



REGULAR BOARD MEETING **Thursday, February 18, 2021 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. The Helendale CSD Board of Directors will meet in person at the District Office located at 26540 Vista Rd. Suite C. Helendale, CA 92342. This meeting is open to the public via virtual interface and can be accessed by clicking on the link below.

<https://attendee.gotowebinar.com/register/2009634989682390540>

(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: February 4, 2021, Regular Board Meeting
- b. Directors Compensation and Expenses
- c. Bills paid report

4. Reports

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

Special Presentation

5. Presentation by San Bernardino County Fire Chief Dan Munsey

Regular Business:

6. Discussion Only Regarding COVID-19 Pandemic Update
7. Discussion and Possible Action Regarding Mid-Year Budget Review
8. Discussion and Possible Action Regarding Wastewater CIP and Rates
9. Discussion and Possible Action Regarding Revisions to Deposit Policy

Other Business

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

Closed Session

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

12. Report of Closed Session Items

13. 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: February 18, 2021
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #3
Consent Items

CONSENT ITEMS

- a. Approval of Minutes: Regular Board Meeting of February 4, 2021
- b. Bills Paid Report
- c. Directors Expense Reports



Helendale Community Services District

Date: February 18, 2021
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Cheryl Vermette
SUBJECT: Agenda item #3a
Minutes from Board meetings



Minutes of the Helendale Community Services District
BOARD OF DIRECTORS MEETING
February 4, 2020 at 6:30 PM
26540 Vista Road, Suite C. Helendale, CA 92342

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, Public Participation in Helendale CSD's Board Meeting was held via teleconference.

Board Members Roll Call:

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

Staff Members Present:

Kimberly Cox, General Manager
Cheryl Vermette, Program Coordinator
Craig Carlson, Water Operations Manager
Alex Aviles, Wastewater Operations Manager

Consultants:

Steve Kennedy, Legal Counsel

Members of the Public:

There were two members of the public present via teleconference.

Call to Order and Pledge of Allegiance

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

1. Approval of Agenda

Discussion: General Manager Cox requested to amend item 11a from "Initiation of Litigation" to "Exposure to Litigation" pursuant to Government Code Section 54956.9(d)(2)

Action: A motion was made by Director Schneider to approve the agenda as amended. The motion was seconded by Director Clark.

Vote: The motion carried by the following 5 – Yes / 0 – No vote: President Clark – Yes; Vice President Smith – Yes; Director Spiller – Yes; Director Schneider – Yes; Director Haas – Yes

2. Public Participation

Christopher Porter, a field representative from Supervisor Paul Cook's office attended via teleconference and introduced himself. He also gave a brief update on COVID vaccinations.

3. Consent Items

- a. Approval of Minutes: January 21, 2021, Regular Board Meeting
- b. Bills Paid Report
- c. Director's Compensation and Expenses
- d. COVID Update

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

Vote: The motion carried by the following 5 – Yes / 0 – No vote: President Clark – Yes; Vice President Smith – Yes; Director Spiller – Yes; Director Schneider – Yes; Director Haas – Yes

4. Reports

a. Director's Reports

Director Spiller reported that he helped at the Farmers Market booth and there was a steady crowd of people.

President Smith reported that he attended a webinar that talked about the importance of District's having a social media presence. President Smith suggested that the District increase our Facebook presence letting people know what we do and telling the public about our accomplishments. It was also suggested that the District give out a packet about the CSD explaining who we are, what we do and some of our accomplishments. President Smith suggested that we expand our website.

b. General Managers Report

General Manager Cox reported that COVID positivity rates have dropped to 12.34% from 24.4% on 1/16. All Staff is healthy and back to work. In the County, 107,000 people have been vaccinated so far.

The contract documents are in place for the maintenance buildings. With the selection of the fire sprinkler contractor, the plans can be completed. The target date for completion is June, however the County's approval process could cause a delay.

Staff is working with a broker on water lease transactions.

The total cash balance is \$5,294,426. Wastewater has a balance of \$3,702,043; Water has a balance of \$947,875; Parks has a balance of \$218,225; and Solid Waste has a balance of \$307,464. CBB has a balance of \$2,560,064.90; DCB has a balance of \$9,425.66; and LAIF has a balance of \$3,007,043.10.

Water Operations Manager Carlson gave the Water Report. Staff is continuing to replace meters under the meter replacement program. The District is planning to be reading AMI in the next few weeks. EHS performed their annual inspection of the Community Center water system, which went very well; the District did not receive any violations. Staff completed the first quarter water master report and all inspections for the month of January. Staff relocated four meters at Fairway Courts, so they are more accessible to read and turn off. Staff also repaired a leak on a 4" – 90 at the park.

Program Coordinator Vermette presented the Solid Waste Report. A total of 71.99 tons of recycling and 386.24 tons of trash was collected in November. Our last e-waste pick up was in December; 4,289 pounds of e-waste was recycled, and the District received a reimbursement of \$879.36. A total of 146,172 pounds of e-waste has been recycled since fiscal year 2015/16 and the District has received \$27,941.05 in reimbursements. The Thrift Store metal recycling for January was 1.32 tons; and green waste was 2.42 tons, at a cost of \$337.91. Green waste costs for this fiscal year to date are \$5,956.00. The District's last mattress recycling pick up was in January, 130 mattresses were recycled for a reimbursement of \$292.50.

Special Presentation

5. Presentation Regarding a Proposed Eagle Scout Project – Joshua Gentry

Discussion: Joshua Gentry presented his project which is to repair the benches at the Helendale Community Park. The Board was supportive of Mr. Gentry's project and added that the District will provide a \$100 donation. The Board also wanted to dedicate one of the benches to the CSD.

Regular Business

6. Discussion and Possible Action Regarding Adoption of Resolution 2021-01: A Resolution of the Board of Directors of the Helendale Community Services District Establishing Policies for its Compensation, Reimbursement, and Ethics Training.

Discussion: This Resolution is scheduled for annual review. Staff is presenting the most current resolution for consideration. For annual resolutions, Staff will have them adopted each year to help keep track of the latest version. The Board may wish to make modifications. The Board governs itself related to expenses submitted. Expense reports are given to Staff for processing and that list is then included in the agenda item and approved on consent. Included in the Board materials were Exhibit A, which lists examples of meetings the Board has determined are representative of Board service, a list noting common and uncommon meetings claimed in 2020, and a revised expense report per the direction of the Board at the 1/21 meeting. The Board discussed if they wanted the expense report to be a separate agenda item or if they wanted to leave it on the consent calendar. After some discussion, the Board decided to leave the expense report on the consent calendar and for Board Members to report on the meetings labeled with an asterisk. There was also discussion regarding whether written reports would be sufficient in lieu of an oral report at the meeting. Legal Counsel advised that the Board may write an explanation of the event on the expense report, and if the other Board members have additional questions regarding any of the items on any expense report the Board's member expensing said items can explain further at the meeting. Staff will scan reports instead of typing a summary of the Directors expenses. Program Coordinator Vermette presented the new expense report spreadsheet.

Action: Director Spiller made the motion to adopt Resolution 2021-01. Director Clark seconded the motion.

Vote: The motion carried by the following 4 – Yes / 1 – No roll call vote: President Smith – Yes; Vice President Spiller – Yes; Director Haas – No; Director Clark; Director Schneider – Yes

7. Discussion and Possible Action Regarding Award of Bid for Fire Sprinkler Engineering and installation for Two Maintenance Buildings

Discussion: The District bid the fire sprinkler project per the purchasing policy. The project was published in the local paper, there was a notice on the website, and direct solicitations were made. One bid was received from High Desert Underground. The proposal was for \$66,900 which includes design, approval, and installation of fire sprinkler system for both maintenance buildings. Selection of a fire sprinkler contractor is critical to completion of engineering/design for the new buildings. The fire sprinkler contractor will need to coordinate and work closely with the building contractor. County Fire approval will be required to the design of the fire suppression system.

Action: A motion was made by Director Spiller to approve a contract with High Desert Underground in an amount not to exceed \$66,900 for fire suppression systems for the new maintenance buildings. The motion was seconded by Director Haas.

Vote: The motion carried by the following 5 – Yes / 0 – No roll call vote: President Smith – Yes; Vice President Spiller – Yes; Director Haas – Yes; Director Clark; Director Schneider – Yes

8. Discussion and Possible Action Regarding Approval of Budget Calendar

Discussion: Each year the budget development process begins in February and continues through May or June. The target approval for the budget is no later than June 17th. Staff intends to continue with the same budget format adopted three years ago. The budget development takes several months and involves both Staff and the Board. The proposed schedule is February 18th – mid-year budget review and Wastewater CIP; March 4th – Park CIP/COLA; March 18th - Water CIP/Burrtec Annual Request; March or April Staff level review; April 8th – Board workshop (noon or later); May 6th – Public Review of Draft Budget; May 20th - Budget Adoption. The Board discussed the time for the budget workshop.

Action: There was no action on this item. Board directed Staff to schedule the budget workshop for April 8th at 2:00 pm.

9. Discussion and Possible Action Regarding Trailer Mounted Jetter for Wastewater

The local vendor the District has used for 14 years is moving. The District is vulnerable to SSO's which have a monetary fine component and Staff is concerned with the three-hour response time from other vendors. This purchase would be for the purpose of preventative maintenance and security in the event of a blockage. This item is not on the CIP as Staff did not anticipate losing the local vendor. Emergency response is costly and delayed. The proposed unit will support maintenance efforts and provide some insurance in the event of a blockage. The Jetter can be used in the distribution system in pipes up to 30". Staff understands this is an unplanned expense but feels it is important for the District to have some ability to clear blockages. Quotes were solicited per the District's purchasing policy. The bids were: US jetting - \$93,824.00; Wesco Ind. - \$78,559.69; and Plumbers Depot - \$73,84.00. Plumbers Depot is offering extended maintenance for the pump and motor. The unit would be funded from Wastewater reserves. This purchase does not mean that a contract vector will not be needed for certain emergencies and line cleaning.

Action: A motion was made by Director Schneider to the purchase of the jetter unit in an amount not to exceed \$73,455.57. The motion was seconded by Director Clark.

Vote: The motion carried by the following 5 – Yes / 0 – No roll call vote: President Smith – Yes; Vice President Spiller – Yes; Director Haas – Yes; Director Clark; Director Schneider – Yes

Other Business

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

Director Haas requested that the Sheriff's Department attend an upcoming meeting.

President Smith requested a discussion regarding the Post Office.

President Smith recessed the open session at 8:14 pm. Closed Session began at 8:21 pm.

