD is at 53% due to timing of concert in the park & soccer league expenses.

Line 18 Utilities: Utilities includes Gas, Electric for Park/Community Center, Telephone & Electricity for Street Lighting. YTD is trending at 37%.

Line 19 Operations & Maintenance: O&M includes Maintenance costs for the Park & Community Center, Vehicle Maintenance, Small Tools, Vehicle Fuel and building repair. YTD is trending over budget due to a \$2.3K purchase of grass seed for the park in September & increased maintenance costs including: \$3.6K air conditioner installation, \$500 Gym Repairs, and \$2.8K in Building/warehouse maintenance & a \$2.3K purchase of grass seed for the park in September.

Line 20 Permits & fees: This account includes Permit/Inspection Fees & San Bernardino County Fees. YTD is over budget due to higher annual fees than anticipated.

Line 22 Other Expenses: Other expenses includes Uniforms, Printing Costs, Dues & Subscriptions & Bank Charges.

Line 23 Debt Service: Debt Service includes Interest & Principal payments on outstanding debt. YTD is at 50% due to timing of Debt Service payments. Debt Service payments are made quarterly in June, September, December & March.

Line 26 Capital Expenses: YTD balance in capital expenses includes the following:

- \$24.8K Additional Restroom Building/Snack Shop
- \$7.3K Parking Lighting

Helendale CSD
Statement of Revenues and Expenses - Solid Waste Disposal
As of December 31, 2019
(Unaudited)

	Dec. 2019	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Charges for Services	\$ 42,348	\$ 250,988	\$ 508,402	49%	\$ 238,230
3 Assessments & Fees	92,022	122,515	241,778	51%	123,949
4 Other Charges	799	7,098	9,800	72%	3,914
5 Grant Revenue	10,000	10,000	-	0%	-
6 Board Discretionary Revenue	-	-	-	0%	10,135
7 Total Revenues	145,169	390,601	759,980	51%	376,228
8 Expenses					
9 Salaries & Benefits					
10 Salaries	5,506	34,557	73,320	47%	30,254
11 Benefits	1,594	19,308	33,713	57%	26,131
12 Total Salaries & Benefits	7,100	53,866	107,033	50%	56,385
13 Contractual Services	42,056	208,571	470,317	44%	198,759
14 Disposal Fees	13,873	69,873	138,072	51%	43,767
15 Operations & Maintenance	452	1,734	6,574	26%	825
16 Other Operating Expenses	73	273	4,372	6%	3,284
17 Admin Allocation	819	4,915	9,830	50%	4,576
18 Total Expenses	64,373	339,233	736,198	46%	307,597
19 Net Income (Loss)	\$ 80,796	\$ 51,368	\$ 23,782		\$ 68,630

06-Solid Waste Disposal Revenues and Expenses

Line 2 Charges for Services – Solid Waste: This is the charge or regular pick up of solid waste. YTD is trending on budget at 49%.

Line 3 Assessment & Fees: This account includes Special Assessments for Refuse Land Use Fees for current & prior years. The majority of these fees are collected in December & April.

Line 4 Other Charges: Other charges includes Delinquent Fees & Penalties & Penalties on Delinquent Taxes. YTD is at 72% of budget due to higher penalties on delinquent taxes than anticipated.

Line 5 Grant Revenue: YTD balance consists of a \$10K grant receipt for Mattress Recycling.

Line 6 Board Discretionary Revenue: This is the amount that would be transferred in from discretionary funds if this fund operates at a deficit for the fiscal year. There is no deficit planned for FY 19/20.

Line 10 Salaries: This is the salaries for Solid Waste workers. YTD is trending a little under budget at 47%.

Line 11 Benefits: Benefits include employee insurance, CalPERS retirement, workers compensation, payroll taxes, and education and training. YTD is trending at 57% due to the annual worker's compensation expenses being paid in July. This renewal came in 14% higher than budgeted.

Line 13 Contractual Services: Contract Services include Burrtec Fees & Other Misc. Contract Services. YTD is at 44% due to timing of Burrtec Fees.

