



Helendale Community Services District Regular Board Meeting

26540 Vista Road, Suite C, Helendale, CA 92342

Thursday, April 16, 2020 at 6:30 PM

SPECIAL NOTICE OF TELECONFERENCE ACCESSIBILITY

Pursuant to the provisions of Executive Order N-29-20 issued by Governor Gavin Newsom in response to the COVID-19 pandemic and in an effort to prevent the spread of the virus, Helendale CSD will hold its board meeting via teleconference by clicking on the link below.

<https://attendee.gotowebinar.com/register/8983772366553346317>

(Dial-in instructions will be provided after registering at the link above)

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 wishing to make comments may do so by filling out the speaker's card at the following link: <https://www.surveymonkey.com/r/HKGNLL8>. We request that all speaker's cards are filled out by 6:25 pm.*

3. Consent Items

- a. Approval of Minutes: March 19, 2020, Regular Board Meeting
- b. Directors Compensation and Expenses
- c. Financials for February 2020

4. Reports

- a. Directors' Reports
- b. General Manager's Report

Regular Business:

- 5.** Discussion Only Regarding Response to COVID-19 Pandemic
- 6.** Discussion and Possible Action Regarding Selection for Special District Regular Representative for the Local Agency Formation Commission
- 7.** Discussion and Possible Action Regarding Adoption of Resolution 2020-02: A Resolution of the Board of Directors of the Helendale Community Services District Initiating Procedures to Continue Collection of Water and Sewer Standby Fees for Fiscal Year 2021

Other Business

- 8.** Requested items for next or future agendas (Directors and Staff only)
- 9.** 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 agendized 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.



Helendale Community Services District

Date: April 16, 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: March 19, 2020, Regular Board Meeting
- b. Directors Expenses
- c. Financials for February 2020



*Minutes of the Helendale Community Services District
BOARD OF DIRECTORS MEETING
March 19, 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
Alex Aviles, Wastewater Operations Manager
Andrea Chavis, Senior Customer Service Rep
Robert Manley, Policy Analyst Intern

Consultants:

Steve Kennedy, Legal Counsel

Members of the Public:

There was one (1) member 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 Director Schneider to approve the agenda as presented. The motion was seconded by Director Haas.

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

2. Public Participation

None

3. Consent Items

- a. Approval of Minutes: March 5, 2020 Regular Board Meeting
- b. Bills Paid and Presented for Approval
- c. Financials for January 2020

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
None
- b. General Manager's Report

Regular Business

5. Discussion and Possible Action Regarding Conduct of Future Meetings and Other District Activities Following Issuance of Executive Orders in Response to COVID-19

Discussion: General Manager Cox presented the item. Information is updating several times a day, Staff is monitoring the CDC, White House, and County websites for information. Staff is also receiving updates from County EOC. Schools are closed until May 1st. Many government offices have closed to public traffic. The purpose of this discussion is to inform the Board and seek direction. Legal Counsel reviewed the Governor's Executive Orders and copies were also supplied to the Board and public. General Manager Cox told the Board that Staff has been advised that they can use sick leave or vacation leave if they wish to stay homes. San Bernardino County closed all public offices to the public through April 3rd. If the office closes to the public, customers would have access to staff via the phone/internet and they can pay their bills on the phone or online. Staff recommended waiving fees for phone and internet payments during the office closure. Cox reported that the District received criticism about disconnections. The Executive Order advised the CPUC to "monitor measures undertaken by public and private utility providers and implement customer service protections... and provide a weekly report." Customer service has been pretty hectic, water, wastewater and parks are functioning as usual. The Thrift Store is still allowed to operate, however if public closures occur there is work for at least one week for assigned staff. Currently, the District is operating as usual with added precautions for staff. There is uneasiness with some staff related to others closing and the CSD not closing. Disconnections were very contentious and most of the affected customers didn't believe they had to pay their bill. There were also complaints on Facebook due to the disconnections. Currently, the District has not waived any fees and had 33 properties on the disconnect list today. Customers stated reasons like they thought they wouldn't get disconnected, it's against the law, and claimed the District is insensitive. Executive Order N-28-20 states some have voluntarily suspended disconnections, the order also states the CPUC must monitor how public and private providers "implement customer service protections."

Action: The Board discussed cancelling subsequent meetings and decided to cancel the April 2nd meeting. They also discussed closing the doors to the public, to which they agreed. The Board decided to continue to disconnect customers for nonpayment and not to waive any fees. The Board agreed to waive online and phone payment fees during the office closure and authorized the General Manager to consult with the Board President as updates on the pandemic occur. [Note: this item was discussed prior to the Governors Executive Order to "Shelter in Place."

6. Discussion Only regarding Review of Park Capital Projects

Discussion: Program Coordinator Vermette presented the capital improvement projects for the park which included grant only projects (splashpad with cover; pump track; outdoor amphitheater; parking lot; new ADA playground features; shade cover over fitness and playground; restroom, open space/demonstration garden; new public art feature; gazebos; handball courts; picnic/BBQ area). Other projects included in the Park CIP were: Community Center roof repairs for \$10,000 and RC Track fencing for \$7,000 for FY 2020. For FY 2021 the following items were included: new restroom near the baseball field for \$90,000, sports field lighting for \$100,000; new dog park for \$25,000; additional playground features for \$20,000; community Center parking lot resurfacing for \$75,000; electronic gates for \$45,000; fencing for \$16,000. The following projects were included for FY 2022: new asphalt parking

lot at the Community Center for \$167,000 and a new jogging/walking loop for \$15,000. For FY 2023 the following projects were included: outdoor basketball courts for \$100,000 and additional parking at community center at 80,000. Projects for fiscal year 2025 include a new community center at the park at a cost of \$4,580,000 and new batting cages at \$40,000.

Action: There was no action on this item.

7. Discussion and Possible Action Regarding Request from Burrtec for Inflation-Based Increase for Solid Waste Services and Other Related Fee Increases Under Franchise Agreement

Discussion: Each year Burrtec presents the CPI increase for solid waste pick up services. The contract requires Burrtec to notice the District no later than 4/1. Section 10.05 of the contract outlines the annual formula-based compensation adjustment. The increase can be no more than 4% in any given year. The requested CPI increase is 3.07%. The residential rates were presented for review in the presentation. Commercial rates are included in the proposed increase but were not included in the presentation, these rates vary based upon service. Customers who do not pay for disposal on their tax bill pay an additional \$7.26 per month to cover that cost. The current fee for trash service is \$16.00 the proposed new fee is \$16.49 (increase of \$0.49); the current recycling fee is \$1.18, the proposed new fee is \$1.77 (an increase of \$0.59); the current admin fee is \$2.29 and the proposed new rate is \$2.36 (an increase of \$0.07; the 218 recovery fee was unchanged at \$0.07; the franchise fee increased by \$1.28 from \$21.70 to \$22.98. Staff verified that the request is appropriate and consistent with contract terms. The board provided direction to staff to prepare materials for public noticing and set the public hearing schedule. Due to the COVID-19 pandemic the Board directed staff to schedule the public hearings out closer to June.

Action: Director Spiller made the motion for Staff to prepare materials for public noticing and set the public hearing schedule. Vice-President Smith seconded the motion.

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

Other Business

8. Requested items for next or future agendas (Directors and Staff only)
None

President Clark called for a brief recess at 7:28. After the recess the Board went into closed session.

Closed Session

Closed session was called to order at 7:35 pm

9. Conference with Legal Counsel – Anticipated Litigation
Initiation of Litigation Pursuant to Government Code Section 54956.9 (d)(4)
One Potential Case

10. Public Employee Performance Evaluation
(Government Code Section 54957)
Title: General Manager

Closed session was recessed at 7:57 pm

11. Announcements from Closed Session

There was no reportable action resulting from closed session items.

12. Adjournment

Action: President Ron Clark adjourned the meeting at 7:57 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: April 16, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Sharon Kreinop / Cheryl Vermette
SUBJECT: Agenda item #3b
Presentation of Directors' Expenses

STAFF REPORT:

Attached for the Board's consideration is a spreadsheet that outlines Director's expenses for the pay period from 3/3/2020 to 4/6/2020.

Director's Expenses
Pay Period Ending March 29, 2020

Name: Craig Schnieder

	Date	Activity	Rate
1	3/18/2020	Meeting with General Manager	\$137.50
2	3/19/2020	Regular Board Meeting	\$137.50
		Miles	\$0.00
		Meals	\$0.00
		Lodging	\$0.00
		Other	\$0.00
Total this Pay Period			\$275.00

Name: Sandy Haas

	Date	Activity	Rate
1	3/16/2020	Meeting with GM not paid on last invoice	\$137.50
2	3/18/2020	Meeting with General Manager	\$137.50
3	3/19/2020	Regular Board Meeting	\$137.50
4	3/24/2020	Update with GM regarding District and new schedule due to COVID-19	\$137.50
		Miles	\$0.00
		Meals	
		Lodging	\$0.00
		Other	
Total this Pay Period			\$550.00

Name: Tim Smith

	Date	Activity	Rate
1	3/4/2020	Meeting with General Manager	\$137.50
2	3/5/2020	Regular Board Meeting	\$137.50
3	3/10/2020	Park & Recreation Committee Meeting	\$137.50
4	3/11/2020	Tri Communiites Luncheon/Meeting	\$137.50
5	3/14/2020	RC Track Grand Opening	\$137.50
		Miles	\$0.00
		Meals	\$0.00
		Lodging	\$0.00
		Other	
Total this Pay Period			\$687.50



Helendale Community Services District

Date: April 16, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Sharon Kreinop, Senior Account Specialist
SUBJECT: Agenda item # 3 c.
Consent Item: Bills Paid and Presented for Approval

STAFF RECOMMENDATION:

Report Only. Receive and File

STAFF REPORT:

Staff issued 86 checks and 2 EFT's totaling \$120,034.67

Total cash available:	<u>4/06/20</u>	<u>3/02/20</u>
Cash	\$ 5,392,154.03	\$ 5,254,479.51
Checks/EFT's Issued	\$ 120,034.67	\$ 98,685.39

Investment Report

The Investment Report shows the status of invested District funds. The current interest rate is 1.62% for Cal TRUST Short-Term and 1.45% for Medium-Term Investments, 1.97% for LAIF, and 0.25% for the CBB Sweep Account for Mar 2020. Interest earned in Mar 2020 on the CalTRUST investments and the CBB Sweep Account is \$5,436.59.