Closed Session

11. Conference with Legal Counsel – Anticipated Litigation

Exposure to Litigation

Pursuant to Government Code Section 54956.9(d)(2)

One Potential Case

Closed Session adjourned at 8:23

Open Session was called to order at 8:23 pm

12. Report of Closed Session Items

Legal Counsel Kennedy reported that the Board met in closed session and gave direction to deny the claim and authorize General Counsel to notify the claimant of the rejection of the claim and to refer the claim to the carrier.

13. Adjournment

Action: President Smith adjourned the meeting at 7:24 pm

Submitted by:

Approved By:

Tim Smith, President

Sandy Haas, Secretary

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



Helendale Community Services District

Date: February 18, 2021
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Sharon Kreinop, Senior Account Specialist
SUBJECT: Agenda item #3 b
Consent Items: Updated Bills Paid and Presented for Approval

STAFF RECOMMENDATION:

Updated Report Only. Receive and File

STAFF REPORT:

Staff issued 35 checks and 11 EFT's totaling \$59,760.83

Total Cash Available:	<u>02/11/21</u>	<u>02/02/21</u>
Cash	\$5,605,853.70	\$5,574,228.98
Checks/EFT's Issues	\$ 59,760.83	\$ 298,825.43

Investment Report

The Investment Report shows the status of the invested District funds. The current interest rate is 0.05% for LAIF and 0.10% for the CBB Sweep Account for January 2021. Interest earned January 2021 on CBB Sweep Account is \$407.76.



Helendale CSD

Bills Paid and Presented for Approval

Transaction Detail

Issued Date Range: 02/01/2021 - 02/11/2021

Cleared Date Range: -

Issued Date	Number	Description	Amount	Type	Module
Bank Account: 251229590 - CBB Checking					
02/03/2021	23877	Fedak & Brown LLP	-650.00	Check	Accounts Payable
02/03/2021	23878	GBO Homes LLC	-15,478.75	Check	Accounts Payable
02/04/2021	23879	FIRST AMERICAN TITLE COMPANY	-282.65	Check	Utility Billing
02/04/2021	23880	Sonic Systems, Inc	-1,455.90	Check	Accounts Payable
02/04/2021	23881	AVCOM Services Inc.	-125.00	Check	Accounts Payable
02/04/2021	23882	Bank of America	-629.22	Check	Accounts Payable
02/04/2021	23883	Burrtec Waste Industries Inc	-337.91	Check	Accounts Payable
02/04/2021	23884	Choice Builder	-1,144.82	Check	Accounts Payable
02/04/2021	23885	Daniel Costa	-140.00	Check	Accounts Payable
02/04/2021	23886	FILARSKY & WATT LLP	-280.00	Check	Accounts Payable
02/04/2021	23887	G.A. Osborne Pipe & Supply Inc.	-222.29	Check	Accounts Payable
02/04/2021	23888	Hartford Life	-719.27	Check	Accounts Payable
02/04/2021	23889	Infosend, Inc	-1,736.35	Check	Accounts Payable
02/04/2021	23890	Inland Water Works Supply Co.	-1,475.68	Check	Accounts Payable
02/04/2021	23891	Online Information Services, Inc	-34.20	Check	Accounts Payable
02/04/2021	23892	Print Mart	-172.18	Check	Accounts Payable
02/04/2021	23893	Sonic Systems, Inc	-150.77	Check	Accounts Payable
02/04/2021	23894	Tyler Technologies, Inc.	-112.00	Check	Accounts Payable
02/04/2021	23895	USA of So. California	-64.45	Check	Accounts Payable
02/04/2021	23896	Weno Office Solutions	-105.52	Check	Accounts Payable
02/04/2021	23897	California State Disbursement Unit	-230.76	Check	Accounts Payable
02/08/2021	23898	DR&G SERVICES, LLC	-1,253.60	Check	Utility Billing
02/09/2021	23899	STACEY NIKAC	-46.96	Check	Utility Billing
02/09/2021	23900	LILLIAM PIAZZA	-104.83	Check	Utility Billing
02/09/2021	23901	LERETA	-239.91	Check	Utility Billing
02/09/2021	23902	MICHAEL CONNOR THOMPSON	-113.50	Check	Utility Billing
02/09/2021	23903	CA-NV Section, AWWA	-100.00	Check	Accounts Payable
02/09/2021	23904	Frontier Communications	-49.46	Check	Accounts Payable
02/09/2021	23905	Inland Water Works Supply Co.	-675.82	Check	Accounts Payable
02/09/2021	23906	Mojave Water Agency	-243.52	Check	Accounts Payable
02/09/2021	23907	O'Reilly Auto Parts	-1,367.79	Check	Accounts Payable
02/09/2021	23908	Rudy Villareal & Son Inc	-1,570.00	Check	Accounts Payable
02/09/2021	23909	Uline	-349.63	Check	Accounts Payable
02/09/2021	23910	USA Blue Book	-219.61	Check	Accounts Payable
02/09/2021	23911	Lowe's Inc.	-696.87	Check	Accounts Payable
02/01/2021	EFT0003541	SCE ACH Well 6,7,8,9 & 2 Acct 2-28-988-7853	-462.36	EFT	General Ledger
02/01/2021	EFT0003542	SCE ACH WWTP & Wells 3,4 & 1 Acct 2-29-212-2157	-17,142.95	EFT	General Ledger
02/03/2021	EFT0003544	SCE ACH Community Center Acct 2-34-148-8526	-1,154.26	EFT	General Ledger
02/09/2021	EFT0003545	SW Gas ACH 4-Plex 121-1498049-003	-242.23	EFT	General Ledger
02/09/2021	EFT0003546	SW Gas Water Shop Acct 121-1498762-002	-11.00	EFT	General Ledger
02/09/2021	EFT0003547	SW Gas Community Center Acct 121-0319591-025	-457.92	EFT	General Ledger
02/09/2021	EFT0003548	SW Gas ACH WWTP 121-0319765-023	-107.62	EFT	General Ledger
02/09/2021	EFT0003549	smithson	-20.87	EFT	General Ledger
02/09/2021	EFT0003549	to Reverse JN 3277 Smithson Condo UNIT C 121-0319750-.	20.87	EFT Reversal	General Ledger
02/04/2021	EFT0003560	To record CalPERS Health Premium	-17,428.28	EFT	General Ledger
02/01/2021	EFT0003566	To record EVO Thrift Store CC Fees 23099	-372.27	EFT	General Ledger

Bank Transaction Report

Issued Date	Number	Description	Amount	Type	Module
02/01/2021	EFT0003567	To record EVO Rec Desk CC Fees 22567	-22.29	EFT	General Ledger
02/04/2021	EFT0003568	CalPERS 457 Pmt PPE	-3,737.43	EFT	General Ledger
02/02/2021	EFT0003569	Smithson Condo Unit C 121-0319750	-34.33	EFT	General Ledger
02/10/2021	EFT0003579	To record Sales Tax Pmt - 1st Quarter Pmt	-1,779.58	EFT	General Ledger
02/02/2021	EFT0003580	To record Global Merchant Fees Acct 4366 -	-498.05	EFT	General Ledger
02/02/2021	EFT0003581	To record Global Merchant Fees Acct 4367 -	-1,730.91	EFT	General Ledger
Bank Account 251229590 Total: (52)					-77,760.70
Report Total: (52)					-77,760.70

Summary

Bank Account
[251229590 CBB Checking](#)

Count	Amount
52	-77,760.70
Report Total: 52	-77,760.70

Cash Account
[99.99-111000 Cash in CBB - Checking](#)

Count	Amount
52	-77,760.70
Report Total: 52	-77,760.70

Transaction Type	Count	Amount
Check	35	-32,579.22
EFT	16	-45,202.35
EFT Reversal	1	20.87
Report Total:	52	-77,760.70



Helendale Community Services District

Date: February 18, 2021
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Cheryl Vermette
SUBJECT: Agenda item #3c
Presentation of Directors' Expenses

STAFF REPORT:

Attached for the Board's consideration are Directors' expense reports submitted since the last Board meeting.



Helendale Community Services District

DATE: February 4, 2021
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #6
Discussion Only Regarding COVID-19 Pandemic Update

STAFF RECOMMENDATION:

Receive and file.

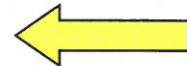
STAFF REPORT:

With the most recent regrouping of areas by the Governor from regional to county-based zones, San Bernardino County continues in the Purple Tier (Most restrictive). The County has a cumulative total of actual confirmed cases at 282,169 since the beginning of the Pandemic. Currently 107,175 first doses of vaccine have been issued and 62,200 second doses of vaccine have been completed. ICU capacity is at 13.6% as of 2/12/21; down from 14.6% as of 1/28/21. Current positivity rate for the County is 10.06% as of 2/12/21; down from 24.4% as of 1/16/21. Helendale is showing 487 cases and seven COVID related deaths updated on 2/15/21..



APPOINTMENTS ARE HIGHLY ENCOURAGED

- [CLICK: COVID-19 TESTING SITES](#) for the current San Bernardino County testing sites
- [CLICK HERE TO MAKE AN APPOINTMENT AT A COUNTY TESTING SITE:](#)
- [CLICK HERE TO MAKE AN APPOINTMENT AT A STATE TESTING SITE](#)
- **MOBILE SPOC SITES – 10:00 am to 2:00 pm** <https://hl.care/covidtesting> **(turn-in times may vary, please check website for updates)**
 - 2/12 - Lewis Group (Upland), 1156 N. Mountain Ave. *(9:00 am to 12:00 pm) **Private**
 - 2/13 - Lytle Creek Community Center, 14082 Center Rd.
 - 2/15 - Loma Linda Senior Center, 25571 Barton Rd.
 - 2/16 - The Shoppes Chino Hills (Space # 4055), 13920 City Center Dr. *(9:00 am to 3:00 pm)
 - 2/17 - McCoy Equestrian & Rec. Ctr. (Chino Hills), 14280 Peyton Dr. *(9:00 am to 4:00 pm)
 - 2/19 - Juniper SDA and New Life Christian Church (Fontana), 7347 Juniper Ave.
 - 2/20 - Baker Unified School District, 72100 Schoolhouse Ln. *(11:00 am to 3:00 pm)
 - 2/22 - San Manuel Event Center, 27923 Highland Ave. *(9:00 am to 4:00 pm)
 - 2/23 - Big Bear City Hall, 39707 Big Bear Blvd. *(9:00 am to 3:00pm)
 - 2/25 - Sandals Church, 1103 CA-173, Lake Arrowhead *(9:00 am to 4:00 pm)
 - 2/27 - Helendale Community Services, 26540 Vista Rd. *(9:00 am to 4:00 pm)



Lastly, Helendale CSD will be the site for another mobile testing event on 2/27.