Line 14 Disposal Fees: Fees include SB County Disposal Fees & Green Waste Disposal Fees. YTD is trending near budget at 51%.

Line 15 Operations & Maintenance: O&M includes Vehicle Maintenance, Vehicle Fuel, Operating Supplies & Uniforms. YTD is trending under budget due to timing of maintenance.

Line 16 Other Operating Expenses: Other Operating Expenses include Rent for Park Storage, Telephone, Postage, Event Expense, Public Outreach, Printing, Small Tools & Bad Debt Expense. Will trend under or over budget depending upon time of year expenses are incurred.

Line 18 Admin Allocation: Admin Allocation shows the monthly transfer allocation of admin expenses to the Solid Waste Fund.

Line 18 Total Expenses: YTD total expenses is at 46% due to lower than lower than anticipated salary & benefits expenses as well as lower operations & maintenance costs.

Helendale CSD
Statement of Revenues and Expenses - Administration
As of December 31, 2019
(Unaudited)

	Dec. 2019	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Tower Rent	\$ 10,498	\$ 62,445	\$ 144,838	43%	\$ 56,660
3 Property Taxes	44,508	64,442	99,458	65%	59,056
4 Solid Waste Billing & Fees	12,576	73,581	144,552	51%	68,370
5 Fees & Charges	1,592	10,155	13,400	76%	8,276
6 Investments	5,626	39,625	77,000	51%	51,463
7 Other Income	2,098	4,876	6,800	72%	3,717
8 Board Discretionary Revenue	(62,132)	(165,961)	(323,418)	51%	(153,732)
9 Total Revenues	14,766	89,163	162,630	55%	93,810
10 Expenses					
11 Salaries & Benefits					
12 Salaries	36,334	235,521	480,383	49%	198,742
13 Benefits	12,317	84,309	153,085	55%	72,620
14 Directors' Fees	4,627	26,806	90,500	30%	26,780
15 Total Salaries & Benefits	53,516	347,662	723,968	48%	298,142
16 Contractual Services	10,304	144,404	252,360	57%	146,494
17 Insurance	-	68,903	74,000	93%	60,805
18 Utilities	1,105	9,634	26,316	37%	5,432
19 Operations & Maintenance	65	542	5,200	10%	4,156
20 Permits & Fees	113	7,501	9,685	77%	9,483
21 Office & Other Expenses	7,667	34,215	54,122	63%	30,251
22 Admin Allocation	(81,918)	(491,511)	(983,022)	50%	(457,583)
23 Total Expenses	(9,148)	121,349	162,630	75%	97,179
24 Net Income (Loss)	\$ 23,914	\$ (32,186)	\$ -		\$ (3,369)

10-Administrative Revenues and Expenses

Line 2 Tower Rent: Tower Rent includes Radio Tower Site Rent. YTD is trending under budget at 43% due to timing of receipts.

Line 3 Property Taxes: This account includes Current & Prior Property Tax & Penalties. Timing of these receipts may cause this account to trend over/under budget.

Line 4 Solid Waste Billing & Fees: This includes Franchise Fees & Billing for Solid Waste. YTD is trending on budget at 51%.

Line 5 Fees & Charges: Fees & charges consists of Credit Card Processing Fees & Other Misc. Fees. YTD is trending at 76% of budget due to more Credit Card processing fee collections than anticipated.

Line 6 Investments: This account includes Investment Income & Unrealized Gain/Loss on investments.

Line 7 Other Income: Other Income includes Recycling Revenues & Other Misc. Income. YTD is at 72% due to increased recycling revenues.

Line 8 Board Discretionary Income: Board Discretionary Revenue includes the transfer of the following for Fund 05:

- Radio Tower Site Rent – \$10,498 (line 2)
- Property Taxes - \$44,508 (line 3)
- Solid Waste Franchise Fees - \$7,126 (part of line 4)

Total: \$62,132

Line 12 Salaries: Salaries Expense includes Full Time, Part Time & Overtime labor. YTD is trending near budget at 49%.