Helendale CSD

Bills Paid and Presented for Approval Transaction Detail

Issued Date Range: 03/03/2020 - 04/06/2020

Cleared Date Range: -

Issued Date	Number	Description	Amount	Type	Module
Bank Account: 251229590 - CBB Checking					
03/04/2020	22921	AVCOM Services Inc.	-90.00	Check	Accounts Payable
03/04/2020	22922	Beck Oil Inc	-2,010.23	Check	Accounts Payable
03/04/2020	22923	Boot Barn Inc.	-220.88	Check	Accounts Payable
03/04/2020	22924	DOS COSTAS COMMUNICATIONS	-400.00	Check	Accounts Payable
03/04/2020	22925	Hartford Life	-678.52	Check	Accounts Payable
03/04/2020	22926	KURT CARLSON	-100.00	Check	Accounts Payable
03/04/2020	22927	Mobile Occupational Services, Inc.	-45.00	Check	Accounts Payable
03/04/2020	22928	Silver Lakes Community Service Foundation	-700.00	Check	Accounts Payable
03/04/2020	22929	Uline	-242.44	Check	Accounts Payable
03/04/2020	22930	USA of So. California	-74.35	Check	Accounts Payable
03/03/2020	22931	DAVID ORNELAS	-8.38	Check	Utility Billing
03/03/2020	22932	JIN A. WANG	-119.36	Check	Utility Billing
03/03/2020	22933	STEWART TITLE OF CALIFORNIA, INC.	-504.29	Check	Utility Billing
03/04/2020	22934	California State Disbursement Unit	-230.76	Check	Accounts Payable
03/04/2020	22935	Internal Revenue Service	-6,089.40	Check	Accounts Payable
03/06/2020	22935	Internal Revenue Service Reversal	6,089.40	Check Reversal	Accounts Payable
03/11/2020	22936	HARDY & HARPER, INC.	-1,141.11	Check	Utility Billing
03/11/2020	22937	ALLIED WEED CONTROL	-1,483.20	Check	Utility Billing
03/11/2020	22938	WILLIAM SUELLENTROP	-157.79	Check	Utility Billing
03/11/2020	22939	ADRIAN WILLIAMS	-81.29	Check	Utility Billing
03/11/2020	22940	ASBCSD	-102.00	Check	Accounts Payable
03/11/2020	22941	Burrtec Waste Industries Inc	-120.49	Check	Accounts Payable
03/11/2020	22942	Burrtec Waste Industries Inc	-1,614.54	Check	Accounts Payable
03/11/2020	22943	Burrtec Waste Industries, Inc.	-40,901.45	Check	Accounts Payable
03/11/2020	22944	Choice Builder	-1,016.63	Check	Accounts Payable
03/11/2020	22945	County of San Bernardino	-20.00	Check	Accounts Payable
03/11/2020	22946	Fedak & Brown LLP	-200.00	Check	Accounts Payable
03/11/2020	22947	Frontier Communications	-48.66	Check	Accounts Payable
03/11/2020	22948	Frontier Communications	-127.48	Check	Accounts Payable
03/11/2020	22949	G.A. Osborne Pipe & Supply Inc.	-294.16	Check	Accounts Payable
03/11/2020	22950	Geo-Monitor, Inc.	-2,530.00	Check	Accounts Payable
03/11/2020	22951	Heather L. Starstman	-280.80	Check	Accounts Payable
03/11/2020	22952	Infosend, Inc	-1,828.48	Check	Accounts Payable
03/11/2020	22953	Lowe's Inc.	-689.55	Check	Accounts Payable
03/11/2020	22954	MRV News Group, LLC	-150.00	Check	Accounts Payable
03/11/2020	22955	On Line	-17.10	Check	Accounts Payable
03/11/2020	22956	O'Reilly Auto Parts	-725.17	Check	Accounts Payable
03/11/2020	22957	Parkhouse Tire, Inc.	-354.22	Check	Accounts Payable
03/11/2020	22958	Robert AR. Yeghoian Co., Inc.	-13,000.00	Check	Accounts Payable
03/11/2020	22959	Sierra Analytical Labs, Inc	-2,589.00	Check	Accounts Payable
03/11/2020	22960	Southern California Edison	-1,493.08	Check	Accounts Payable
03/11/2020	22961	Southern California Edison	-222.80	Check	Accounts Payable
03/11/2020	22962	Southern California Edison	-147.07	Check	Accounts Payable
03/11/2020	22963	Southern California Edison	-197.48	Check	Accounts Payable
03/11/2020	22964	State of California Department of Justice	-64.00	Check	Accounts Payable
03/11/2020	22965	The Woodall Group, Inc	-20.00	Check	Accounts Payable
03/18/2020	22966	California State Disbursement Unit	-230.76	Check	Accounts Payable
03/23/2020	22967	Brunick, McElhaney & Kennedy	-4,093.75	Check	Accounts Payable
03/23/2020	22968	Burrtec Waste Industries, Inc.	-9,309.09	Check	Accounts Payable
03/23/2020	22969	County of San Bernardino, Solid Waste Mgmt. Div.	-704.31	Check	Accounts Payable
03/23/2020	22970	Daily Press	-229.38	Check	Accounts Payable
03/23/2020	22971	Desert Community Bank	-1,890.48	Check	Accounts Payable

Bank Transaction Report

Issued Date Range: -

Issued Date	Number	Description	Amount	Type	Module
03/23/2020	22972	Frontier Communications	-64.11	Check	Accounts Payable
03/23/2020	22973	Frontier Communications	-60.60	Check	Accounts Payable
03/23/2020	22974	Home Depot Credit Services	-666.19	Check	Accounts Payable
03/23/2020	22975	I Candy Website & Graphic Design	-195.00	Check	Accounts Payable
03/23/2020	22976	Play & Park Structures	-48.77	Check	Accounts Payable
03/23/2020	22977	Tunnel Vision Pipeline Cleaning	-2,587.50	Check	Accounts Payable
03/23/2020	22978	UIA Ultimate Internet Access, Inc	-712.89	Check	Accounts Payable
03/23/2020	22979	Uline	-371.74	Check	Accounts Payable
03/23/2020	22980	Verizon Wireless	-700.98	Check	Accounts Payable
03/23/2020	22981	Verizon Wireless	-96.90	Check	Accounts Payable
03/11/2020	22982	MARY ANN TORRES	-45.63	Check	Utility Billing
04/01/2020	22983	California State Disbursement Unit	-230.76	Check	Accounts Payable
04/06/2020	22984	PDQ INVESTMENTS	-137.63	Check	Utility Billing
04/06/2020	22985	ROYAL FALCON INVESTMENT COMPANY LLC	-101.08	Check	Utility Billing
04/06/2020	22986	Void Check	0.00	Check	Utility Billing
04/06/2020	22987	FIRST AMERICAN TITLE	-230.96	Check	Utility Billing
04/06/2020	22988	ACI Payments, Inc	-58.00	Check	Accounts Payable
04/06/2020	22989	Beck Oil Inc	-3,381.99	Check	Accounts Payable
04/06/2020	22990	Choice Builder	-1,016.63	Check	Accounts Payable
04/06/2020	22991	County of San Bernardino	-140.00	Check	Accounts Payable
04/06/2020	22992	Dept. of Forestry & Fire Protection	-224.58	Check	Accounts Payable
04/06/2020	22993	Frontier Communications	-87.38	Check	Accounts Payable
04/06/2020	22994	Geo-Monitor, Inc.	-159.00	Check	Accounts Payable
04/06/2020	22995	Hartford Life	-698.52	Check	Accounts Payable
04/06/2020	22996	Mobile Occupational Services, Inc.	-145.00	Check	Accounts Payable
04/06/2020	22997	Rebecca Gonzalez	-495.00	Check	Accounts Payable
04/06/2020	22998	Shred-it USA LLC	-80.55	Check	Accounts Payable
04/06/2020	22999	Silver Lakes Association	-1,000.00	Check	Accounts Payable
04/06/2020	23000	Staples Office Supplies	-178.02	Check	Accounts Payable
04/06/2020	23001	Tyler Technologies, Inc.	-137.00	Check	Accounts Payable
04/06/2020	23002	USA Blue Book	-650.17	Check	Accounts Payable
04/06/2020	23003	USA of So. California	-80.95	Check	Accounts Payable
04/06/2020	23004	Southwest Gas Company	-687.35	Check	Accounts Payable
04/06/2020	23005	Sonic Systems, Inc	-1,455.90	Check	Accounts Payable
04/06/2020	23006	Fedak & Brown LLP	-2,245.00	Check	Accounts Payable
03/06/2020	DFT0000219	Internal Revenue Service	-1,273.96	Bank Draft	Accounts Payable
03/06/2020	DFT0000222	Internal Revenue Service	-6,089.40	Bank Draft	Accounts Payable
Bank Account 251229590 Total: (89)			-120,034.67		
Report Total: (89)			-120,034.67		

Bank Transaction Report

Bank Account	Count	Amount
251229590 CBB Checking	89	-120,034.67
Report Total:	89	-120,034.67

Cash Account	Count	Amount
No Cash Account	1	0.00
99 99-111000 Cash in CBB - Checking	88	-120,034.67
Report Total:	89	-120,034.67

Transaction Type	Count	Amount
Bank Draft	2	-7,363.36
Check	86	-118,760.71
Check Reversal	1	6,089.40
Report Total:	89	-120,034.67



Helendale Community Services District

Date: April 16, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Cindy Byerrum, Consultant
SUBJECT: Agenda item #3c
Financial Report for February 2020

Attached for the Board's review is a copy of the Financial report for February 2020.