Attachment: Roadmap to Safe School Reopening.

[View this email in a web browser](#) | [Forward to a friend](#)



GAVIN NEWSOM

GOVERNOR OF CALIFORNIA

FOR IMMEDIATE RELEASE:
Friday, February 12, 2021

Contact: Governor's Press Office
(916) 445-4571

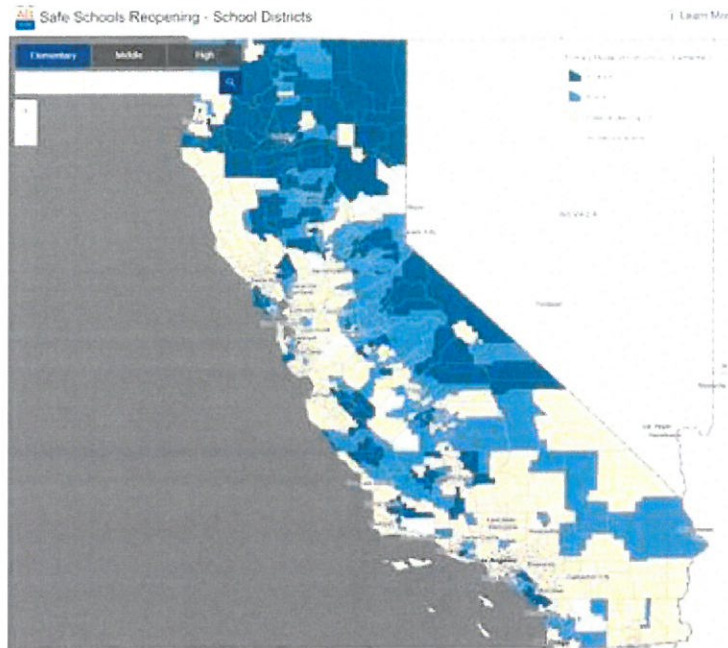
California Launches Interactive Map as Part of Safe Schools for All Plan

Online tool empowers families and communities with information on status of reopening, safety planning and available supports

[Map](#) is available at the [Safe Schools for All Hub](#) and builds on additional transparency, accountability and assistance measures incorporated in Safe Schools for All Plan

SACRAMENTO – Governor Gavin Newsom today announced that the state has launched the Safe Schools for All Plan’s interactive [Safe Schools Reopening Map](#), an online tool providing a statewide snapshot of the status of school reopenings across California. The map supports local communities in making data-driven decisions to safely open classrooms and helps ensure public transparency. Today’s announcement builds on the additional transparency, accountability and assistance measures incorporated in the Safe Schools for All Plan.

“As COVID-19 conditions continue to improve and vaccinations ramp up throughout the state, this map will provide local communities with accessible, up-to-date information on how districts in their communities and beyond are adapting to the pandemic, including safety planning and implementation,” said Governor Newsom. “This map is one of many resources we have made available that will help school staff and families make informed decisions as we safely reopen our schools.”



[Safe Schools Reopening Map](#)

The interactive map was developed in partnership with county offices of education and the California Collaborative for Educational Excellence. The map will display data from all school types – including school districts and charter and private schools – indicating status on reopening, safety planning and COVID-19 supports. Local communities and school staff will be able to leverage this tool when evaluating their reopening plans. The Safe Schools Reopening Map will help clarify the planning and implementation of safe reopening.

The California Department of Public Health will be adding other key data to the map, including outbreaks reported in each school district and whether the school has partnered with the Valencia Branch Lab for COVID-19 testing. To provide up-to-date information, schools will input their data every two weeks. Additional data – including student enrollment data – will be collected and displayed publicly, subject to [legislative approval](#).

Since unveiling the [Safe Schools for All Plan](#), the state has launched the [Safe Schools for All Hub](#) to serve as a one-stop shop for information about safe in-person instruction. The Governor's 2021-22 State Budget proposes historic levels of funding for schools – nearly \$90 billion, including \$3.8 billion above the Prop 98 minimum – which builds on existing state and federal funds to support schools in responding to the pandemic. The State Safe Schools Team has also:

- Issued updated guidance that consolidates requirements from Cal/OSHA and CDPH.
- Provided direct technical assistance on key safety measures to hundreds of school leaders per week through an [online portal](#).
- Monitored and acted on feedback regarding school safety, which school staff and families can submit either via an [online portal](#) or a telephone hotline (with non-English options available).
- Distributed an extra month of PPE and supplies to all public schools via county offices of education.
- Onboarded over 800 schools in 41 counties to the state Valencia Branch Laboratory to support COVID-19 testing. The Lab continues to build supports tailored to schools, including dropboxes throughout the state to reduce logistical

costs, an online platform that manages consent and data reporting, and certified support for testing students.

- Published new [COVID-19 testing resources](#) for schools, including contact information for commercial laboratories and playbooks to support implementation.

The State Safe Schools Team will continue developing resources that support schools to plan and implement safe school reopenings, beginning with our youngest and most disproportionately impacted students. For more information, please visit the Safe Schools For All Hub: <https://schools.covid19.ca.gov/>.

###

Governor Gavin Newsom

State Capitol Building
Sacramento, CA 95814

[Forward](#) [View in Browser](#)



Helendale Community Services District

DATE: February 21, 2021
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #7
Discussion and Possible Action Regarding Mid-Year Budget Review

STAFF RECOMMENDATION:

Staff requests that the Board receive and file this report.

STAFF REPORT:

Each month the Board receives the financial statements for review. December financials represent the mid-way point in the fiscal year and provides a good indicator of how the funds are performing in relation to the budget. This review allows the opportunity to make mid-course corrections on the budget, acknowledge trends and provide information to assist in the development of the FY22 budget.

Staff will provide a detailed presentation at this week's meeting. Following are the highlights of each fund:

Water:

The Water fund revenues are above projection by 5% with expenses slightly below the mid-point at 49%. However, as with all funds, the capital projects in water, (which included the acquisition of property, test hole project, water rights and AMI meter purchases) has the fund currently running at a deficit of **-\$54,667**. Any deficit in a fund would reduce that funds' reserve balance and is not necessarily an indication of a more serious shortfall in revenue over expenses. Absent the capital expenditure in this fund there would be a net positive income of \$587,241.

Wastewater:

The Wastewater fund has revenues on target at 50% of projected with expenses coming in at 47% of projected. The fund balance of \$80,072 less the capital expenses to date puts this fund at a **-\$14,794**. Capital projects this fiscal year include \$76,300 for the secondary irrigation project and \$18,600 for the manhole cutter equipment purchase.

Recycling Center:

The recycling center is performing better than projected with a current positive balance of \$79,020 that will be transferred to the Park fund at some point.

Property Rental:

Revenue is on track at 50% with expenses at 61% putting this fund slightly in the negative. There have been two AC units that had to be replaced costing over \$7,000. This fund is project to end the year as planned.

Park & Rec:

Revenues are well below estimated at 39%, due to the on-going pandemic and lack of programming. Revenues are running at 42% and the fund is currently in the black with \$24,392 excess revenue over expenses. Capital expenses this fiscal year include the signate for the community center at \$3500 and fencing for the RC tract at \$8300.

Solid Waste:

Staff continues to closely monitor this fund which is currently at 49% of revenue and 45% of expenditures with a net positive position at this time of \$27,122. The green waste drop off program expenses can have a drastic impact on this fund which ended last FY in the red.

Due to the ending position of the solid waste fund last fiscal year, Staff will be proposing in the upcoming FY22 budget that the payment from Solid Waste to park for space rental be discontinued. Operationally, most of the material that was dropped off at the park is now being disposed of through the dumpsters at the Thrift store minimizing the use of the park property as a disposal site. Trash cans will still need to be store there, however, the majority of the disposal takes place off site.

FISCAL IMPACT: As outlined.

POSSIBLE MOTION: Receive and File the Mid-Year Budget Review

ATTACHMENTS: December Financial Statement

Helendale CSD
Statement of Revenues and Expenses - Water
As of December 31, 2020
(Unaudited)

	Dec. 2020	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Meter Charges	\$ 134,319	\$ 801,482	\$ 1,578,873	51%	\$ 748,408
3 Water Sales	70,271	568,403	862,015	66%	521,094
4 Standby Charges	5,843	10,013	24,400	41%	22,116
5 Other Operating Revenue	7,051	40,634	86,232	47%	55,720
6 Total Operating Revenues	217,483	1,420,532	2,551,520	56%	1,347,337
7 Non-Operating Revenues					
8 Grant Revenue	-	15,990	37,500	43%	74,723
9 Miscellaneous Income (Expense)	-	-	1,000	0%	-
10 Total Non-Operating Revenues	-	15,990	38,500	42%	74,723
11 Total Revenues	217,483	1,436,522	2,590,020	55%	1,422,060
12 Expenses					
13 Salaries & Benefits					
14 Salaries	22,254	149,456	330,774	45%	155,407
15 Benefits	7,776	59,097	123,793	48%	72,002
16 Total Salaries & Benefits	30,030	208,552	454,567	46%	227,408
17 Transmission & Distribution					
18 Contractual Services	525	33,711	39,050	86%	14,689
19 Power	5,905	70,559	124,106	57%	67,285
20 Operations & Maintenance	5,370	38,885	131,682	30%	45,617
21 Rent/Lease Expense	2,060	6,690	10,860	62%	6,060
22 Permits & Fees	1,590	7,038	25,600	27%	18,053
23 Total T&D	15,449	156,883	331,298	47%	151,704
24 General & Administrative					
25 Utilities	465	2,360	5,436	43%	2,581
26 Office & Other Expenses	98	8,015	3,015	266%	463
27 Admin Allocation	46,517	279,104	558,207	50%	245,755
28 Total G&A	47,080	289,479	566,658	51%	248,799
29 Debt Service	-	194,367	388,734	50%	194,367
30 Total Expenses	92,560	849,281	1,741,257	49%	822,278
31 Net Income (Loss) Before Capital	124,923	587,241	848,763	69%	599,782
32 Capital Expenses	(391,200)	(641,908)	(2,023,667)	32%	(250,568)
33 Net Income (Loss) After Capital	\$ (266,277)	\$ (54,667)	\$ (1,174,904)	5%	\$ 349,214

Helendale CSD

Financial Statement Analysis

For the Month Ended December 31, 2020 – 50% of Fiscal Year

Fund 01-Water Revenues and Expenses

Line 2 Meter Charges: Meter Charges are the fixed monthly charge for water service. Year to date (YTD) meter charges are trending on budget.