Line 13 Benefits: Expense in this category include: Employee Group Insurance, Workers Compensation, Payroll Taxes, Employment Expense, Education & Training, and Employee Benefit & Morale. YTD is at 55% due to the timing of the worker's compensation policy renewal in July.

Line 14 Directors' Fees: This category includes Directors Fees as well as Directors Training, Seminars & Mileage expense. YTD is trending lower than budget due to timing of conferences.

Line 16 Contractual Services: Contract Services include Software Support, Legal Services, & Auditing/Accounting Services. YTD is at 53% due to \$27.8K in software support in July, timing of annual audit expenses, and higher than planned accounting services.

Line 17 Insurance: This account includes both General & Vehicle insurance expenses. YTD is at 93% due to policy renewals occurring in July.

Line 18 Utilities: Utilities includes telephone expenses & electricity. YTD is under budget due to lower than anticipated electric costs for Community Center Units B & C.

Line 19 Operations & Maintenance: O&M includes Vehicle Maintenance, Vehicle Fuel, Mileage & Travel Reimbursement, Uniforms, & Equipment Maintenance. Will trend under or over budget depending upon time of year expenses are incurred.

Line 20 Permits & Fees: YTD is at 77% due to timing of LAFCO Fees paid in July.



Helendale Community Services District

Date: February 20, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #7
Discussion and Possible Action Regarding Approval of the Budget Calendar related to the Development of the Budget for Fiscal Year 2020/2021

STAFF RECOMMENDATION:

Staff seeks input from the Board regarding this matter.

STAFF REPORT:

Each year the budget development process looks different based upon operational needs and challenges. Two years ago Staff drastically changed the look of the budget and included additional information than previously included. The budget has been a valuable and useful document for the Staff. Staff is interested in receiving input from the Board regarding the budget development process.

Below is a possible timeframe for budget preparation, review and adoption:

February & March	Staff level review and projections
3/5	Review of Water & Wastewater Capital Improvement Plans
3/19	Review of Park Capital Improvement Plans
4/2 or Special Meeting	Budget Workshop
5/7	Public Review of Draft Budget
5/21 or 6/4	Public Hearing for Budget Adoption



Helendale Community Services District

Date: February 20, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #8
Discussion and Possible Action Regarding Consumer Price Index Inflationary Factors
Related to Budget Development

STAFF RECOMMENDATION:

Staff seeks input from the Board on this item.

STAFF REPORT:

Staff seeks direction from the Board regarding a Cost of Living Adjustment (COLA) for Fiscal Year 2021 based upon the Consumer Price Index. In an effort to keep the District's salaries on par with the market a COLA adjustment is considered each year. The CPI for the Riverside Areas which includes Riverside, San Bernardino and Ontario areas indicates an increase of 3% January 2020 over January 2019. Previously the District has used the Los Angeles-Riverside-Orange County area index however, the new Riverside index now has annualized data available for use. This new index is more applicable than the former benchmark index.

BACKGROUND:

In the past the District has utilized the January or February or March index for the Greater Los Angeles, Orange Metropolitan areas in determining the Cost of Living Adjustment (COLA). In 2019, a new market index was created for Riverside, San Bernardino, Ontario area. Because of changes in how the Bureau of Labor Relations releases information the CPI is not released until seven weeks after the period ends. In 2019, to facilitate budget development, the Board directed Staff to begin using the January CPI data for the new local market area.

On June 20th 2013, the Board directed Staff to present any future Cost of Living Adjustments (COLA) to the Board during the budget process for inclusion in upcoming budget years. COLA's are granted at the discretion of the Board. The attached schedules from the Bureau of Labor Statistics (BLS) show the various expenditure categories and indexes, and which items drive the cost of living increase.

The annual consideration of a cost of living increase is intended to mitigate the lost buying power of the dollar from one year to the next. It is not a windfall for employees but rather provides a mechanism whereby an employee's salary from one year to the next is somewhat neutralized against the affects of inflation.