Helendale CSD
Statement of Revenues and Expenses - Water
As of February 29, 2020
(Unaudited)

	Feb. 2020	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Meter Charges	\$ 126,683	\$ 1,001,847	\$ 1,495,518	67%	\$ 911,162
3 Water Sales	44,922	605,987	866,897	70%	619,504
4 Standby Charges	182	23,054	24,410	94%	13,875
5 Other Operating Revenue	15,515	79,625	88,100	90%	68,815
6 Total Operating Revenues	187,302	1,710,512	2,474,924	69%	1,613,356
7 Non-Operating Revenues					
8 Grant Revenue	-	76,255	75,000	102%	(473)
9 Miscellaneous Income (Expense)	-	-	3,000	0%	-
10 Total Non-Operating Revenues	-	76,255	78,000	98%	(473)
11 Total Revenues	187,302	1,786,767	2,552,924	70%	1,612,883
12 Expenses					
13 Salaries & Benefits					
14 Salaries	19,701	195,276	339,707	57%	200,490
15 Benefits	5,585	85,176	118,201	72%	85,558
16 Total Salaries & Benefits	25,286	280,452	457,908	61%	286,048
17 Transmission & Distribution					
18 Contractual Services	671	21,427	30,150	71%	9,199
19 Power	5,929	79,541	113,730	70%	78,755
20 Operations & Maintenance	2,526	112,575	143,824	78%	39,979
21 Rent/Lease Expense	800	7,660	10,860	71%	7,660
22 Permits & Fees	-	18,053	22,740	79%	18,000
23 Total T&D	9,926	239,255	321,304	74%	153,593
24 General & Administrative					
25 Utilities	570	3,515	5,124	69%	3,779
26 Office & Other Expenses	80	732	2,235	33%	3,432
27 Admin Allocation	40,959	327,674	491,511	67%	305,056
28 Total G&A	41,609	331,922	498,870	67%	312,266
29 Debt Service	9,419	273,704	388,734	70%	540,528
30 Total Expenses	86,240	1,125,332	1,666,815	68%	1,292,435
31 Net Income (Loss) Before Capital	101,062	661,435	886,109	75%	320,448
32 Capital Expenses	-	(250,568)	(2,230,667)	11%	279,245
33 Net Income (Loss) After Capital	\$ 101,062	\$ 410,867	\$ (1,344,558)		\$ 599,693

Helendale CSD
Financial Statement Analysis
For the Month Ended February 29, 2020 – 67% 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 near budget at 67%.

Line 3 Water Sales: Water Sales reflects water consumption and is trending at 70% of budget due to higher consumption.

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 balance consists of a \$75K grant from the Bureau of Reclamation for installation of AMI smart meters. YTD is over budget due to receipts for the Scada Enernoc grant totaling \$1.5K.

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 under budget at 57%

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 under budget at 61%.

Line 18 Contractual Services: Contract Services includes Lab Testing, Engineering, GIS Support & Other Contract Services. YTD is trending at 71% due to payments for Prop 1 IRWM Implementation Grant totaling \$10.9K.

Line 19 Power: This account includes electricity used for Transmission & Distribution. YTD is trending at 70% 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 at 78% of budget due to invoices from Layne Christensen for well maintenance totaling \$60K in January.

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 near budget at 69%.

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 70% 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 February 29, 2020
(Unaudited)

	Feb. 2020	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Sewer Charges	\$ 106,668	\$ 852,910	\$ 1,279,029	67%	\$ 852,392
3 Standby Charges	182	21,681	21,350	102%	11,996
4 Other Fees & Charges	4,980	19,205	18,000	107%	17,972
5 Other Income/(Expense)	-	-	-	0%	7,407
6 Total Revenues	111,829	893,796	1,318,379	68%	889,768
7 Expenses					
8 Salaries & Benefits					
9 Salaries	18,461	155,752	246,229	63%	139,318
10 Benefits	5,888	70,580	98,728	71%	73,985
11 Total Salaries & Benefits	24,349	226,332	344,957	66%	213,303
12 Sewer Operations					
13 Contractual Services	450	23,239	77,082	30%	42,320
14 Power	5,450	51,061	68,955	74%	44,817
15 Operations & Maintenance	2,527	34,547	70,138	49%	33,366
16 Permits & Fees	175	23,026	26,000	89%	24,900
17 Total Sewer Operations	8,602	131,873	242,175	54%	145,403
18 General & Administrative					
19 Utilities	581	3,396	5,616	60%	2,975
20 Office & Other Expenses	1,636	4,197	11,393	37%	4,708
21 Admin Allocation	40,140	321,120	481,681	67%	298,954
22 Total G&A	42,357	328,714	498,690	66%	306,637
23 Debt Service	-	37,517	75,042	50%	50,030
24 Total Expenses	75,307	724,436	1,160,864	62%	715,373
25 Net Income (Loss) Before Capital	36,522	169,360	157,516	108%	174,395
26 Capital Expenses	-	(48,421)	(1,237,000)	4%	218,234
27 Net Income (Loss) After Capital	\$ 36,522	\$ 120,939	\$ (1,079,484)		\$ (43,839)

Fund 02 - Sewer Revenues and Expenses

Line 2 Sewer Charges: YTD is trending on budget at 67%.

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 over budget due to higher than expected delinquent fees penalties & more connection fees than anticipated.

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 71% 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 30% due to the timing of engineering fees.

Line 14 Power: YTD is trending above budget at 74% 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 49% due to lower than planned maintenance.

Line 16 Permits and Fees: This accounts for all annual permitting and fees paid to the state. YTD is at 89% of budget due to timing of annual payments.

Line 19 Utilities (G&A): Utilities includes Gas & Telephone expenses. YTD is trending under budget at 60%.

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 February 29, 2020
(Unaudited)

	Feb. 2020	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Retail Sales	\$ 26,127	\$ 194,974	\$ 294,000	66%	\$ 203,988
3 Donations	-	-	-	0%	186
4 Board Discretionary Revenue	-	-	(74,940)	0%	-
5 Total Revenues	26,127	194,974	219,060	89%	204,174
6 Expenses					
7 Salaries & Benefits					
8 Salaries	10,150	83,221	152,959	54%	76,666
9 Benefits	763	12,059	21,103	57%	15,528
10 Total Salaries & Benefits	10,914	95,279	174,062	55%	92,194
11 Recycling Center Operations					
12 Contractual Services	-	-	5,300	0%	60
13 Operations & Maintenance	608	8,641	12,000	72%	8,056
14 Total Recycling Center Operations	608	8,641	17,300	50%	8,116
15 General & Administrative					
16 Utilities	513	6,607	19,098	35%	8,561
17 Office & Other Expenses	858	6,997	8,600	81%	3,072
18 Total G&A	1,371	13,604	27,698	49%	11,633
19 Total Expenses	12,893	117,525	219,060	54%	111,943
20 Net Income (Loss) Before Capital	13,234	77,449	-		92,231
21 Capital Expenses	-	10,736	-	0%	-
22 Net Income (Loss) After Capital	\$ 13,234	\$ 66,713	\$ -	0%	\$ 92,231

03-Recycling Center Revenues and Expenses

Line 2 Retail Sales: YTD is trending on budget at 66%.

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 54%.

Line 9 Benefits: Benefits include employee insurance, workers compensation, payroll taxes, and education and training. YTD is at 57% 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 55%.

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 over budget at 72% due to timing of operating supplies purchases.

Line 16 Utilities (G&A): Utilities includes electric & telephone expenses. YTD is at 35% 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 81% 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 February 29, 2020
(Unaudited)

	Feb. 2020	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Property Rental Revenues	\$ 10,803	\$ 84,479	\$ 132,408	64%	\$ 86,218
3 Other Income	75	340	-	0%	440
4 Board Discretionary Revenue	-	-	(22,310)	0%	-
5 Total Revenues	10,878	84,819	110,098	77%	86,658
6 Expenses					
7 Contractual Services	-	200	10,000	2%	468
8 Utilities	74	3,194	6,216	51%	14,173
9 Operations & Maintenance	74	5,639	8,000	70%	4,518
10 Debt Service	-	42,944	85,882	50%	67,493
11 Total Expenses	148	51,978	110,098	47%	86,652
12 Net Income (Loss)	\$ 10,730	\$ 32,841	\$ -		\$ 6

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 64%.

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 51%.