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

Line 4 Standby Charges: Standby Charges includes special assessment standby charges for the current & prior years, and delinquent standby penalties. YTD can trend over/under budget due to timing of assessment receipts and unbudgeted receipts of delinquent assessments. The majority of these fees are collected in December and April.

Line 5 Other Operating Revenue: Other Operating Revenue includes permit & inspection charges, connection fees, meter installation fees, other fees/charges and mechanic service reimbursements. Connection and meter installation fees are budgeted conservatively due to the unexpected nature of these fees. YTD is trending slightly under budget at 47%.

Line 8 Grant Revenue: YTD balance consists of a \$16.0K award for MWA Meter Replacement Program. Budget for this account consists of the remaining \$37.5K grant from the Bureau of Reclamation for installation of AMI smart meters.

Line 9 Miscellaneous Income (Expense): Miscellaneous Income includes gain or loss on sale of assets, the Enel X Demand Response Program and other miscellaneous income. YTD can trend over/under budget due to timing of receipts.

Line 14 Salaries: Salaries for water employees and portion of mechanic's salary. YTD is trending slightly below budget due to less mechanic time needed.

Line 15 Benefits: Benefits includes health insurance, CalPERS retirement, worker's compensation insurance, payroll taxes, and employee education and trainings. YTD is trending slightly below budget.

Line 18 Contractual Services: Contract Services includes lab testing, engineering, GIS support & other contract services. YTD is over budget at 86% due to timing of the invoices for annual GIS Software \$4.8K and \$9.1K to Tyler Technologies for meter data sync.

Line 19 Power: This account includes electricity used for transmission & distribution. YTD is trending over budget at 57% due to increased demand from higher water consumption.

Line 20 Operations & Maintenance: This line includes operations & maintenance expense, vehicle maintenance and vehicle fuel. YTD can trend over/under budget due to timing of work performed.

Line 21 Rent/Lease Expense: Rent/Lease Expense includes rental costs for the water shop and Bureau of Land Management LM tank sites. YTD is trending slightly over budget at 62% due to timing of annual payment.

Line 22 Permits & Fees: Includes all water permits, miscellaneous fees, and Watermaster fees. YTD can trend over/under budget due to timing of payments.

Line 25 Utilities (G&A): Utilities includes gas and telephone expenses. YTD is trending under budget at 43%.

Line 26 Office & Other Expenses: Office & Other Expenses includes mileage/travel reimbursements, office supplies, water conservation program, and dues & subscriptions. YTD can trend over/under budget due to timing of payments. YTD is over budget due to pay-off penalties for the CNB Loan #11-007 (\$6.7K).

Line 27 Admin Allocation: This is the monthly distribution of the budgeted Administration fund (Fund 10) expenses to the enterprise funds.

Line 29 Debt Service: Debt Service includes interest & principal payments on outstanding debt. Payments are made quarterly in September, December, March and June.

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

- \$2.4K - Well Exploration Test Holes
- \$29.9K - AMI Meters
- \$50.0K – Water Rights Purchase
- \$559.5K – Real property Acquisition

Helendale CSD
Statement of Revenues and Expenses - Sewer
As of December 31, 2020
(Unaudited)

	Dec. 2020	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Sewer Charges	\$ 106,860	\$ 640,138	\$ 1,279,029	50%	\$ 639,535
3 Standby Charges	4,136	8,120	21,350	38%	20,909
4 Other Fees & Charges	1,838	11,784	15,438	76%	12,637
5 Other Income/(Expense)	-	-	-	0%	-
6 Total Revenues	112,834	660,043	1,315,817	50%	673,081
7 Expenses					
8 Salaries & Benefits					
9 Salaries	19,133	124,224	258,397	48%	118,214
10 Benefits	7,454	50,179	97,812	51%	59,023
11 Total Salaries & Benefits	26,587	174,403	356,209	49%	177,236
12 Sewer Operations					
13 Contractual Services	4,155	17,223	77,400	22%	23,542
14 Power	5,773	34,268	79,750	43%	40,320
15 Operations & Maintenance	1,796	20,343	63,363	32%	28,243
16 Permits & Fees	20,362	27,186	27,617	98%	22,851
17 Total Sewer Operations	32,086	99,021	248,130	40%	114,956
18 General & Administrative					
19 Utilities	186	1,958	5,616	35%	2,482
20 Office & Other Expenses	707	5,647	7,393	76%	2,053
21 Admin Allocation	45,587	273,522	547,043	50%	240,840
22 Total G&A	46,480	281,127	560,052	50%	245,375
23 Debt Service	-	25,420	75,042	34%	37,517
24 Total Expenses	105,153	579,971	1,239,433	47%	575,084
25 Net Income (Loss) Before Capital	7,681	80,072	76,384	105%	97,997
26 Capital Expenses	-	(94,866)	(1,367,000)	7%	(94,616)
27 Net Income (Loss) After Capital	\$ 7,681	\$ (14,794)	\$ (1,290,616)	1.1%	\$ 3,381

Fund 02 - Sewer Revenues and Expenses

Line 2 Sewer Charges: This account includes the monthly charge for sewer services. YTD is trending on budget at 50%.

Line 3 Standby Charges: Standby Charges includes special assessment standby charges for the current & prior years, and delinquent standby penalties. YTD can trend over/under budget due to timing of assessment and unbudgeted receipts of delinquent assessments. The majority of these fees are collected in December and April.

Line 4 Other Fees & Charges: Other Fees & Charges includes permit & inspection charges, connection fees, other fees and charges and delinquent charges on fees. Connection and permit fees are budgeted conservatively due to the unexpected nature of these fees. YTD is over budget at 76% due to connection fees received in August.

Line 5 Other Income/(Expense): Other Income includes gain or loss on sale of assets and other miscellaneous income.

Line 9 Salaries: Salaries is for all sewer employees. YTD is trending on budget.

Line 10 Benefits: Benefits include employee insurance, PERS retirement, workers compensation, payroll taxes, and education & training. YTD is trending on budget.

Line 13 Contractual Services: Contract Services include lab testing, engineering, GIS support & other contractual services. YTD can trend over/under budget due to timing of payments.

Line 14 Power: YTD is trending under budget at 43%.

Line 15 Operations & Maintenance: This account includes compost disposal, vehicle maintenance, vehicle fuel, uniforms, small tools and salaries for mechanics. This category will trend under/ over budget depending on timing of purchases and work performed. YTD is under budget at 32%.

Line 16 Permits and Fees: This line accounts for all annual permits and fees paid to the state. YTD can trend over/under budget due to timing of payments. YTD is trending over budget at 98%.

Line 19 Utilities (G&A): Utilities includes gas and telephone expenses. YTD is trending under budget at 35%.

Line 20 Office & Other Expenses: Office & Other Expenses includes mileage/travel reimbursements, office supplies, water conservation program, and dues & subscriptions. YTD can trend over/under budget due to timing of payments. YTD is currently over budget at 66% due to the timing of operating supply purchases.

Line 21 Admin Allocation: This is the monthly distribution of the budgeted Administration fund (fund 10) expenses to the enterprise funds.

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

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

- \$76.3K Secondary Irrigation Pump Project
- \$18.6K Manhole Cutter Purchase

Helendale CSD
Statement of Revenues and Expenses - Recycling Center
As of December 31, 2020
(Unaudited)

	Dec. 2020	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Retail Sales	\$ 20,108	\$ 146,935	\$ 264,000	56%	\$ 146,252
3 Donations	-	-	-	0%	-
4 Board Discretionary Revenue	-	-	(84,380)	0%	-
5 Total Revenues	20,108	146,935	179,620	82%	146,252
6 Expenses					
7 Salaries & Benefits					
8 Salaries	7,760	48,956	136,326	36%	63,542
9 Benefits	1,134	8,033	16,070	50%	10,567
10 Total Salaries & Benefits	8,893	56,989	152,396	37%	74,109
11 Recycling Center Operations					
12 Contractual Services	-	-	4,300	0%	-
13 Operations & Maintenance	1,499	5,863	11,300	52%	6,525
14 Total Recycling Center Operations	1,499	5,863	15,600	38%	6,525
15 General & Administrative					
16 Utilities	378	3,253	8,124	40%	5,564
17 Office & Other Expenses	306	1,810	3,500	52%	5,411
18 Total G&A	684	5,063	11,624	44%	10,975
19 Total Expenses	11,076	67,915	179,620	38%	91,609
20 Net Income (Loss) Before Capital	9,032	79,020	-		54,643
21 Capital Expenses	-	-	-	0%	10,736
22 Net Income (Loss) After Capital	\$ 9,032	\$ 79,020	\$ -	0%	\$ 43,907

03-Recycling Center Revenues and Expenses

Line 2 Retail Sales: Retail sales include sales revenues from the Thrift Store. YTD is trending over budget at 56%.

Line 3 Donations: Donations are not budgeted for 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 (fund 03) to the Parks & Recreation Fund (fund 05). This transfer is done at year end for the audit.

Line 8 Salaries: Salaries for all recycling center employees, which are all part-time. YTD is trending below budget at 36% due to thrift store shutdown in the early part of the year due to COVID-19.

Line 9 Benefits: Benefits include employee insurance, workers compensation, payroll taxes, and education & training. YTD is at 50%.

Line 12 Contractual Services: Contractual Services includes software support and other contract services. YTD can trend over/under budget due to timing of payments.

Line 13 Operations & Maintenance: Operations & Maintenance includes vehicle maintenance, vehicle fuel, operating supplies and uniforms. YTD trending near budget at 52% but can trend over/under budget due to timing of work performed and payments.

Line 16 Utilities (G&A): Utilities includes electric and telephone expenses. YTD is trending under budget at 40%.

Line 17 Office & Other Expenses: Office & Other Expenses includes advertising, bank charges and other miscellaneous expenses. YTD is on budget but can trend over/under budget due to timing of payments.

Line 20 Net Income: Net income in the Recycling Center is moved to Parks & Recreation fund (fund 5) at year end for the audit through Board Discretionary Revenue.

Helendale CSD
Statement of Revenues and Expenses - Property Rental
As of December 31, 2020
(Unaudited)

	Dec. 2020	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Property Rental Revenues	\$ 10,190	\$ 63,722	\$ 128,280	50%	\$ 63,572
3 Other Income	220	575	200	288%	150
4 Board Discretionary Revenue	-	-	-	0%	-
5 Total Revenues	10,410	64,297	128,480	50%	63,722
6 Expenses					
7 Contractual Services	-	-	5,000	0%	200
8 Utilities	379	2,270	10,111	22%	3,082
9 Operations & Maintenance	51	8,475	6,000	141%	5,565
10 Debt Service	-	55,042	85,882	64%	-
11 Total Expenses	431	65,786	106,993	61%	8,847
12 Net Income (Loss)	\$ 9,979	\$ (1,490)	\$ 21,487		\$ 54,875

04-Property Rental Revenues and Expenses

Line 2 Property Rental Revenues: Property Rentals is revenue from 15302 Smithson and 15425 Wild Road properties. YTD is trending on budget.