FISCAL IMPACT: Undetermined at this time.

REQUESTED ACTION: Provide Staff direction regarding COLA for FY2021

ATTACHMENTS: News Release from Bureau of Labor Statistics with CPI for Riverside area market for January 2020.



For Release: Thursday, February 13, 2020

20-282-SAN

WESTERN INFORMATION OFFICE: San Francisco, Calif.

Technical information: (415) 625-2270 BLSinfoSF@bls.gov www.bls.gov/regions/west

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Consumer Price Index, Riverside Area – January 2020

Area prices were up 0.5 percent over the past two months, up 3.0 percent from a year ago

Prices in the Riverside area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), advanced 0.5 percent for the two months ending in January 2020, the U.S. Bureau of Labor Statistics reported today. Assistant Commissioner for Regional Operations Richard Holden noted that the January increase was influenced by higher prices for shelter and household furnishings and operations. (Data in this report are not seasonally adjusted. Accordingly, bi-monthly changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U rose 3.0 percent. The index for all items less food and energy advanced 2.5 percent over the year. Energy prices rose 6.8 percent, largely the result of an increase in the price of gasoline. Food prices rose 3.7 percent. (See [table 1.](#))

Food

Food prices advanced 2.5 percent for the two months ending in January. (See [table 1.](#)) Prices for food away from home advanced 3.8 percent, and prices for food at home advanced 1.3 percent for the same period.

Over the year, food prices rose 3.7 percent. Prices for food away from home rose 6.7 percent since a year ago, and prices for food at home advanced 0.9 percent.

Energy

The energy index decreased 5.5 percent for the two months ending in January. The decrease was mainly due to lower prices for gasoline (-11.5 percent). Prices for natural gas service jumped 18.2 percent, and prices for electricity rose 3.2 percent for the same period.

Energy prices rose 6.8 percent over the year, largely due to higher prices for gasoline (8.4 percent). Prices paid for electricity increased 3.1 percent, and prices for natural gas service rose 2.9 percent during the past year.

All items less food and energy

The index for all items less food and energy rose 0.9 percent in the latest two-month period. Higher prices for household furnishings and operations (7.0 percent), apparel (3.8 percent), and shelter (1.2 percent) were partially offset by a lower price for recreation (-2.4 percent).

Over the year, the index for all items less food and energy advanced 2.5 percent. Components contributing to the increase included shelter (5.2 percent) and medical care (4.9 percent). Partly offsetting the increases were price decreases in apparel (-13.2 percent) and recreation (-3.2 percent).

The March 2020 Consumer Price Index for the Riverside area is scheduled to be released on April 10, 2020.

Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 6,000 housing units and approximately 24,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/homch17_a.htm.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **NOTE: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The Riverside-San Bernardino-Ontario metropolitan area covered in this release consists of Riverside and San Bernardino Counties in the State of California.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Riverside-San Bernardino-Ontario (December 2017=100 unless otherwise noted)

