



Helendale Community Services District

26540 Vista Road, Suite C, Helendale, CA 92342

NOTE: New Time
REGULAR BOARD MEETING
Thursday, April 20, 2023, at 6:00 PM

SPECIAL NOTICE OF TELECONFERENCE ACCESSIBILITY

This meeting of the Board of Directors of the Helendale Community Services District is Open to the public both in-person at the District Office located at 26540 Vista Road, Suite C, Helendale, California, and via teleconference by clicking the following link: www.zoom.com Meeting ID 463 173 8547 Passcode: HCSD. (Dial-in instructions will be provided after registering at the link)

Call to Order - Pledge of Allegiance

- 1. Director Remote Participation pursuant to AB2449 (Government Code Section 54953(f))**
 - a. Notification due to Just Cause
 - b. Request due to Emergency Circumstances

2. Approval of Agenda

3. 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 in person or using the "raise the hand" or "chat" feature. If viewing remotely a speaker's card may be filled out at the following link:

<https://www.surveymonkey.com/r/HKGNLL8> or use the features referenced above. The District requests that all speaker cards be submitted at any time prior to the close of public participation.

4. Consent Items

- a. Approval of Minutes: April 6, 2023, Regular Board Meeting
- b. Bills Paid Report
- c. February Financials

5. Reports

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

Regular Business:

- 6. Discussion and Possible Action Regarding Approval of Directors' Expense Reports**
- 7. Discussion and Possible Action Regarding Adoption of Resolution 2023-10: A Resolution of the Board of Directors of the Helendale Community Services District Establishing Policies for its Compensation, Reimbursement, and Ethics Training**
- 8. Discussion and Possible Action Regarding Adoption of Resolution 2023-12: A Resolution of Application by the Helendale Community Services District Requesting the Local Agency Formation Commission for San Bernardino County To Take Proceedings for the Annexation of a Portion of its Eastern Sphere of Influence**
- 9. Discussion and Possible Action Regarding Payment of the Unfunded Accrued Liability to CalPERS**

Other Business

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

Closed Session

11. Conference with Legal Counsel – Anticipated Litigation

Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2)
Two Potential Cases

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 agenda public meeting should be directed to the District's General Manager's office at (760) 951-0006 at least 24 hours prior to said meeting. The regular session of the Board meeting will be recorded. Recordings of the Board meetings are kept for the Clerk of the Board's convenience. These recordings are not the official minutes of the Board meetings.



Helendale Community Services District

Date: April 20, 2023
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #4
Consent Items

CONSENT ITEMS

- a. Approval of Minutes: April 6, 2023 Regular Board Meeting
- b. Bills Paid Report
- c. February Financials



Helendale Community Services District

Date: April 20, 2023
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Cheryl Vermette
SUBJECT: Agenda item #4a
Minutes from Board meeting 4/6/2023



Minutes of the Helendale Community Services District
REGULAR BOARD OF DIRECTORS MEETING
April 6, 2023, at 6:30 PM
26540 Vista Road, Suite C. Helendale, CA 92342

SPECIAL NOTICE OF TELECONFERENCE ACCESSIBILITY

This meeting of the Board of Directors of the Helendale Community Services District is Open to the public both in-person at the District Office located at 26540 Vista Road, Suite C, Helendale, California, and via teleconference by clicking the following link: www.zoom.com Meeting ID 463 173 8547 Passcode: HCSD. (Dial-in instructions will be provided after registering at the link)

Board Members Roll Call:

Present: President Henry Spiller; Vice President Ron Clark; Secretary Sandy Haas (ZOOM); Director Annette Roper, Director George Cardenas

Staff Members Present:

Kimberly Cox, General Manager; Craig Carlson, Water Operations Manager; Alex Aviles, Wastewater Operations Manager; Cheryl Vermette, Parks, Recreation & Programs Supervisor; Jean Thomas, Customer Service Supervisor

Consultants/Guests:

Steve Kennedy, Legal Counsel (Zoom)

Members of the Public:

There were two members of the public attending via Zoom and two members of the public attending in person.