Line 3 Other Income: Other Income includes penalties and other miscellaneous Income; due to the unexpected nature of these revenues these accounts are budgeted conservatively. YTD is over budget due to penalties charged in September, November and December.

Line 4 Board Discretionary Revenue: This line shows the transfer of net cash from the Property Rental fund (fund 04) to Parks & Recreation fund (fund 05). This entry will be done at year-end for the audit.

Line 7 Contractual Services: Contractual Services includes contractor and handyman expenses for installation of appliances, drywall repair, roofing or plumbing repairs. YTD can trend over/under budget due to timing of payments.

Line 8 Utilities: Utilities includes electric & gas expense for the rental properties. YTD is under budget at 22%.

Line 9 Operations & Maintenance: Operations & Maintenance includes maintenance and other costs relating to the rental properties. YTD can trend over/under budget due to timing of payments. YTD is over budget due to \$3K in A/C maintenance for Unit A in July and \$4.7K A/C system install for Unit B in October.

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

Line 12 Net Income: Net income in the Property Rental fund (fund 04) is moved to the Parks & Recreation fund (fund 05) through Board discretionary revenue at year-end for the audit.

Helendale CSD
Statement of Revenues and Expenses - Parks & Recreation
As of December 31, 2020
(Unaudited)

	Dec. 2020	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Program Fees	\$ 747	\$ 4,731	\$ 27,800	17%	\$ 19,924
3 Property Taxes	1,604	9,417	17,160	55%	7,366
4 Donations & Sponsorships	5,145	6,918	10,790	64%	5,538
5 Rental Income	1,300	9,413	40,100	23%	16,207
6 Developer Impact Fees	-	1,720	-	0%	1,720
7 Grants	-	370	-	0%	-
8 Interfund Transfer Out/(In)	(3,508)	(21,050)	(42,100)	50%	-
9 Board Discretionary Revenue	59,057	170,115	417,004	41%	158,595
10 Total Revenues	64,345	181,633	470,754	39%	209,350
11 Expenses					
12 Salaries & Benefits					
13 Salaries	6,337	41,845	87,564	48%	27,716
14 Benefits	3,081	18,785	43,903	43%	18,499
15 Total Salaries & Benefits	9,418	60,630	131,467	46%	46,215
16 Program Expense	3,977	16,411	71,439	23%	33,406
17 Contractual Services	-	7,372	12,560	59%	11,641
18 Utilities	2,639	16,015	56,301	28%	14,739
19 Operations & Maintenance	8,610	17,056	24,216	70%	23,774
20 Permits & Fees	-	-	5,338	0%	2,625
21 Grant Expense	-	-	-	0%	-
22 Other Expenses	-	7,738	3,105	249%	1,386
23 Debt Service	-	20,340	40,679	50%	63,284
24 Total Expenses	24,644	145,561	345,106	42%	197,069
25 Net Income (Loss) Before Capital	39,701	36,072	125,648	29%	12,281
26 Capital Expenses	-	(11,777)	(135,000)	9%	(32,140)
27 Net Income (Loss) After Capital	\$ 39,701	\$ 24,295	\$ (9,352)		\$ (19,859)

05-Parks & Recreation Revenues and Expenses

Line 2 Program Fees: Program Fees include recreation program fees, basketball league fees, youth soccer league fees and farmers market revenue. YTD is trending under budget at 17% due to lower than planned activity due to Covid-19 restrictions.

Line 3 Property Taxes: Property taxes accounts for the transfer of property taxes for streetlight utility expenses. YTD is trending over budget at 55%.

Line 4 Donations & Sponsorships: This account includes concert in the park sponsorships, event sponsorships and other donations/sponsorships. YTD can trend over/under budget due to timing and nature of donations & sponsorships received. YTD is at 64% due to timing of annual field use receipt from Helendale Secondary School.

Line 5 Rental Income: Rental Income includes rental income from the water shop, storage for the recycling center, community center room rental, church rental, and gymnastics rental. YTD can trend over/under budget depending on needs and timing of rentals.

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

Line 7 Grants: This accounts for grants and is not budgeted for until a grant is awarded. YTD balance consists of Farmer's Market EBT program activity.

Line 8 Interfund Transfer Out/(In): This line shows the transfer of cash balance from the Recycling Center (fund 03) and Property Rental (fund 04) to the Parks & Recreation fund (fund 05). This entry will be done at year-end for the audit, when it is known exactly how much net income is available to transfer.

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

- Radio Tower Site Rent – \$10,492
- Property Taxes - \$42,751
- Solid Waste Franchise Fees - \$7,418
- Transfer Property Tax Revenue for Street Light Utilities – \$(1,604)

Line 13 Salaries: Amounts for full and part-time Parks and Recreation employees. YTD is trending on budget at 48%.

Line 14 Benefits: Benefits includes health insurance, CalPERS retirement, worker's compensation insurance, payroll taxes, and employee education & trainings. YTD is trending under budget at 43% due to less education and training than expected and lower than expected medical insurance.

Line 16 Program Expense: Program Expense includes supplies and expenses for the youth soccer league, park, community center, farmers market and other programs. YTD is currently under budget at 23% due to less program activity.

Line 17 Contractual Services: Contractual Services includes software support and other contract services. YTD is over budget at 59% due to services from ALTEC Engineering for CEQA study for new park facilities (\$5.0K).

Line 18 Utilities: Utilities includes gas and electric for parks and the community center, along with telephone & electricity for street lighting. YTD is trending under budget at 28%.

Line 19 Operations & Maintenance: Operations & Maintenance includes vehicle maintenance, small tools, vehicle fuel and building repair for the park and community center. YTD is trending over budget at 70% due to painting services for the community center in December (\$5.0K).

Line 20 Permits & fees: This account includes permit and inspection fees, along with San Bernardino county fees. YTD can trend over/under budget due to timing of payments.

Line 22 Other Expenses: Other expenses includes uniforms, printing costs, dues & subscriptions and bank charges. YTD is over budget due to pay-off penalties for the CNB Loan #11-007 (\$6.7K).

Line 23 Debt Service: Debt Service includes interest & principal payments on outstanding debt. Debt Service payments are made quarterly in September, December, March and June.

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

- \$3.5K Park Signage
- \$8.3K Park Fencing

Helendale CSD
Statement of Revenues and Expenses - Solid Waste Disposal
As of December 31, 2020
(Unaudited)

	Dec. 2020	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Charges for Services	\$ 47,027	\$ 274,277	\$ 582,089	47%	\$ 250,988
3 Assessments & Fees	86,765	123,778	235,847	52%	122,515
4 Other Charges	951	4,817	11,000	44%	7,098
5 Board Discretionary Revenue	-	-	-	0%	-
6 Total Revenues	134,743	402,872	828,937	49%	390,601
7 Expenses					
8 Salaries & Benefits					
9 Salaries	5,955	40,949	79,269	52%	34,557
10 Benefits	3,072	18,060	39,654	46%	18,872
11 Total Salaries & Benefits	9,027	59,010	118,923	50%	53,430
12 Contractual Services	46,559	229,217	540,117	42%	208,571
13 Disposal Fees	17,479	74,894	141,956	53%	69,873
14 Operations & Maintenance	950	2,259	4,215	54%	1,734
15 Other Operating Expenses	629	4,787	9,997	48%	188
16 Admin Allocation	930	5,582	11,164	50%	4,915
17 Total Expenses	75,575	375,750	826,373	45%	338,712
18 Net Income (Loss)	\$ 59,168	\$ 27,122	\$ 2,564		\$ 51,889

06-Solid Waste Disposal Revenues and Expenses

Line 2 Charges for Services – Solid Waste: This is for regular pick up of solid waste. YTD trending near budget at 47%.

Line 3 Assessment & Fees: This account includes special assessments for refuse land use fees for current & prior years. YTD will trend under/over budget depending on timing of property tax receipts. The majority of these fees are collected in December and April.

Line 4 Other Charges: Other charges includes delinquent fees and penalties on delinquent taxes. YTD is under budget at 44% but can trend under/over budget depending upon timing of receipts.

Line 5 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 was no deficit budgeted for current fiscal year.

Line 9 Salaries: This is the salaries for solid waste employees. YTD trending slightly higher than budget at 52%.

Line 10 Benefits: Benefits include employee insurance, CalPERS retirement, workers compensation, payroll taxes, and education & training. YTD is trending under budget at 46%.

Line 12 Contractual Services: Contractual Services include Burrtec fees and other miscellaneous contract services. YTD is trending under budget at 42% due to timing of Burrtec fees.

Line 13 Disposal Fees: Disposal Fees include San Bernardino County disposal fees and green waste disposal fees. YTD is at 53% but can trend under/over budget depending upon time of year expenses are incurred.

Line 14 Operations & Maintenance: Operations & Maintenance includes vehicle maintenance, vehicle fuel, operating supplies and uniforms. YTD is trending under budget at 54% but can trend under/over budget depending upon time of year expenses are incurred.

Line 15 Other Operating Expenses: Other Operating Expenses include rent for park storage, telephone, postage, event expenses, public outreach, printing, small tools and bad debt expenses. YTD is currently near budget at 48% but can trend under/over budget depending upon time of year expenses are incurred.

Line 16 Admin Allocation: This is the monthly distribution of the budgeted Administration fund (Fund 10) expenses to the enterprise funds.