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 February 29, 2020
(Unaudited)

	Feb. 2020	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Program Fees	\$ 1,231	\$ 22,620	\$ 26,700	85%	\$ 20,262
3 Property Taxes	4,499	11,865	16,600	71%	-
4 Donations & Sponsorships	7,283	14,507	14,440	100%	23,920
5 Rental Income	3,178	25,104	35,100	72%	-
6 Developer Impact Fees	1,720	3,440	-	0%	1,720
7 Grants	-	-	130,000	0%	-
8 Interfund Transfer Out/(In)	-	-	(42,100)	0%	(210,764)
9 Board Discretionary Revenue	17,682	222,955	420,668	53%	207,524
10 Total Revenues	35,593	300,490	601,408	50%	42,661
11 Expenses					
12 Salaries & Benefits					
13 Salaries	6,189	40,231	103,129	39%	27,275
14 Benefits	1,763	22,350	38,599	58%	10,251
15 Total Salaries & Benefits	7,952	62,581	141,727	44%	37,527
16 Program Expense	9,223	47,458	61,862	77%	40,185
17 Contractual Services	212	11,983	11,800	102%	3,591
18 Utilities	6,257	23,552	40,180	59%	12,417
19 Operations & Maintenance	598	25,343	21,440	118%	11,660
20 Permits & Fees	1,055	3,680	1,848	199%	1,615
21 Grant Expense	-	-	-	0%	-
22 Other Expenses	90	1,619	2,955	55%	1,141
23 Debt Service	9,419	29,758	40,679	73%	-
24 Total Expenses	34,805	205,975	322,492	64%	108,136
25 Net Income (Loss) Before Capital	788	94,516	278,917	34%	(65,474)
26 Capital Expenses	-	(32,140)	(225,000)	14%	(201,879)
27 Net Income (Loss) After Capital	\$ 788	\$ 62,376	\$ 53,917		\$ (267,353)

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 85% 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 over budget at 71%

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 72%.

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 February includes the following:

- Radio Tower Site Rent – \$10,850
- Property Taxes - \$4,465
- Solid Waste Franchise Fees - \$6,866
- Transfer Property Tax Revenue for Street Light Utilities – (4,499)

Line 13 Salaries: Amounts for full & part-time Parks Department employees. YTD is under budget at 39%.

Line 14 Benefits: Benefits includes health insurance, CalPERS retirement, worker's compensation insurance, payroll taxes, and employee education and trainings. YTD is trending at 58% 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 77% 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 59%.

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 73% 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 February 29, 2020
(Unaudited)

	Feb. 2020	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Charges for Services	\$ 42,385	\$ 335,781	\$ 508,402	66%	\$ 318,471
3 Assessments & Fees	3,390	131,468	241,778	54%	131,501
4 Other Charges	564	8,323	9,800	85%	5,211
5 Grant Revenue	-	10,000	-	0%	-
6 Board Discretionary Revenue	-	-	-	0%	13,513
7 Total Revenues	46,338	485,572	759,980	64%	468,696
8 Expenses					
9 Salaries & Benefits					
10 Salaries	5,570	45,633	73,320	62%	40,684
11 Benefits	1,794	22,874	33,713	68%	30,163
12 Total Salaries & Benefits	7,363	68,506	107,033	64%	70,847
13 Contractual Services	42,118	292,766	470,317	62%	277,444
14 Disposal Fees	2,653	88,582	138,072	64%	66,767
15 Operations & Maintenance	45	1,933	6,574	29%	1,306
16 Other Operating Expenses	526	4,324	4,372	99%	4,336
17 Admin Allocation	819	6,554	9,830	67%	6,101
18 Total Expenses	53,524	462,665	736,198	63%	426,801
19 Net Income (Loss)	\$ (7,185)	\$ 22,907	\$ 23,782		\$ 41,895

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 66%.

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 85% 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 62%.

Line 11 Benefits: Benefits include employee insurance, CalPERS retirement, workers compensation, payroll taxes, and education and training. YTD is trending at 68% 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 62% 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 64%.

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 62% 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 February 29, 2020
(Unaudited)

	Feb. 2020	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Tower Rent	\$ 10,850	\$ 109,955	\$ 144,838	76%	\$ 101,924
3 Property Taxes	4,465	71,964	99,458	72%	66,471
4 Solid Waste Billing & Fees	12,337	98,323	144,552	68%	93,431
5 Fees & Charges	1,683	13,803	13,400	103%	11,147
6 Investments	15,745	65,614	77,000	85%	76,800
7 Other Income	-	4,876	6,800	72%	4,732
8 Board Discretionary Revenue	(22,181)	(234,820)	(323,418)	73%	(221,037)
9 Total Revenues	22,899	129,715	162,630	80%	133,469
10 Expenses					
11 Salaries & Benefits					
12 Salaries	42,357	314,522	480,383	65%	263,640
13 Benefits	11,853	103,617	153,085	68%	91,690
14 Directors' Fees	10,887	37,947	90,500	42%	33,770
15 Total Salaries & Benefits	65,345	457,599	723,968	63%	389,101
16 Contractual Services	8,175	187,056	252,360	74%	174,878
17 Insurance	-	68,903	74,000	93%	60,805
18 Utilities	442	12,137	26,316	46%	7,517
19 Operations & Maintenance	118	747	5,200	14%	5,250
20 Permits & Fees	24	7,676	9,685	79%	9,552
21 Office & Other Expenses	5,812	44,142	54,122	82%	38,037
22 Admin Allocation	(81,918)	(655,348)	(983,022)	67%	(610,111)
23 Total Expenses	(2,003)	122,913	162,630	76%	75,029
24 Net Income (Loss)	\$ 24,901	\$ 6,802	\$ -		\$ 58,441

10-Administrative Revenues and Expenses

Line 2 Tower Rent: Tower Rent includes Radio Tower Site Rent. YTD is trending under budget at 76% 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 68%.

Line 5 Fees & Charges: Fees & charges consists of Credit Card Processing Fees & Other Misc. Fees. YTD is over 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 – \$10,850 (line 2)
- Property Taxes - \$4,465 (line 3)
- Solid Waste Franchise Fees - \$6,866 (part of line 4)

Total: \$22,181

Line 12 Salaries: Salaries Expense includes Full Time, Part Time & Overtime labor. YTD is trending near budget at 65%.

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 68% 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 74% 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 79% due to timing of LAFCO Fees paid in July.



Helendale Community Services District

Date: April 16, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #5
Discussion Only Regarding Response to COVID-19 Pandemic

STAFF RECOMMENDATION:

Staff will provide an update on activities related to the COVID-19.

STAFF REPORT:

District management has stayed apprised of the emergency response through the County emergency operations center and has provided information to the Board as appropriate. As has been observed, this is a dynamic response environment with public health professionals modifying requirements and health guidance as additional information is warranted.

After the last Board meeting of March 19, the Governor issued Executive Order N-33-20 requiring "all individuals living in the State of California to stay home". This shelter-in-place order required responses from the District. On Friday, March 20, District senior staff met with President Clark and Vice President Smith to discuss managements staffing and other operations in light of Executive Order (EO). It was determined that the District was to make available water service to those who were recently disconnected. In addition, staffing was divided into two teams working alternating schedules. The purpose for this division of staffing was to provide redundancy in our ability to service the infrastructure and customer needs should one team be required to quarantine. The District's functions are designated as critical infrastructure sectors by the Department of Homeland Security's Department of Cybersecurity & Infrastructure Security Agency (CISA).

Subsequent Executive Orders, California Public Utilities Commission (CPUC) guidance and Board of Supervisor's resolution has requested that water and sewer agencies do not discontinue service during this time. After consultation with President Clark, the District issued guidance to our customers (attached) related to District services and informed our customers that the District will not disconnect water service due to nonpayment through June 30th. It is everyone's hope that within the next 90 days the emergency will have abated. It is important to note that this may have a negative impact on the District's revenue flow.

The proliferation of information can be overwhelming but rest assured District staff is receiving and processing information continuously as it relates to district operations and responsiveness to

our community. The safety of our staff is of paramount importance and access to appropriate personal protective equipment (PPE) has been made available to all staff.

Following are additional responses to COVID-19:

- Due to the relaxed provisions in Executive Order N-25-20 and N-29-20, the Board will hold future meetings via an internet interface that will allow public participation.
- Park and Rec Committee meeting will be held via internet interface.
- All public hearings have been scheduled for the last possible meeting to meet certain deadlines.
- Budget calendar has been modified with final adoption pushed to June 18 meeting. The Budget workshop will need to be rescheduled prior to that time. The draft budget will be posted on the website prior to the hearing to allow public review prior to adoption.
- Phone and internet payment fees have been waived
- District office has been closed to customer traffic
- Application processes have been relaxed regarding notarization of forms and deposits due to elimination of in-person interaction
- All recreation programming has been suspended
- Clean up day has been delayed and will be rescheduled at a later date
- May concert in the park has been cancelled.
- National Night Out will be moved to October per direction from the National organization.

District Management will continue to evaluate operations as the constant flow of data and health guidance continues to flux.

FISCAL IMPACT: None at this time.

POSSIBLE MOTION: None required

ATTACHMENTS: Executive Order N-33-20
District information to our customers

EXECUTIVE DEPARTMENT
STATE OF CALIFORNIA

EXECUTIVE ORDER N-33-20

WHEREAS on March 4, 2020, I proclaimed a State of Emergency to exist in California as a result of the threat of COVID-19; and

WHEREAS in a short period of time, COVID-19 has rapidly spread throughout California, necessitating updated and more stringent guidance from federal, state, and local public health officials; and

WHEREAS for the preservation of public health and safety throughout the entire State of California, I find it necessary for all Californians to heed the State public health directives from the Department of Public Health.