Call to Order and Pledge of Allegiance

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

1. Approval of Agenda

Discussion: Due to a technical issue with participants sound the meeting was delayed until 6:17 pm. Legal Counsel Kennedy provided an explanation of AB 2449 discussing the provisions under which Board members may attend meetings remotely.

Director Haas explained that she was attending the meeting remotely because she was having problems with her leg and her doctor said her leg needed to be kept raised.

Legal Counsel Kennedy explained that she can use one of her two "just cause" meetings or the board can determine that this is an emergency circumstance. Director Haas chose to use one of her two just cause meetings due to her medical condition. Legal Counsel Kennedy also advised that she needed to declare if there was anyone over 18 in the same room with her during the meeting. She said there was no one in the room.

Action: A motion was made by Vice President Clark to approve the agenda as presneted. The motion was seconded by Director Haas.

Vote: The motion carried by the following roll call vote: 4 - Yes; 0 – No; 1 – Absent. President Spiller-Yes; Vice President Clark-Yes; Director Clark -Yes; Director Haas -Yes; Director Cardenas - Absent; Director Roper - Yes.

2. Public Participation

Christopher Porter, Field Representative for Supervisor Cook reported that the County will be removing 53 fees and adding 56 fees.

Greg Thomson, Resident asked about the RV's parked alongside the road on Route 66 and asked if there was anything that could be done to remove the RV's. He asked the District to request the County Board of Supervisors help. He also mentioned his previous request for cameras in the community and requested that the CSD and SLA work in partnership with the Neighborhood Watch group who want to put up 5-6 cameras and signs in the community.

3. Consent Items

- a. Approval of Minutes: March 16, 2023, Regular Board Meeting
- b. Bills Paid Report

Motion: Director Cardenas made a motion to approve the consent items as presented. President Spiller seconded the motion.

Vote: The motion carried by the following roll call vote: 4 - Yes; 0 – No; 1 – Absent. President Spiller-Yes; Vice President Clark-Yes; Director Clark -Yes; Director Haas -Yes; Director Cardenas -Absent; Director Roper - Yes.

4. Reports

- a. Directors' Reports

Vice President Clark reported that he went to the Palisades for the time capsule.

Director Cardenas reported that he was in the Philippines for a water conference, and he will bring a powerpoint to the Board soon to share information from the conference.

President Spiller reported that the farmers market was well attended with the Easter Bunny in attendance.

- b. General Managers Report

General Manager Cox reported that the SCE claim payment for \$11,592.10 was finally received, the incident occurred back on 7/31/22. She also reported that two staff members attended the California Park and Recreation Society conference. The Easter Bunny made an appearance at the Farmers Market this past Wednesday.

Water Operations Manager Carlson reported that Staff completed the monthly inspections & coliform report for March, started 2022 Annual Report, replaced 1" backflow at Smithson Lift station, started district backflow testing, troubleshot field lights, continued meter replacement

program, repaired sink in Community Center Kitchen, installed flooring in office entry, and installed a 24v transformer at well #4.

Regular Business

5. Discussion and Possible Action Regarding Approval of Directors' Expense Reports

Motion: Director Cardenas made a motion to approve the consent items as presented. Vice President Clark seconded the motion.

Vote: The motion carried by the following roll call vote: 5 - Yes; 0 – No. President Spiller-Yes; Vice President Clark-Yes; Director Clark -Yes; Director Haas -Yes; Director Cardenas - Yes; Director Roper - Yes.