Item and Group	Indexes			Percent change from-		
	Nov. 2019	Dec. 2019	Jan. 2020	Jan. 2019	Nov. 2019	Dec. 2019
Expenditure category						
All items	106.573	-	107.143	3.0	0.5	-
Food and beverages	103.959	-	106.468	3.5	2.4	-
Food	104.292	-	106.853	3.7	2.5	-
Food at home	101.386	100.954	102.662	0.9	1.3	1.7
Cereals and bakery products	104.712	-	104.874	-0.1	0.2	-
Meats, poultry, fish, and eggs.....	100.074	-	101.213	-1.7	1.1	-
Dairy and related products	105.255	-	105.764	4.0	0.5	-
Fruits and vegetables	100.967	-	104.337	1.2	3.3	-
Nonalcoholic beverages and beverage materials	107.660	-	107.980	5.1	0.3	-
Other food at home	96.851	-	98.237	0.5	1.4	-
Food away from home.....	107.236	-	111.259	6.7	3.8	-
Food away from home.....	107.236	-	111.259	6.7	3.8	-
Alcoholic beverages	98.334	-	99.817	-1.0	1.5	-
Housing	107.678	-	109.886	5.0	2.1	-
Shelter	108.673	109.643	109.951	5.2	1.2	0.3
Rent of primary residence	108.774	109.513	110.071	5.2	1.2	0.5
Owners' equiv. rent of residences	108.987	110.038	110.345	6.0	1.2	0.3
Owners' equiv. rent of primary residence	108.987	110.038	110.345	6.0	1.2	0.3
Fuels and utilities.....	107.532	-	112.719	3.3	4.8	-
Household energy	104.377	106.521	110.807	3.0	6.2	4.0
Energy services.....	104.476	106.663	111.031	2.9	6.3	4.1
Electricity	105.347	105.375	108.669	3.1	3.2	3.1
Utility (piped) gas service	101.460	111.119	119.941	2.9	18.2	7.9
Household furnishings and operations....	98.216	-	105.077	4.1	7.0	-
Apparel	89.989	-	93.442	-13.2	3.8	-
Transportation	111.540	-	106.672	2.0	-4.4	-
Private transportation	111.855	-	106.595	1.8	-4.7	-
New and used motor vehicles	100.146	-	98.503	-3.8	-1.6	-
New vehicles	101.539	-	101.840	-0.6	0.3	-
Used cars and trucks.....	100.284	-	99.340	-2.3	-0.9	-
Motor fuel	130.065	119.545	115.399	8.5	-11.3	-3.5
Gasoline (all types).....	130.261	119.660	115.336	8.4	-11.5	-3.6
Gasoline, unleaded regular(1).....	130.493	119.764	115.310	8.2	-11.6	-3.7
Gasoline, unleaded midgrade(1)...	130.130	119.884	116.067	9.2	-10.8	-3.2
Gasoline, unleaded premium(1)....	128.984	118.990	115.258	9.5	-10.6	-3.1
Motor vehicle insurance	110.751	-	113.655	3.2	2.6	-
Medical care	104.906	-	105.768	4.9	0.8	-
Recreation.....	101.749	-	99.300	-3.2	-2.4	-
Education and communication	104.536	-	104.746	2.1	0.2	-
Tuition, other school fees, and child care.	114.587	-	116.139	3.7	1.4	-
Other goods and services	106.336	-	107.738	4.5	1.3	-
Commodity and service group						
All items	106.573	-	107.143	3.0	0.5	-
Commodities	104.898	-	104.416	1.3	-0.5	-
Commodities less food & beverages.....	105.527	-	103.175	-0.1	-2.2	-
Nondurables less food & beverages	108.510	-	104.120	0.3	-4.0	-
Durables	101.232	-	101.653	-0.8	0.4	-
Services.....	107.603	-	108.834	4.1	1.1	-

Note: See footnotes at end of table.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Riverside-San Bernardino-Ontario (December 2017=100 unless otherwise noted) - Continued

Item and Group	Indexes			Percent change from-		
	Nov. 2019	Dec. 2019	Jan. 2020	Jan. 2019	Nov. 2019	Dec. 2019
Special aggregate indexes						
All items less medical care	106.689	-	107.238	2.9	0.5	-
All items less shelter	105.397	-	105.582	1.8	0.2	-
Commodities less food	105.267	-	103.044	-0.1	-2.1	-
Nondurables	106.092	-	105.367	2.0	-0.7	-
Nondurables less food	107.904	-	103.851	0.2	-3.8	-
Services less rent of shelter	106.127	-	107.288	2.6	1.1	-
Services less medical care services	107.675	-	108.882	3.9	1.1	-
Energy	120.690	114.792	114.089	6.8	-5.5	-0.6
All items less energy	105.305	-	106.515	2.7	1.1	-
All items less food and energy	105.494	-	106.496	2.5	0.9	-

Footnotes

(1) Special index based on a substantially smaller sample.

- Data not available

NOTE: Index applies to a month as a whole, not to any specific date.