NOW, THEREFORE, I, GAVIN NEWSOM, Governor of the State of California, in accordance with the authority vested in me by the State Constitution and statutes of the State of California, and in particular, Government Code sections 8567, 8627, and 8665 do hereby issue the following Order to become effective immediately:

IT IS HEREBY ORDERED THAT:

- 1) To preserve the public health and safety, and to ensure the healthcare delivery system is capable of serving all, and prioritizing those at the highest risk and vulnerability, all residents are directed to immediately heed the current State public health directives, which I ordered the Department of Public Health to develop for the current statewide status of COVID-19. Those directives are consistent with the March 19, 2020, Memorandum on Identification of Essential Critical Infrastructure Workers During COVID-19 Response, found at: <https://covid19.ca.gov/>. Those directives follow:

ORDER OF THE STATE PUBLIC HEALTH OFFICER
March 19, 2020

To protect public health, I as State Public Health Officer and Director of the California Department of Public Health order all individuals living in the State of California to stay home or at their place of residence except as needed to maintain continuity of operations of the federal critical infrastructure sectors, as outlined at <https://www.cisa.gov/critical-infrastructure-sectors>. In addition, and in consultation with the Director of the Governor's Office of Emergency Services, I may designate additional sectors as critical in order to protect the health and well-being of all Californians.

Pursuant to the authority under the Health and Safety Code 120125, 120140, 131080, 120130(c), 120135, 120145, 120175 and 120150, this order is to go into effect immediately and shall stay in effect until further notice.

The federal government has identified 16 critical infrastructure sectors whose assets, systems, and networks, whether physical or virtual, are considered so vital to the United States that their incapacitation or

destruction would have a debilitating effect on security, economic security, public health or safety, or any combination thereof. I order that Californians working in these 16 critical infrastructure sectors may continue their work because of the importance of these sectors to Californians' health and well-being.

This Order is being issued to protect the public health of Californians. The California Department of Public Health looks to establish consistency across the state in order to ensure that we mitigate the impact of COVID-19. Our goal is simple, we want to bend the curve, and disrupt the spread of the virus.

The supply chain must continue, and Californians must have access to such necessities as food, prescriptions, and health care. When people need to leave their homes or places of residence, whether to obtain or perform the functions above, or to otherwise facilitate authorized necessary activities, they should at all times practice social distancing.

- 2) The healthcare delivery system shall prioritize services to serving those who are the sickest and shall prioritize resources, including personal protective equipment, for the providers providing direct care to them.
- 3) The Office of Emergency Services is directed to take necessary steps to ensure compliance with this Order.
- 4) This Order shall be enforceable pursuant to California law, including, but not limited to, Government Code section 8665.

IT IS FURTHER ORDERED that as soon as hereafter possible, this Order be filed in the Office of the Secretary of State and that widespread publicity and notice be given of this Order.

This Order is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its agencies, departments, entities, officers, employees, or any other person.

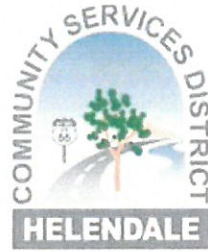
IN WITNESS WHEREOF I have
hereunto set my hand and caused
the Great Seal of the State of
California to be affixed this 19th day
of March 2020.



GAVIN NEWSOM
Governor of California

ATTEST:

ALEX PADILLA
Secretary of State



NOTICE TO OUR COMMUNITY

Due to the Governor's Executive Order N-33-20, issued Thursday, March 19, the District has closed the office to the public, but we want to assure you that we are still here for you.

CUSTOMER SERVICE: If you need to contact customer service staff for any reason Monday through Friday from 8 to 5:30 please call 760-951-0006. If you experience a water or sewer related emergency after normal business hours the same phone number will connect you with our after-hours emergency services.

WATER/WASTEWATER: District functions are identified under the Homeland Security Department's Cybersecurity and Infrastructure Security Agency (CISA) as a critical infrastructure sector. As such, we will continue to provide clean, safe drinking water and ensure your sewer system continues to flow.

PARK: Although all of our programming has suspended for the time being, the Community Park will remain open 7 days a week from dawn to dusk if you need to get outside and recreate. Please respect the 6-foot social distancing guidelines.

FARMERS' MARKET: The Governor has encouraged Farmers' Markets to stay open. We look forward to seeing you on Wednesday. There will only be food-related vendors at market for the 3/25 and 4/1 markets. If the Governor's guidelines change thereafter, we will invite our boutique vendors to return.

This is a very unusual time for all of us. We will get through this. We are an amazing, kind and resilient community. As we continue to exhibit those character traits through this emergency, we will emerge stronger for it. We are here for you. Please don't hesitate to call if you need us.

Helendale CSD Board and Staff



Helendale Community Services District

Date: April 16, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #6
Discussion and Possible Action Regarding Selection for Special District Regular Representative for the Local Agency Formation Commission

STAFF RECOMMENDATION:

Staff seeks input from the Board regarding this.

STAFF REPORT:

Every two years the Board has the opportunity to select representation for the Local Agency Formation Commission. Attached is information related to the Regular member seat. Special District's has two Regular representatives and one Alternate representative. Two years ago the Board selected a Regular member and an Alternate member. This cycle the Board is to select the other Regular member who serves on a staggered term.

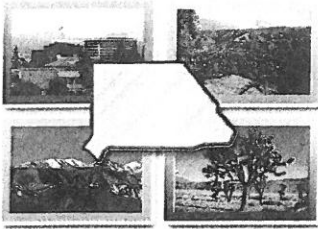
There are two individuals for consideration. T. Milford Harrison from San Bernardino Valley Water District and your general manager who has represented special district on LAFCO for the past 14 years. Your GM has the desire to continue representing San Bernardino County's special districts for another term and respectfully requests your support.

The Board, through a board action, must select one candidate. The ballot must be return by May 4.

FISCAL IMPACT: None

POSSIBLE MOTION: Make a motion for one candidate to represent the District at LAFCO.

ATTACHMENTS: LAFCO information related to election



LAFCO

**Local Agency
Formation Commission**
for San Bernardino County

1170 West 3rd Street, Unit 150
San Bernardino, CA 92415-0490
909.388.0480 | Fax 909.388.0481
lafco@lafco.sbcounty.gov
www.sblafco.org

COMMISSIONERS

JIM BAGLEY
Public Member

DR. KIMBERLY COX
Special District

JAMES V. CURATALO, Vice Chair
Special District

ROBERT A. LOVINGOOD
Board of Supervisors

LARRY McCALLON, Chair
City Member

DAWN ROWE
Board of Supervisors

ACQUANETTA WARREN
City Member

ALTERNATES

LOUISA HOLSTEAD AMIS
Public Member

RICK DENISON
City Member

STEVEN FARRELL
Special District

JANICE RUTHERFORD
Board of Supervisors

EXECUTIVE OFFICER

SAMUEL MARTINEZ

LEGAL COUNSEL

PAULA DE SOUSA

March 20, 2020

**TO: Presidents of the Boards of Directors of the Independent
Special Districts in San Bernardino County**

**SUBJECT: NOTIFICATION OF SPECIAL DISTRICT ELECTION FOR
REGULAR LAFCO SPECIAL DISTRICT MEMBER**

During the nomination period, LAFCO has received nominations for two candidates for the position of Regular Special District member. Therefore, the official voting process as defined in Government Code Section 56332 for the Regular Special District Member of the Local Agency Formation Commission shall commence. Attached to this letter is the ballot for the selection of this position. Pursuant to the provisions of Government Code Section 56332, the voting period will commence as of **March 24, 2020** and end on **April 27, 2020 at the close of business**. The voting instructions for this selection are as follows:

1. Each District may vote for one candidate. The vote shall be cast as directed by the Board of Directors of the District through consideration at a Board Hearing and a roll call vote. The existing policy of the Selection Committee is that LAFCO commission members should represent districts located in the Valley, Mountain and Desert regions. Inasmuch as possible, they should represent different types of special districts. A copy of the information provided by each of the candidates is included for your information.
2. The signed original ballot, with the name of each voting Board Member outlined, must be received in the LAFCO Office by 5:30 p.m. on **April 27, 2020**. If a faxed copy of the ballot is provided by the April 29 deadline, the original signed copy must be received by 5:30 p.m. on **May 4**, or the ballot will be declared invalid.
3. Twenty-six (26) ballots are required to be received to establish a quorum for selection of the Regular Special District position.

SPECIAL DISTRICT ELECTION LETTER
REGULAR MEMBER
MARCH 20, 2020

The completed ballot is to be mailed to:

**Samuel Martinez, Executive Officer
Local Agency Formation Commission
1170 West Third Street, Unit 150
San Bernardino, CA 92415-0490**

If you are faxing a copy of the ballot, the LAFCO fax number is (909) 388-0481. As outlined in Item #2 above, if the ballot is faxed to the LAFCO office, the original signed copy of the ballot will need to be mailed or delivered to the above address and received by 5:30 p.m. on **May 4, 2020** to be considered in the election process.

Please let me know if you have any questions concerning this selection process. You may contact me at the address listed above, by e-mail at smartinez@lafco.sbcounty.gov, or by phone at (909) 388-0480.