Helendale CSD
Statement of Revenues and Expenses - Administration
As of December 31, 2020
(Unaudited)

	Dec. 2020	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Tower Rent	\$ 10,492	\$ 69,163	\$ 150,420	46%	\$ 62,445
3 Property Taxes	42,751	62,360	103,844	60%	64,443
4 Solid Waste Billing & Fees	13,036	80,259	149,129	54%	73,581
5 Fees & Charges	2,075	10,417	14,000	74%	10,305
6 Investments	468	4,663	45,000	10%	41,337
7 Other Income	879	2,752	6,800	40%	4,876
8 Board Discretionary Revenue	(60,661)	(179,532)	(332,624)	54%	(165,961)
9 Total Revenues	9,041	50,081	136,570	37%	91,025
10 Expenses					
11 Salaries & Benefits					
12 Salaries	39,333	246,806	511,463	48%	235,521
13 Benefits	14,429	81,380	200,548	41%	79,032
14 Directors' Fees	4,813	29,046	89,000	33%	26,806
15 Total Salaries & Benefits	58,574	357,232	801,011	45%	342,384
16 Contractual Services	15,607	135,049	217,210	62%	156,715
17 Insurance	-	64,791	84,673	77%	54,678
18 Utilities	1,352	9,390	25,732	36%	9,634
19 Operations & Maintenance	20	504	5,216	10%	542
20 Permits & Fees	1,187	13,651	14,685	93%	7,501
21 Office & Other Expenses	3,609	35,750	54,122	66%	38,192
22 Election Expense	-	-	20,000	0%	-
23 Admin Allocation	(93,035)	(558,207)	(1,116,414)	50%	(491,511)
24 Total Expenses	(12,686)	58,160	106,235	55%	118,133
25 Net Income (Loss)	\$ 21,726	\$ (8,079)	\$ 30,335		\$ (27,108)

10-Administrative Revenues and Expenses

Line 2 Tower Rent: Tower Rent includes radio tower site rental fees. YTD is trending slightly under budget at 46%.

Line 3 Property Taxes: This account includes current & prior property tax and penalties. YTD will trend under/over budget depending on timing of property tax receipts. The majority of receipts are received in December and April.

Line 4 Solid Waste Billing & Fees: This includes franchise fees and billing for solid waste. YTD is trending over budget at 54%.

Line 5 Fees & Charges: Fees & Charges consists of credit card processing fees and other miscellaneous fees. YTD is trending over budget at 74% due to the large volume of credit card processing fees.

Line 6 Investments: This account includes investment income and unrealized gain or loss on investments. YTD is under budget at 10% due to a sharp decline in interest rates.

Line 7 Other Income: Other Income includes recycling revenues and other miscellaneous income. YTD is trending under budget at 40%. This account can trend over/under budget due to timing of receipts.

Line 8 Board Discretionary Income: Board Discretionary Revenue includes the transfer of the following for Parks and Recreation fund (fund 05):

- Radio Tower Site Rent – \$10,492 (line 2)
- Property Taxes – \$42,751 (line 3)
- Solid Waste Franchise Fees – \$7,418 (part of line 4)

Line 12 Salaries: Salaries includes full time, part time & overtime for administrative employees. YTD is trending on budget.

Line 13 Benefits: Benefits include employee insurance, CalPERS retirement, workers compensation, payroll taxes, employee benefit & morale and education & training. YTD is trending below budget at 41% due to timing of employee morale & training expenses.

Line 14 Directors' Fees: This category includes directors fees as well as directors training, seminars and mileage expense. YTD is trending under budget at 33% due to less activity.

Line 16 Contractual Services: Contractual Services include software support, legal services, and auditing & accounting services. YTD is over budget at 62% due to higher than anticipated legal costs and timing of annual audit expenses.

Line 17 Insurance: This account includes both general and vehicle insurance expenses. YTD is over budget at 77% due to policy renewals occurring in July.

Line 18 Utilities: Utilities includes telephone and electricity expenses. YTD is trending under budget at 36%.

Line 19 Operations & Maintenance: Operations & Maintenance includes vehicle maintenance, vehicle fuel, mileage & travel reimbursement, uniforms, and equipment maintenance. This account can trend under/over budget depending upon time of year expenses are incurred.

Line 20 Permits & Fees: This category includes the annual LAFCO fees, the GFOA application fee for the budget award, and San Bernardino County fees. YTD is over budget at 93% due to July payment of the annual LAFCO fees.

Line 21 Office & Other Expense: Office & Other Expenses include board meeting supplies, public relations, community promotion, bank charges, office supplies, postage and dues & subscription. YTD is over budget at 66% due to timing of public notices fees occurring in July.

Line 22 Election Expense: Costs relating to board member election.

Line 23 Admin Allocation: This is the monthly distribution of the budgeted Administration fund (Fund 10) expenses to the enterprise funds.



Helendale Community Services District

DATE: February 21, 2021
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #8
Discussion and Possible Action Regarding Wastewater CIP and Rates

STAFF RECOMMENDATION:

Staff seeks input from the Board regarding this item.

STAFF REPORT:

Attached for the Board's review is the FY2020 Capital Improvement Plan for Wastewater. This will be the starting point for a more comprehensive discussion on the foreseen needs of the wastewater operation. Due to staffing issues last week, Staff was not able to complete the new CIP, however, that will be available for discussion at this week's meeting.

Each year the Board reviews the CIP with Staff and needs are discussed. The CIP allocates the possible year in which a capital need is scheduled, however, these projections are often aggressive and the timelines are modified each year as unfinished projects are pushed ahead and new capital needs are identified.

Lastly, a continuation in the discussion regarding wastewater rates will be cued up as this has a direct correlation with the on-going capital needs. To date, in the history of the CSD the wastewater rates have not been increased. Attached for the Board information is a graph showing a comparison of the District's current wastewater rates in context of other agencies along with where a \$5 increase would position the District. A comparison such as this only provides one point of context as each wastewater operation is different. The larger the population served that greater the rate base over which to spread fixed costs, thereby making it less expensive per unit served. Conversely, the small the rate base the greater cost per unit served.

FISCAL IMPACT: As outlined

POSSIBLE MOTION:

ATTACHMENTS: FY2020 Capital Improvement Plan
Wastewater Cost Comparison Graph

Wastewater Fund	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Generator (reconfigure and/or remove)	\$ 100,000					
Plant Sludge Lines (Replacement)	\$ 320,000					
Storage Building/Office/Lab	\$ 500,000					
Engineering for new building if not Design Build	\$ 40,000					
Secondary Clarifier Rehabilitation	\$ 120,000					
Schooner Pump Station Coating & rebuild	\$ 40,000					
Parkway Pump Station Coating & rebuild	\$ 40,000					
Valve Replacement in Drying Beds	\$ 7,000					
Manifold for secondary irrigation & new lines (park)	\$ 40,000					
Smithson Lift Station Manifold Rebuild	\$ 45,000					
Collection System Lining - Various areas	\$ 25,000	\$ 25,000				
Trickling Filter Pump Rebuilds	\$ 45,000					
Trickling Filter Pump #2	\$ 45,000					
	\$ 1,367,000	\$ 580,000	\$ 140,000	\$ 155,000	\$ 180,000	

Monthly Sewer Rate (Single Family)





Helendale Community Services District

DATE: February 18, 2021
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #9
Discussion and Possible Action Regarding Revision to the Deposit Policy

STAFF RECOMMENDATION:

Staff seeks approval from the Board regarding this item.

STAFF REPORT:

From time to time, Staff makes modifications to certain policies to help provide greater clarity and be adaptive to changing circumstances.

Attached for the Board's consideration is a significantly modified "Deposit and Application Policy and Procedures" document. Staff had intended to provide the Board with a red-line version of the documents, however, due to the extensive changes and the loss of tracking those changes, it was determined that it would be better to provide the current copy and the proposed modified copy of the policy for the Board to review.

Primary revisions have to do with rearranging the sections so that the document flows better. For instance, all reference to deposits have been put in one section. Other modifications have been made to provide clarity for the customer and define terms.

Attached to this Staff report is a latest working document. As Staff reviews the policy prior to the Board meeting, additional changes may be made.

FISCAL IMPACT: NA

POSSIBLE MOTION: Approve the proposed modified Deposit and Application Policy and Procedures document

ATTACHMENTS: Revised Deposit and Application Policy and Procedures (effective 2/18/21)
Current Deposit and Application Policy and Procedures (dated 2/6/2020)

HELENDALE COMMUNITY SERVICES DISTRICT
Deposit and Application Policy and Procedures
Effective 2/18/2021

Section 1. Purpose

The purpose of this policy is to establish the water, sewer and/or trash application and deposit procedures of the District. This policy sets forth the duties and responsibilities of District staff regarding customer deposits and applications.

Section 2. Application for Service

A. Responsibility for Notification

1. **Sale of Property:** Upon the sale of a property, the current owner is to notify the District as to the date of close of escrow. Failure to notify the District of that date will continue the accrual of fees and charges until such notification is provided.
2. **Purchase of Property:** It is the responsibility of a new owner to notify the District immediately upon close of escrow. In the event a property-owner fails to notify the District and the District determines new ownership via other means, an account will be opened in the new owner's name and said property will be subject to all the requirements outlined within this policy. Charges will be attributed to account as accrued including all fees and charges outlined in the District Fee Policy. Failure to notify the District timely and accruing late fees and possible disconnection will eliminate the customer from some of the deposit options outlined below.
3. **Lease of Property:** It is the responsibility of the owner to complete the owner portion of the owner/tenant agreement. A Tenant account cannot be opened until both the Owner and the Tenant portions of the agreement are received, and the deposit requirement is satisfied. Until this requirement is satisfied the account will remain in the name of the property owner.

B. Required Documentation

1. Application for service must be made in writing by completing an Application as provided by the District. An application can be downloaded from the District website or picked up in person at the District office.

2. Application for service may be made in person, via fax, mail or e-mail. However, if the application is not signed in the office with verification of identity, it must be notarized. In some cases a signature can be validated based upon information already on file. The District Office is located at 26540 Vista Road, Suite B, mailing address is P.O. Box 359, Helendale, California; fax number (760) 951-0046; mail@helendalecsd.org. If application is made by either fax or mail or

e-mail an original copy must be notarized and delivered to the office within three weeks of close of escrow. Failure to provide original application within three weeks will result in service interruption.

3. A valid California driver's license, or other photo identification as issued by California, the United States government, or any other U.S. State government must be provided so that a photocopy of said identification may remain as a permanent part of the application documents.

C. Application for Service

1. New Owner:

- a. An application by a New Owner(s) must provide the full name(s) and Driver's license(s) and last four digits of Social Security number of person(s) listed on deed of home for payment of the bill. Additional information shall include Owner's home, cell, and mailing address. A completed District application must be submitted to the District office in order to establish service. However, if a property owner fails to notify the District prior to the end of the billing cycle and the District obtains verification of ownership, service will be established in the new property owners name and an application will be mailed to the property owner based upon that information.
- b. In the event water, sewer, or trash service has been turned off due to non-payment, water service will be denied to a New Owner Applicant when the New Owner Applicant has an existing outstanding balance with the District. Service will not be established until the existing outstanding balance is paid in full. The owner may request any outstanding balance transferred to the new account in order to establish new service. In addition, the New Owner Applicant may be subject to the security deposit standards as established in Section 3. Monetary amounts for security deposits must be completely satisfied and paid-in-full according to the proper procedure as outlined in this policy before service is established. In cases where a deposit is not collected prior to the first bill, the deposit will appear as all other past due balances and paid by the due date indicated on bill to prevent any interruption of service and additional charges.