Sincerely,



SAMUEL MARTINEZ
Executive Officer

SM/lj

Enclosures

BALLOT

REGULAR SPECIAL DISTRICT MEMBER OF THE LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

The _____
(Name of District)

hereby votes for the marked candidate as indicated below:

REGULAR SPECIAL DISTRICT MEMBER OF LAFCO:

_____ **KIMBERLY COX (Incumbent -- Member of the Board of
Directors of the Mojave Water Agency)**

_____ **T. MILFORD HARRISON (Member of the Board of
Directors of San Bernardino Valley Municipal Water District)**

I, _____, do hereby certify that at its scheduled meeting
of _____, the Board of Directors voted to elect the above-marked
candidate as the Regular Special District Member of the Local Agency Formation
Commission for San Bernardino County, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

District President/Authorized Board Member

Dated: _____

2020 MAR -3 PM 4: 34

LOCAL AGENCY
FORM COMMISSION

March 3, 2020

San Bernardino County Special Districts

Dear Special District Agency Representatives,

Thank you for the privilege of reaching out to you with regard to our Special Districts' representation on the Local Agency Formation Commission (LAFCO). I have received the support of my San Bernardino Valley Municipal Water District (Valley District) Board, to submit my name for your consideration for appointment as Regular Member representing Special Districts on the LAFCO Commission.

LAFCO has a direct impact upon each of our Special Districts as well as other forms of local government. Issues are presented and actions taken which can significantly affect the operations, entitlements and futures of our Districts. Fortunately, Special Districts have the privilege of appointing two of our members to represent us on the Commission and protect our interests.

In addition to my Valley District position I have for the last four years been a Member of our Association of San Bernardino County Special Districts Board (ASBCSD) representing the San Bernardino Valley Water Conservation District and for the last year, Valley District. During this period several of us on the ASBCSD Board have had a growing frustration as to why we receive so few reports from our two LAFCO Special District Commissioners, as to what is occurring each month at LAFCO and how it may affect any or all of our Special Districts.

It is my opinion, and that of a number of other Special District members who have approached me regarding this concern, that our Special District LAFCO representatives should attend each of our Special District monthly membership meetings and report as to what has occurred or is being proposed at LAFCO which may affect any or all of our Districts. In addition, we feel that our representative should reach out to any Special Districts who are directly affected by any LAFCO agenda items. We feel they should also be soliciting the advice of our Members as to what positions the Association recommends on upcoming relevant agenda issues.

I have an extensive background in local government and have been directly involved in several issues upon which LAFCO decisions were critical. My experience includes City, County, regional and Special District positions in the last twenty plus years. I served as a Councilmember and Mayor for the City of Loma Linda, as Executive Director for San Bernardino International Airport and as Chief of Staff for two County Supervisors. My education includes a JD degree from California Southern Law School. I thoroughly enjoy serving on a Special District Board, with our ASBCSD Association and with our State Organization, CSDA, where I serve on the Legislative Committee, as well as Election and By-Laws.

Board of Directors and Officers

JUNE HAYES
Division 1

GIL NAVARRO
Division 2

SUSAN LONGVILLE
Division 3

T. MILFORD HARRISON
Division 4

PAUL R. KIELHOLD
Division 5

HEATHER DYER
General Manager

If I am selected by our Association to serve on the LAFCO Commission, I pledge to keep Special Districts informed of LAFCO agendas and initiatives and to represent you to the best of my ability. I will solicit your input on matters affecting any of our individual members and those affecting all Districts.

All of my contact information is listed below and I solicit any advice or input you might provide. I would appreciate your consideration in voting for my appointment to the LAFCO Commission.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'T. Milford Harrison', with a long, sweeping horizontal line extending to the right.

T. Milford Harrison, Board President, San Bernardino Valley Municipal Water District

Cell: 909-645-1731; Email: milfordharrison@aol.com;
Personal Mail Address: P.O. Box 966, Linda, CA 92354



Helendale Community Services District

Date: April 16, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #7
Discussion and Possible Action Regarding Adoption of Resolution 2020-02; A Resolution of the Board of Directors of the Helendale Community Services District Initiating Procedures to Continue Collection of Water and Sewer Standby Fees for Fiscal Year 2021

STAFF RECOMMENDATION:

Staff seeks approval for this item.

STAFF REPORT:

This is a procedural item that comes before the Board on an annual basis. The Collection of Standby Fees is a two-part process which includes the initiation of the process and then in July culminates in a public hearing and possible adoption of second resolution approving the continuation of collection of the standby fees. Once approved by the Board Staff prepares and submit the final list to the County Tax Collector by August 10th.

As a public agency and consistent with LAFCO 2996, the District is allowed to utilize the County property tax process for collection of various forms of debt and fees as the County had historically done. This would include the annual collection of sewer and water standby fees. A standby fee could best be described as a fee for the availability of service. The fee is appropriate to offset the capacity in the system that is reserved for a specific parcel and cannot be allocated to another user. Most of these parcels have water and sewer services stubbed out at the property line and the service is available for connection upon development of the parcel.

In 2014, the District completed an engineering report that provided appropriate substantiation for the Standby Fees. In fact, the engineer's report acknowledged that the appropriate amount for the standby fees should be over \$300 each year. However, the Honorable Board of Directors elected to continue the Standby Fee as a minimum of \$30 for up to a one-acre parcel and increased by \$30 for every additional acre. The total amount of standby fees the District has received to as of 3/30/2020 for fiscal year 2020 is \$19,307 for Water and \$18,052 for Wastewater including penalties and interest. Staff will continue to refine this list prior to the submittal to the County by the deadline of August 10, 2020.

A public protest hearing is scheduled for July 16, 2020 at 6:30 p.m. regarding the imposition of the Water and Sewer Standby Fees. At the hearing, the Board will hear and consider any and all objections or protests to the proposed charges.

FISCAL IMPACT: Potential revenue of approximately \$44,000.

REQUESTED ACTION: Adopt Resolution 2020-02

ATTACHMENTS: Resolution 2020-02
Engineer's Report for Water and Sewer Standby Charges (FY2015)



RESOLUTION NO. 2020-02

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HELENDALE COMMUNITY SERVICES DISTRICT INITIATING PROCEDURES TO CONTINUE COLLECTION OF WATER AND SEWER STANDBY CHARGES FOR FISCAL YEAR 2021

WHEREAS, the Helendale Community Services District (“the District”) is a Community Services District organized and operating pursuant to Government Code 61000 et seq.

WHEREAS, the District is authorized by Government Code Section 61124(a) to impose standby charges for water services pursuant to the Uniform Standby Charge Procedures Act, Government Code Section 54984 et seq. (“the Act”).

WHEREAS, under the Act, the District is authorized to fix before August 10th of any given year a water standby charge on land within its jurisdiction to which water service is made available for any purpose by the District, whether the water services are actually used or not.

WHEREAS, under the Act, the District’s Board of Directors (“the Board”) may establish schedules varying the charge according to land uses, benefit derived or to be derived from the use, availability of facilities to provide water service, the degree of availability or quantity of the use of the water to the affected lands, and may restrict the assessment to one or more improvement districts or zones of benefit established within the jurisdiction of the District, and may impose the charge on an area, frontage, or parcel basis, or a combination thereof.

WHEREAS, pursuant to Resolution No. 2951 of the Local Agency Formation Commission of the County of San Bernardino (“LAFCO”), the District is the successor agency to County Service Area 70, Improvement Zones B and C (“CSA 70 B&C”).

WHEREAS, Condition No. 10 of LAFCO Resolution No. 2951 expressly states that “[a]ll previously authorized charges, fees, assessments, and/or taxes of [CSA 70 B&C] currently in effect shall be continued and assumed by the [District] as the successor agency in the same manner as provided in the original authorization pursuant to the provisions of Government Code Section 56886(t);”

WHEREAS, Government Code Section 56886(t) provides that LAFCO Resolution No. 2951 contains the exclusive terms and conditions for the change of organization from CSA 70 B&C to the District is it relates to the “extension or continuation of any previously authorized charge, fee, assessment, or tax by [the District as the] successor local agency in the affected territory.”

WHEREAS, prior to the adoption of LAFCO Resolution No. 2951, the territory within the CSA 70 B&C was subject to water and sewer standby and availability charges that had been fixed, levied, and imposed upon such lands.

WHEREAS, the Board wishes to continue, extend, and assume all previously authorized water and sewer standby and availability charges that had been fixed, levied, and imposed upon lands within CSA 70 B&C.

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

1. The public interest and necessity requires the Board to adopt this Resolution initiating proceedings to fix, levy, and collect water standby and availability charges on all properties within the District’s jurisdictional boundaries where water service is available pursuant to applicable law, including but not limited to the pertinent provisions of the Act, Condition No. 10 of LAFCO Resolution No. 2951, and/or Government Code Section 56886(t).

2. The public interest and necessity requires the Board to adopt this Resolution initiating proceedings to fix, levy, and collect sewer standby and availability charges on all properties within the District’s jurisdictional boundaries where sewer service is available pursuant to applicable law, including but not limited to the pertinent provisions of the Act, Condition No. 10 of LAFCO Resolution No. 2951, and/or Government Code Section 56886(t).

3. The standby charges proposed to be adopted by the Board are based upon the report of a qualified engineer, Bartle Wells Associates, which is attached hereto and incorporated herein by this reference. The content of said report includes, but is not limited to, any and all statements and determinations specifically relating to each of the following:

- a. A description of the charge and the method by which it is proposed to be imposed;
- b. A compilation of the amount of the charge proposed for each parcel subject to the charge;
- c. A statement of the methodology and rationale followed in determining the degree of benefit conferred by the service for which the proposed charge is made;
- d. The District’s legal ability to fix and adjust a standby charge, the amount of the proposed charge, and the properties affected thereby;
- e. A description of the lands upon which the charge is proposed to be imposed; and
- f. The amount of the proposed charge for each of the lands so described.

4. On July 16, 2020, at 6:30 p.m., at the District offices located at 26540 Vista Road, Suite C,

Helendale, California, the Board will hold a public protest hearing regarding the imposition of the charge, which hearing shall be conducted in the manner set forth in the Act. At the hearing, the Board may also consider whether to provide that if any charge so adopted becomes delinquent, the amount of the delinquency, together with any interest and penalties thereon, should constitute a lien on the affected property upon the filing of a certificate in the Office of the County Recorder, which lien may have the same force, effect, and priority as a judgment lien. At the hearing, the Board will hear and consider any and all objections or protests to the proposed charges pursuant to the requirements of the Act.

5. The District's General Manager is hereby authorized and directed to cause notice of the date, time, and place of the public hearing on the proposed charges to be duly published prior thereto as may be required by the Act.

APPROVED AND ADOPTED this 16th day of April, 2020, by the following vote:

AYES: _____
NOES: _____
ABSENT: _____
ABSTAIN: _____

By: _____
Ron Clark, President

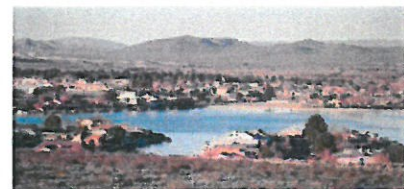
Attest: _____
Sandy Haas, Secretary



HELENDALE COMMUNITY SERVICES DISTRICT

**ENGINEER'S REPORT
FOR FISCAL YEAR 2014-15
STANDBY CHARGE**

FINAL DRAFT: OCTOBER 2014



BARTLE WELLS ASSOCIATES



Independent Public Finance Advisors
1889 Alcatraz Avenue
Berkeley, CA 94703-2714
Tel. 510.653.3399
Fax 510.653.3769
www.bartlewells.com

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AFFIDAVIT FOR THE ENGINEER'S REPORT: HELENDALE COMMUNITY SERVICES DISTRICT WATER STANDBY CHARGE

This Report describes the annual Standby Charge of the Helendale Community Services District (the CSD), which was initially formed by the County of San Bernardino as County Service Areas 70 B & C and assumed by the CSD as part of the reorganization pursuant to Condition 10 of LAFCO Resolution No. 2996, adopted June 21, 2006. This Report outlines the assessment methodology, affected parcels, and assessments to be levied for Fiscal Year 2014-2015. Reference is hereby made to the San Bernardino County Assessor's Maps for a detailed description of the lines and dimensions of parcels that are subject to the Standby Charge. The undersigned respectfully submits the enclosed Report as directed by the District's Board of Directors.

Dated this _____ day of _____, 2014.

By: _____
Kimberly Cox, General Manager

By: _____
Douglas Dove, PE, CIPFA
President/Principal

OVERVIEW

Pursuant to the provisions the Uniform Standby Charge Procedures Act (Gov. Code, §§ 54984-54984.9; "Act"), public agencies may set a water and/or sewer standby charge each year for making infrastructure available to property whether the services are used or not. (§ 54984.2.) On November 5, 1996, the electorate adopted an initiative measure ("Proposition 218"), amending the California Constitution by adding articles XIII C and XIII D. Under article XIII D, new limitations and procedural requirements for assessments on real property were established and Section 6.b.4 of Article XIII D specifically states:

"Standby Charges, whether characterized as charges or assessments, shall be classified as assessments and shall not be imposed without compliance with Section 4."

However, notwithstanding the following, any assessment/standby charge that was in effect prior to the effective date of Proposition 218 that was imposed exclusively to finance the capital costs or maintenance and operation expenses for sidewalks, streets, sewer, water, flood control, drainage systems or vector control shall be exempt from the procedures and approval process set forth in Section 4. Therefore, the CSD's existing standby charge is not required to re-notice and undergo a Proposition 218 Majority Protest Balloting, unless the CSD wishes to increase the standby charge above its current rate.

Accordingly, the CSD is authorized by law to provide water and sewer service, and may fix, before August 10 of any given year, a water and/or sewer standby charge, on land within the jurisdiction of the CSD to which water and/or sewer services are made available for any purpose by the CSD, whether the water or sewer service is actually used or not.

Upon approval and adoption of the annual standby charge by the CSD Board of Directors, the standby charges for Fiscal Year 2014-2015 shall be submitted to the San Bernardino County Auditor/Controller for inclusion on the property tax roll for each parcel.

For the purposes of this Report, the word "parcel" refers to an individual property assigned its own Assessor Parcel Number by the San Bernardino County Assessor's Office.

HISTORICAL BACKGROUND AND CURRENT LEGISLATION

In November 1996, California voters approved Proposition 218 that established specific requirements for the ongoing imposition of taxes, assessments and fees. The provisions of the Proposition are now contained in the California Constitutional Articles XIII C and XIII D. All assessments described in this Report and approved by the District Board of Directors are prepared in accordance with Uniform Standby Charge Procedures Act (the "Act"), LAFCO Resolution No. 2996 and in compliance with the provisions of the Constitution.

Pursuant to the Article XIII D Section 5 of the Constitution, certain existing assessments and, in this case, standby charges, were exempt from the substantive and procedural requirements of the Article XIII D Section 4. Therefore, a property owner balloting is not required until such time that a new or increased standby charge is proposed. At this time, the CSD does not intend to increase the existing standby charge and this Engineer's Report is in connection with the continued collection of the current standby charge for Fiscal Year 2014-2015.

The standby charge of the CSD may be used for any purpose pursuant to the Act, commencing with Government Code Section 54984.2, whether the water and/or sewer service is actually used or not. The standby charge may also vary according to land uses, benefit derived or to be derived from the use or availability of facilities to provide water, or the degree of availability or quantity of the use of the water to the affected lands. The charge may be imposed on an area, frontage, or parcel basis, or a combination thereof.

The existing standby charge methodology is employed throughout the CSD service area and is only levied against undeveloped parcels to provide equity between existing ratepayers and future customers that are not currently connected to the system by charging a portion of the cost to maintain the water and sewer system to undeveloped parcels that have the potential to develop in the future.

Based on the FY2014-15 budget the existing standby charge for water is estimated to generate \$30,500 annually in comparison to an annual budget for the Water Enterprise Fund in excess of \$1.8 Million. The existing standby charge for wastewater generates \$24,000 annually in comparison to an annual budget for the Wastewater Enterprise Fund in excess of \$1.3 Million.

WATER AND SEWER SERVICES

DESCRIPTION OF CSD

The CSD is located in the High Desert area of San Bernardino County between Barstow and Victorville and has an estimated population of 6,000. The CSD's existing water and sewer service area is approximately five square miles while the District's boundary encompasses more than 100 square miles. The CSD provides water and sewer service to over 2,800 service connections. Over 90 percent of water and sewer connections service single-family residences. The CSD has not experienced much growth in recent years; however, the area has a potential for growth as there are approximately 728¹ undeveloped water parcels and 720¹ undeveloped sewer parcels that may be developed in the future in addition there is significant developer interest in the area as evidenced by the draft Specific Plan that was completed by San Bernardino County Land Use Services in January 2011. This potential development at build-out could generate up to 756² new water and 737² new sewer connections.

In general, the CSD provides for the continued delivery of water and wastewater service to its service area, including the operation, maintenance, servicing, repair and rehabilitation, and expansion of water and sewer facilities. These services are required and provide a special benefit to parcels that are not currently developed and connected to the water and sewer systems as facilities must be available for the orderly development of such properties. Therefore, many public agencies impose a water and sewer standby charge against undeveloped parcels until such time that the property is developed and connected to the existing infrastructure as a ratepayer. Standby charges provide a means to charge undeveloped parcels a proportional share of the cost of the utility that provides a special benefit to undeveloped parcels, including, but not limited to, water and sewer service, repair and replacement of existing facilities, new capital improvements, and operations.

¹ Undeveloped water and sewer parcel information provided in e-mail from Kimberly Cox, 10/2/2014

² New water and sewer connections estimated by the ratio of current connections to current built properties

METHOD OF APPORTIONMENT

BENEFIT ANALYSIS

Similar to many other public water and sewer entities in the State, standby charges provide a means to charge undeveloped parcels a proportional share of the cost of the water utility as a means to spread water and sewer service costs between existing ratepayers and undeveloped parcels, which will generate future customers as parcels are developed. Water and sewer services not only provide a direct benefit to existing customers, but it also provides a special benefit to undeveloped parcels as the CSD continues to provide service now and into the future through the ongoing operations of sewer collection and treatment, water resource management, water production, water quality, and the repair, replacement and expansion of related capital improvements. Most importantly, a standby charge reserves capacity in the existing system for the perspective development.

As previously referenced under the earlier Section of the Engineer's Report entitled "Overview," a standby charge is considered an assessment under the provisions of Article XIIID of the State Constitution. Therefore, all parcels which will have a special benefit conferred upon them and upon which the standby charge will be imposed must be identified (the Assessment Roll). The proportionate special benefit derived by each identified parcel shall be determined in relationship to the entirety of the costs of the capital water improvement, the maintenance and operation expenses of such improvement, and the cost of the property-related service being provided. In addition, no standby charge shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel. In addition to the elements identified above, the standby charge of the CSD may also be used for any purpose pursuant to the Act, commencing with Government Code Section 54984.2. Therefore, the CSD may use standby charge revenue to fund any portion of its annual water and sewer budget. However, as the standby charge is only levied against undeveloped property and has not been increased since the original formation, the CSD's annual expenses for water and sewer services far exceeds revenue generated by the Standby Charge.