2. Agent Application (For New Owner's with property under a Management Agreement)

- a. An application by any New Owner must comply with this policy.
- b. New Owner Applicant must also provide a copy of a new updated Management Agreement authorizing action on their behalf. In the event an Management Agreement has ended or been revoked, it is the responsibility of the property owner to notify the District.

3. Owner-Tenant Application-Agreement.

- a. An application by an Applicant-Tenant must provide the full name(s) and driver's license(s), and last four digits of Social Security number of person(s) liable to the property owner for the rental/lease of said property. Additional information shall include tenant home phone number, cell phone number, and owner and tenant mailing address(es) and e-mail address(es). The application will not be processed until both portions of the application have been received.
- b. Service will be denied to a Tenant Applicant when the Tenant Applicant has a balance with the District. Service will not be established until all balances are paid in full.
- c. Security deposit criteria must be satisfied according to the procedures outlined within this policy before service is established. Tenant security deposit must be paid with a money order or cashier's check.

Section 3. Security Deposit Information

A. Deposit Requirements

1. The District shall require any Applicant to place on deposit with the District a security deposit as established below as a guarantee of payment for services used.
2. The security deposit requirements shall be required of an individual or entity purchasing, renting or leasing real property of any type or nature that will obtain and secure service from the District.
3. Service shall not be granted until such time that the deposit requirement is satisfied.

B. Security Deposit Options

1. Every new account is required to pay a Security Deposit or satisfy the requirements as outlined below. For tenants security deposits must be paid in the form of a Cashier's Check or Money Order. For new property owners, the deposit can be placed on the first bill and payable by the due date on that first bill.
2. Security Deposit requirement may be waived if one or more of the following conditions are met:
 - a. Provide an account history (letter of credit) demonstrating proof of **good payment history** from a water/wastewater utility sent directly by the utility to the District. Failure to receive this within one week of the application for service will waive this option.

- b. Current customer moving to a new address within the community who meets the criteria of having a **good payment history**.
- c. Run a soft credit check for a small fee to determine **credit worthiness**. For existing customers (a current customer moving to a new property), a credit check will only be run if the customer has a **good payment history**.
- d. In the event any account at any time ceases to have a **good payment history**, said account will be required to pay a Deposit with no ability to run a credit check in lieu of deposit. The deposit will be placed on the next bill without notice.
- e. The District reserves the full right and discretion to require that a **high-risk customer** maintains a deposit on the account without option for a refund after 12 months, until the account is closed.
- f. An Owner has the option to request that the District collect a deposit from the tenant, regardless of the tenant's ability to satisfy other criteria as outlined in Section 2.

3. Timely Payment of Deposit

Deposit requirements outlined above (a-d) must be satisfied within three weeks of close of escrow for new property owners and within one week of a new tenant application. After such time period, 2a and 2c (above) will no longer be allowable security deposit options as they must be satisfied within the timeframe outlined in this section.

C. Basis for Residential Property Security Deposits

1. All residential properties are subject to the deposit requirements as determined by Public Utilities Code section 10009.6(c) which states that "a deposit cannot exceed three times the average monthly bill" for the past 12-month period. Deposits shall be determined based upon the basic monthly meter size charges/sewer charges/trash charges as applicable, multiplied by three. In the event of a residential service connection for new construction, the deposit shall be equal to 3 months of the base amount absent water usage. (See Fee Package for rates.)

D. Basis for Commercial, Industrial, and other Non-Residential Accounts Security Deposit

1. Commercial, industrial, and other non-residential accounts shall be subject to security deposits based upon the same statutory requirements as residential deposits.
2. The minimum deposits for commercial, industrial, and other non-residential accounts shall be determined based upon the same methodology as residential accounts.

E. Deposit on Account

1. All security deposits may be credited to the customer's account after twelve consecutive months of billings with no delinquencies, except for **high-risk customer**.
2. Should an account close prior to refunding the deposit, the deposit shall be credited against the closing bill with any remaining balance refunded to the customer once closing balance has been satisfied.
3. In the event a customer is transferring service to another property within the District, the existing closing balance must be paid in full. Any remaining deposit balance can be transferred or combined with new funds from the customer to establish a deposit at the new property.

F. Application of Deposit to Delinquent Bills

1. In the event that an account becomes seriously delinquent, the deposit may be applied against the account and the service shall be disconnected.
2. In the case of disconnection for non-payment, service will not be reestablished until account balance, including all fees, are paid in full along with a new deposit calculated based upon current usage. The deposit amount may be different than original amount because it is calculated based upon current usage.
3. In the case of disconnection due to non-payment and a deposit on account is applied to the past due amount, the remaining balance of the deposit will stay on the account to be combined with new funds from the customer to re-establish the required deposit amount.

G. Refund of Deposit upon Service Termination

1. Sale of property: When a property owner sells a property where service has been established and a security deposit is still on file, it is the owner's responsibility to notify the District of the termination of ownership and request a refund of deposit.
2. Tenant vacancy: When a tenant intends to vacate a property where service has been established in tenant's name, it is the tenant's responsibility to notify the District of the termination of tenancy and request a refund of deposit.
3. Foreclosure: No refund of deposit will be processed.
4. Processing Refund:
 - a. Upon notice of service termination, a final meter reading (where applicable) shall establish all charges for service then due. If escrow closes on a property and the District was not notified, the final read will be taken on the next business day after the District receives notification and the closing bill will be calculated accordingly.
 - b. The amount of the final bill will be deducted from the security deposit (if applicable), and any remaining deposit will be returned to the applicant of record.
 - c. Any and all charges on the final bill that exceed the deposit on account shall

be the responsibility of the owner or tenant of record for payment. Any balance left unpaid by a tenant shall become the responsibility of the owner.

5. Tenant Accounts: Upon termination of service, the bill and responsibility for payment of further service charges beyond the Tenant's final bill shall automatically revert to the property owner of record. It is the property owner's responsibility to communicate with the District regarding cessation of tenancy and to ensure that the District has the current mailing address and contact information of the property owner.

H. Right to the Deposit

1. The right to the deposit may not be assigned or delivered to any other person, and the right of refund is limited to the person making the deposit or to his or her heirs or fiduciaries. In the event someone other than the customer of record makes a payment to clear an outstanding amount and the account is closed, any deposit remaining on the account shall be refunded to the person who paid the outstanding closing balance. For example if the Property Owner pays the outstanding closing balance on a tenant's account, the tenant's deposit would be refunded (or transferred) to the Property Owner. If a bank or bank's agent pays the outstanding closing balance on the Property Owner's account, the Property Owner's deposit would be refunded to the bank or bank's agent.

I. Interest on Deposit

1. The District neither expresses nor imputes payment of interest on said deposits as retained.

Section 4. Tenant Water Disconnection (HSC Section 116916)

In the event of a water service disconnection involving an unknown or known tenant State law requires that the District will inform the tenant(s)/occupant(s) of options listed below:

1. The District is not required to make service available to the tenants/occupants unless each tenant/occupant agrees to the terms and conditions for service and meets the District's requirements and rules.
2. However, if (i) one or more of the tenants/occupants assumes responsibility for subsequent charges to the account to the District's satisfaction, or (ii) there is a physical means to selectively discontinue service to those tenants/occupants who have not met the District's requirements, then the District may make service available only to those tenants/occupants who have met the requirements.

3. If prior service for a particular length of time is a condition to establish credit with the District, then residence at the property and proof of prompt payment of rent for that length of time, to the District's satisfaction, may be considered an equivalent.
4. Proof of Legal Tenancy will be required as a condition of service. A tenant shall be required to provide proof of legal occupancy, such as a rental agreement, lease agreement, cancelled checks to the owner of record, and/or notarized document by the owner of record of the property, in order to be considered an acceptable applicant for water services.
5. Termination of Assignment: In the event that the water service established under the terms and conditions listed herein becomes disconnected for nonpayment said service shall no longer be deemed eligible for assignment of the account. Assignment of the customer account will be terminated and the customer account shall revert to the owner.

Section 5. ACH Automatic Payment Program

1. Applicants have the option to apply for the ACH Automatic Payment Plan. This plan debits the customers checking or savings account for the current bill payment. This service debits the payment on the last business day of the month and ensures the customer is not charged a late fee.
2. Customers enrolled in the program can only have two (2) occurrences of Non-Sufficient Funds within a twelve-month period. After the second NSF occurrence, the District shall remove the customer's participation in the ACH Automatic Payment Plan. Upon twelve (12) months of on-time consecutive payments the customer can re-apply for the ACH Automatic Payment Plan.

Section 6. Restrictions

1. Nothing in this Policy is to be construed as restricting service discontinuation for non-payment.

Section 7. Definition of Terms

Agent: Legally assigned representative of a property owner.

Applicant: Customer (Owner or Tenant), requesting District services

Credit Worthiness: Determined by the Board as a Credit Score above 700 using the District's credit evaluation tool.

Delinquent Bills: An account is delinquent if not paid by the last business day of the prior month.

Discontinuation of Service: A voluntary or involuntary cessation of service to the property.

Good Payment History: No late payments or disconnections in a rolling 12-month period.

High Risk Customer: A customer who has three or more late payments and/or a disconnection within a rolling 12-month period.

Occupant: Inhabitant of a residential dwelling unit.

Property Owner: Person or entity who is the legal owner of a property.

Property Owner Responsibility: The utility services are ultimately vested with the property and in the event of non-payment, a lien against the property will be secured.

Seriously Delinquent: An account is seriously delinquent if a payment has not been made for the last two billing cycles. An account will become seriously delinquent upon the first day of the second month since they last made a payment.

Service Termination: Service termination resulting in the closing of an account. Tenant accounts may be terminated for non-payment and the account returned to the property owner name.

Tenant: Person(s) legally occupying a residential unit

Section 7. Supersedes Other Policies

1. This policy supersedes any prior deposit and application policy and procedures adopted by the Board of Directors of the Helendale Community Services District.

EXHIBIT A

DEPOSIT WAIVER OPTION

LEVEL	CREDIT SCORE RANGE	DECISION
GREEN	700-850	WAIVE DEPOSIT
RED	Under 700	COLLECT DEPOSIT

A customer wishing to have his/her credit score run will be required to pay the direct costs for this service. Currently the cost is \$5 and may be adjusted from time to time. Refer to the fee package for costs.

HELENDALE COMMUNITY SERVICES DISTRICT
Deposit and Application Policy and Procedures
Effective 4/1/2020

Section 1. Purpose

The purpose of this policy is to establish the water and sewer and trash deposit procedures and to improve the financial strength of District funds by reducing the risk of loss on delinquent accounts. This policy sets forth the duties and responsibilities of the General Manager and District staff regarding customer deposits and new customer applications.

Section 2. Application for Service

A. Required Documentation

1. Application for service must be made in writing by completing an Application as provided by the District.

2. Application for service may be made in person, via fax, or by mail or e-mail. The District Office is located at 26540 Vista Road, Suite B, mailing address is P.O. Box 359, Helendale, California, fax no. (760) 951-0046. If application is made by either fax or mail or e-mail an original copy must be notarized and delivered to the office. A previously completed and signed application may be used to verify signature by District staff.

3. A valid California driver's license, or other photo identification as issued by California, the United States government, any U.S. State government, or other foreign government must be provided so that a photocopy of said identification may remain as a permanent part of the application documents.

4. Upon completion of the written application the applicant's payment history will be assessed based on one or more of the following:

- a. By reference of District records;
- b. By written statements reflecting payment experience with other water and sewer service providers;
- c. By running a credit check on applicant(s) to determine credit worthiness. For existing customers a credit check will only be run if customer has had no more than three (3) late payments and no disconnection of water service in the past twelve (12) months of service with the District.

5. The applicant's payment history may be used in the determination of security deposit requirements as defined in Section 3.

6. Written Statements reflecting payment experience, or in person credit check must be received/completed within 3 weeks of close of escrow. Deposit will not be waived if letter of credit is not received by the timeframe listed above or if the credit check has not been completed within that timeframe.

B. New Owner/Agent Application

1. An application by a New Owner(s) or Agent must provide the full name(s) and Driver's license(s) and last four digits of Social Security number of person(s) liable for payment of the bill. Additional information shall include Owner's or Agent's home, cell, and work phone numbers, and mailing address. A completed District application must be submitted to the District office in order to establish service. However, if a property owner fails to notify the District prior to the end of the billing cycle and the District obtains verification of ownership, service will be established in the property owners name and an application will be mailed to the property owner.

2. In the event, water, sewer, or trash service has been turned off due to non-payment of balance, Water Service will be denied to a New Owner/Agent Applicant when the New Owner/Agent Applicant has an existing outstanding balance with the District. Service will not be established until the existing outstanding balance is paid in full. The owner may request any outstanding balance transferred to the new account in order to establish new service. In addition, the New Owner/Agent Applicant may be subject to the security deposit standards as established in Section 3. 3. Monetary amounts for security deposits must be completely satisfied and paid-in-full according to the proper procedure as outlined in Section 3 of this policy before service is established. In cases where a deposit is not collected prior to the first bill (refer to Section B.1), the deposit will appear as all other past due balances and paid by the due date indicated on bill to prevent any interruption of service and additional charges.

C. Owner-Tenant Application-Agreement.

1. An application by an Applicant-Tenant must provide the full name(s) and driver's license(s), and last four digits of Social Security number of person(s) liable to the property owner for the rental/lease of said property. Additional information shall include tenant home, cell, and work phone numbers, and owner and tenant mailing addresses. The application will not be processed until both portions of the application have been received

2. Service will be denied to a Tenant Applicant when the Tenant Applicant has a balance with the District. Service will not be established until all balances are paid in full.

3. Monetary amounts for security deposits must be paid-in-full or waived according to the proper procedure as outlined in Section 3 of this policy before service is established.

D. Tenant Water Disconnection (HSC Section 116916).

In the event of a water service disconnection involving an unknown or known tenant the District will inform the tenant(s)/occupant(s) of options listed below:

1. The District is not required to make service available to the tenants/occupants unless each tenant/occupant agrees to the terms and conditions for service and meets the District's requirements and rules.
2. However, if (i) one or more of the tenants/occupants assumes responsibility for subsequent charges to the account to the District's satisfaction, or (ii) there is a physical means to selectively discontinue service to those tenants/occupants who have not met the District's requirements, then the District may make service available only to those tenants/occupants who have met the requirements.
3. If prior service for a particular length of time is a condition to establish credit with the District, then residence at the property and proof of prompt payment of rent for that length of time, to the District's satisfaction, is a satisfactory equivalent.
4. Proof of Legal Tenancy will be required as a condition of service. A tenant shall be required to provide proof of legal occupancy, such as a rental agreement, lease agreement, cancelled checks to the owner of record, and/or notarized document by the owner of record of the property, in order to be considered an acceptable applicant for water services.
5. Termination of Assignment: In the event that the water service established under the terms and conditions listed herein becomes disconnected for nonpayment said service shall no longer be deemed eligible for assignment of the account. Assignment of the customer account will be terminated and the customer account shall revert to the owner.

Section 3. Security Deposits

1. The District shall require any Applicant or Customer to place on deposit with the District a security deposit as established below as a guarantee of payment for services used. Such amounts placed on deposit as defined in this policy shall secure the District from significant financial losses resulting from the non-payment of bills.

2. The following security deposit requirements shall be required of any and all persons purchasing, renting or leasing real property of any and all type or nature that will obtain and secure service from the District.

3. Security deposits for District service shall be as follows:

A. Residential property security deposits

1. All residential property is subject to the deposit requirements as determined by Public Utilities Code section 10009.6(c) which states that "a deposit cannot exceed three times the average monthly bill" for the past 12-month period. The minimum deposits shall be

determined based upon the basic monthly meter size charges and sewer charges multiplied by three. In the event of a new residential service connection (new construction), the deposit shall be equal to 3 months of the base amount. (See Fee Package for rates.)

2. The District reserves the full right and discretion to require high-risk customers with a history of past delinquency and turnoffs for non-payment to keep the deposit on the account until the account is closed, where at that time the deposit will be applied to the closing bill and the remaining balance, if any, will be refunded to the customer.

3. Residential applicants that provide a letter on company letterhead from another water or wastewater district proving a consecutive twelve-month period of on-time payments with no delinquencies or turn-offs for non-payment within the past twelve months prior to application can have the deposit requirement waived. Owner has the option to request a deposit from the tenant, regardless of the tenant's ability to provide prompt payment history. Deposit amount is determined by the District.

4. Security deposits are required of property owners and of persons renting or leasing real property of any and all types except as noted in paragraph 3 of this section.

5. The District reserves the full right and discretion to require high-risk customers with a history of three (3) or more past delinquency, and one (1) or more turnoff for non-payment, and/or one (1) or more returned checks to place a security deposit with the District to secure the District's customers from significant financial losses resulting from the non-payment of bills. Deposit amount is a factor of calculating three months of usage by the rates.

6. In lieu of paying a deposit the new residential owner or tenant can opt for a credit check. Once obtained by District staff, in the exercise of its sole discretion, the deposit may be waived. (See Exhibit A Deposit Waiver Option.)

B. All commercial, industrial, and all other establishments except residential property

1. All commercial, industrial, and other establishments with the exception of residential property shall be subjected to security deposits based upon the same statutory requirements as residential deposits.

2. The minimum deposits for commercial, industrial, and other establishments shall be determined based upon the basic monthly meter size charges and sewer charges multiplied by three.

Section 4. Service and Deposit

1. Service shall not be granted until such time that a deposit is paid by the applicant or the applicant has met the conditions in Section 3 for a waiver of deposit.

Section 5. Deposit in effect

1. All security deposits may be credited to the customer's account after twelve consecutive months of billings with no delinquencies, except as noted in Section 2. B. 2. Should the account close prior to refunding the deposit, the deposit shall be credited against the closing bill with the remaining amount either billed or refunded to the customer.

Section 6. Application of Deposit to Delinquent Bills

1. In the event that an account becomes delinquent, the deposit may be applied against the account and the service shall be disconnected.

2. In the case of disconnection, service will not be reestablished until a new deposit is posted and the account is paid in full, inclusive of all additional service charges.

3. Should the deposit in part exceed the delinquency outstanding against all charges then due, then the remaining balance of the deposit is to stay on the account and combined with new funds from the customer to re-establish the required deposit amount, unless the customer has moved or closed out the account, at which time the remaining deposit will be refunded to the customer.

Section 7. Refund of Deposit upon Service Termination

1. Responsibility of notification:

a. Sale of property: When a property owner sells a property where service has been established and a security deposit is still on file, it is the owner's responsibility to notify the District of the termination of ownership.

b. Tenant vacancy: When a tenant intends to vacate a property where service has been established in tenants name, it is the tenant's responsibility to notify the District of the termination of tenancy.

2. Foreclosure: Foreclosure is not a termination of ownership and not refund of deposit will be processed.

3. Upon notice of service termination, a final meter reading (where applicable) shall establish all charges for service then due. 4. The amount of the final bill will be deducted from the security deposit, and any remaining deposit will be returned to the applicant of record.

5. Any and all charges on the final bill that exceed the deposit on account shall be the responsibility of the owner or tenant of record for payment. Any utility balance left unpaid by a tenant shall become the responsibility of the owner.

6. Upon cancellation and termination of said service, the bill and responsibility for payment of further service charges beyond the final bill shall automatically revert to the property owner of record or the property owner/landlord in a tenant agreement.

Section 8. ACH Automatic Payment Program

1. Applicants have the option to apply for the ACH Debit Automatic Payment Plan. This plan debits the customer checking or savings account or for a fee charges the customer's credit card for the current bill payment. This service deducts the payment on the last day of the billing cycle and ensures the customer is not charged a late fee.

2. Customers enrolled in the program can only have two (2) occurrences of Non-Sufficient Funds within a twelve-month period. After the second NSF occurrence, the District shall remove the customer's participation in the ACH Payment Plan. Upon twelve (12) months of on-time payments the customer can re-apply for the ACH program.

Section 9. Right to the Deposit

1. The right to the deposit may not be assigned or delivered to any other person, and the right of refund is limited to the person making the deposit or to his or her heirs or fiduciaries.

Section 10. Interest on Deposit

1. The District neither expresses nor imputes payment of interest on said deposits as retained.

Section 11. Restrictions

1. Nothing in this Policy is to be construed as restricting service disconnection for non-payment of any account or accounts.

Section 12. Supersedes Other Policies

1. This policy supersedes any prior deposit and application policy and procedures adopted by the Board of Directors of the Helendale Community Services District.

EXHIBIT A

DEPOSIT WAIVER OPTION

LEVEL	CREDIT SCORE RANGE	DECISION
GREEN	700-850	WAIVE DEPOSIT
RED	Under 700	COLLECT 3x AVG BILL

A customer wishing to have his/her credit score run will be required to pay the direct costs for this service. Currently the cost is \$5 and may be adjusted from time to time. Refer to the fee package for costs.