ASSESSMENT METHODOLOGY

The current standby charge was originally established by the County of San Bernardino and transferred to the CSD through the LAFCO proceedings that created the CSD. More specifically, Condition 10 of LAFCO Resolution No. 2996 specifically states: "All previously authorized charges, fees, assessments, and/or taxes in effect shall be continued and assumed by the Helendale Community Services District as the successor agency in the same manner as provided in the original authorization pursuant to the provisions of Government Code Section 56886(t)." The CSD does not intend to change the assessment methodology nor increase the existing standby charge; therefore, the continued collection of the current standby charge is in compliance with the Act and Article XIIID of the State

Constitution.

The benefit formula used for apportioning cost over affected parcels reflects the composition of the parcels and the water and sewer services provided. Therefore, as undeveloped parcels are the only parcels subject to the existing standby charge, the most appropriate allocation basis to use to fairly apportion the costs based on the special benefits to each assessable parcel is by assigning Equivalent Benefit Units (EBU's) to each parcel based on the lot size of such parcel. Only undeveloped parcels with water and sewer service readily available to the parcel are assessed. In determining access, the original criterion established for determining development potential is property within 660 feet of a water main. In addition, billable acreage excludes territory of a parcel that cannot access water or sewer services due to unique circumstances, such as, railroad or road impediments, pressure breaks, and drainage easements or other types of easements that restrict the parcel's access to water and sewer services.

EQUIVALENT BENEFIT UNITS

To assess benefits equitably it is necessary to relate each property's proportional special benefits to the special benefits of all other properties that are subject to the Standby Charge. The method of apportionment most commonly used for assessments/standby charges is based on a weighted method of apportionment known as an Equivalent Benefit Unit (EBU) methodology. This proportional weighting may be based on several factors that may include, but are not limited to: the type and status of development (land use), size of the property, location of the property, parcel frontage, or other property related factors. In the case of the Helendale Community Services District, 1 EBU is equal to one acre and the standby charge is assessed only against unimproved property.

The assessable land area of a parcel reflects the development potential of a parcel and the special benefit that the parcel would receive from the water and sewer services. The total number of EBUs assigned to each parcel equals 1 EBU per lot up to one acre in size plus 0.5 EBUs per acre for each fraction of an acre, with a minimum assignment of 1 EBU to assessable parcel.

The following formulas are used to calculate each parcel's EBUs and the total EBUs that are assessed the standby charge:

Parcel's EBUs = 1 EBU minimum up to one Billable Acre and 0.5 EBUs x fractional Billable Acreage

EXAMPLE:

5.6 Acres = 5 EBUs for the first five acres + 0.5 times the remaining fractional acreage of 0.6 = $(0.5 \times 0.6) = 0.3$ EBUs Total EBUs = 5.3 EBUs

The total number of EBUs equals the sum of all EBUs assigned to Undeveloped Parcels. The existing Standby Charge, equal to \$30 per EBU, is then applied to each parcel's individual EBUs to determine the parcel's proportionate benefit and total obligation. The following formulas are used to calculate each parcel's annual Levy Amount.

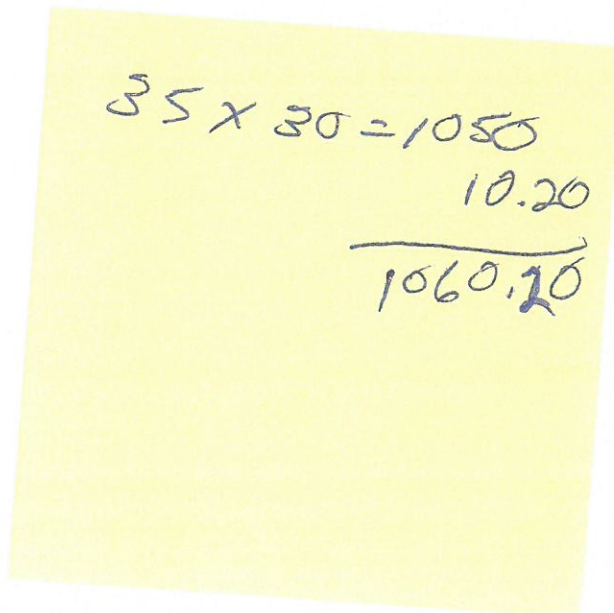
Standby Charge per EBU x Parcel's EBUs = Parcel's Levy

EXAMPLE:

5.6 Acres = $\$30 \times 5.3\text{EBUs} = \159

.5 Acres - $\$30 \times 1\text{EBU} = \30

1 Acre = $\$30 \times 1\text{EBU} = \30



Handwritten calculation on a yellow sticky note:

$$\begin{array}{r} 35 \times 30 = 1050 \\ 10.20 \\ \hline 1060.20 \end{array}$$

DISTRICT BUDGET FISCAL YEAR 2014-2015

The following provides the preliminary proposed budget of the Water and Sewer Enterprise Fund for Fiscal Year 2014-2015. The budget includes the District's estimate of anticipated expenditures associated with the water utility. Pursuant to Section 54984.2 of the Act, the Standby Charge may fund any expenditure type of the proposed budget.

Table 1
Helendale Community Services District
Preliminary Fiscal Year 2014-2015 Budget

Operating Expenses	Water	Sewer
Water Purchases	70,000	NA
Salaries & Benefits	414,984	286,612
Board Compensation	0	0
Professional Fees	33,500	72,500
Service and Supplies	221,900	142,250
Utilities	152,500	104,500
Sub-Total	892,884	605,862
Non-Operating Expenses		
Debt	395,252	54,374
Administration, taxes, etc.	265,582	324,601
Sub-Total	660,834	378,975
Depreciation Expenses		
Depreciation/Amortization	247,677	382,924
TOTAL	\$1,801,395	1,367,761

In determining the portion of the budget that may be funded by the standby charge, Bartle Wells Associates reviewed the CSD's Capital Improvement Program and the CSD's 2012 Water and Sewer Fee Study. Based on the total growth potential of the CSD³, it is projected that the CSD will add approximately 756 new water connections (1017 New EBUs) and 737 new sewer connections (800 New EBUs) through buildout. This growth potential will represent 20.94% (756 new water connections/3612 total water connections) of the CSD's total water service demand and 20.89% (737 new sewer connections/ 3529 total sewer connections) of the CSD's sewer service demand. Therefore, the portion of the CSD's budget that is authorized to be funded by the Standby Charge and represents the special benefit conferred on undeveloped water property and sewer property is \$377,169 (20.94% x \$1,801,395) and \$285,777 (20.89% x \$1,367,761) the special benefit conferred by undeveloped sewer property. The 20.94% of total water demand and 20.89% of total sewer demand at buildout that is expected to be generated from future customers shall be updated at least every five years or at the same time that the CSD's Connection Fee Study is updated.

³ Future Connections estimated by Helendale Community Services District. Estimated EBUs are based on annual assessment tax revenues divided by annual assessments (\$30 per water EBU and \$30 per sewer EBU).

Based on the allocated expenses for the water and sewer enterprise funds of \$377,169 and \$285,777 respectively, the maximum standby charge per water and sewer EBU would be equal to \$370.98 and \$357.22 for Fiscal Year 2014-2015 ($\$377,169 / 1016.67 \text{ EBUs}^3 = \370.98 per EBU) and ($\$285,777 / 800 \text{ EBUs}^3 = \357.22 per EBU). However, the current rate of \$30 per EBU may not be increased without a majority protest ballot proceeding pursuant to Article XIID Section 4(d) of the State Constitution. The CSD does not intend to increase the existing standby charge at this time and will continue to levy and collect the current standby charge for Fiscal Year 2013-2014.

DISTRICT BOUNDARY DIAGRAMS

The boundaries subject to the standby charge are equivalent to the existing water and sewer service area of the CSD and, by reference are hereby made part of this Engineer's Report. However, only undeveloped parcels within 66 feet of existing water and sewer infrastructure are subject to the Standby Charge. For more detailed specifications on the CSD's service area, diagrams are available for inspection at the administration office during normal business hours.

2014-2015 ASSESSMENT ROLL

Parcel identification, for each lot or parcel subject to the standby charge, shall be the parcel as shown on the San Bernardino County Assessor Parcel Maps and/or the San Bernardino County Secured Tax Roll for the year in which this Report is prepared. The proposed standby charge for each parcel has been prepared in accordance with the original rate established as part of the original formation and the method of apportionment described in this report and has been presented to the Board of Directors.

The standby charge information for each parcel as outlined in this Engineer's Report and confirmed by the District Board, shall be submitted to the County Auditor/Controller, and included on the property tax roll for Fiscal Year 2014-2015. If the parcels referenced by this Engineer's Report are renumbered, reapportioned or changed by the County Assessor's Office after approval of the Report, the new parcel(s) with the appropriate standby charge amount will be submitted to the County Auditor/Controller.

The Assessment roll includes parcels for the water standby fee and parcels for the sewer standby fee. The Assessment Roll has been provided to the Board under separate cover and is on file at the District Office and is made part of this Engineer's Report by reference.

EXAMPLE:

5.6 Acres = 5 EBUs for the first five acres + 0.5 times the remaining fractional acreage of 0.6 = $(0.5 \times 0.6) = 0.3$ EBUs Total EBUs = 5.3 EBUs

The total number of EBUs equals the sum of all EBUs assigned to Undeveloped Parcels. The existing Standby Charge, equal to \$30 per EBU, is then applied to each parcel's individual EBUs to determine the parcel's proportionate benefit and total obligation. The following formulas are used to calculate each parcel's annual Levy Amount.

Standby Charge per EBU x Parcel's EBUs = Parcel's Levy

EXAMPLE:

5.6 Acres = $\$30 \times 5.3$ EBUs = \$159

.5 Acres - $\$30 \times 1$ EBU = \$30

1 Acre = $\$30 \times 1$ EBU - \$30