6. Discussion and Possible Action Regarding Review of Ordinance 2022-02: An Ordinance of the Helendale Community Services District Setting Compensation for its Board of Directors

Discussion: Since December, Staff and Counsel have been providing presentations to Staff regarding Board Governance. The Sunshine Ordinance sets guidelines for public meetings. Resolution 2023-08 sets the policies for compensation, reimbursement and ethics training. Ordinance 2022-02 sets compensation. Determination of Board compensation integrates into the budget. Typically, the Staff does not schedule this for review. The Board directs Staff to agendize the discussion for an increase in compensation. The purpose of the presentation is to inform new board members of the history and the process. In January 2007, the stipend per meeting was \$100.00 for up to 6 meetings; in November 2016, the stipend was increased to \$125.00 for up to 6 meetings; in February 2019 the number of compensable meetings was increased to 10 and the stipend was increased to \$137.50; and in April 2022 (effective 7/1/23) stipend amount was increased from \$137.50 to \$150. Legal Counsel Kennedy said the maximum increase the Board is allowed is 5%. He also reported that he had done some research on bifurcating reimbursement rates, it is not a common practice, however he was able to find another District, San Gabriel Water District, that does have bifurcated rates. If the Board made changes to their reimbursement, it would have to be publicly noticed and would take effect 60 days after the public hearing. The Board discussed the compensation rates. The majority of the Board members were in favor of changing the rate for phone calls to \$25, Director Haas was not in favor of this change. The Board also discussed reducing the number of meetings Board members can be compensated for. Director Cardenas suggested the President remain at ten meetings while the remainder of the Board be reduced to seven or eight meetings. The Board decided to look at the number of meetings at another time.

Motion: There was no motion on this item. The Board directed Staff and Legal Counsel to make modifications to the Resolution and bring it back to the Board. Director Haas left the meeting at 7:15 pm, prior to the end of this discussion.

7. Discussion and Possible Action Regarding Adoption of the Table of Organization

Discussion: CalPERS circular letter #200-003-20 outlines eight requirements related to employee retirement compensation: it must be approved and adopted by the Board in a duly agendized meeting; identify position title for every employee; show payrate for each position; indicate the time basis (i.e. hourly, salary, etc); made available for the public via posting in office, website; list effective date; retain for five years; does not reference another document (i.e. contract) in lieu of pay rate. Failure to approve Schedule in this manner could impact employee retirement

calculations. The prepared Table of Organization (Pay schedule/positions) complies with these required elements. The District's Organization Chart reflects the FTE's outlined in the Pay Schedule (Table). The Table & Org Chart will also be included in the District's FY24 budget. The proposed pay schedule includes an 8% COLA effective July 1, 2023 and an increase of 0.5 FTE from 22.3 last year. The org chart has the following changes: added a Wastewater Operator I; increased Wastewater Operator I to Wastewater Operator II pending certification; moved Maintenance Worker I Park to 25% park and 75% water; will recruit for a Maintenance Worker Park from Range I to III; eliminated the mechanic position; and changed the range for Thrift Store Supervisor from Range 18 to Range 20 and adjusted the allocation to Thrift Store and Solid Waste. Budgetary implications: Wastewater budget will increase by max of \$74k but will also have a savings of \$17,243 from mechanic position. The water budget will increase by a maximum of \$56k for .75 of MWI and will also reflect a savings of \$18,500 from mechanic position. The Parks budget will decrease by approximately \$15,000. The thrift store Supervisor range adjusted from 18 to 20 (no pay increase). The solid waste budget will decrease by approximately \$12,000 by shifting the Thrift Store Supervisor to the thrift store budget. The fund picked up 20% of Program Assistant in December, some funding for this position is included in the Burrtec rate increase.

Motion: Director Roper made the motion to approve the table of organization and organization chart. Vice President Clark seconded the motion.

Vote: The motion carried by the following roll call vote: 4 - Yes; 0 – No; 1 - Absent. President Spiller-Yes; Vice President Clark-Yes; Director Clark -Yes; Director Haas - Absent; Director Cardenas - Yes; Director Roper - Yes.

8. Discussion and Possible Action Regarding Request to Declare as Surplus Various District-Owned Equipment

Discussion: Board policy governs disposition of public assets. As necessary, Staff brings items to the Board for disposal. All items for disposal have exceeded their useful life and are fully depreciated. An auction company has been the primary means of disposal in previous years. Other options include Craigslist, auctions, ads, donation, etc. The last time items were surplused the Board entertained a private offer on a couple of items. The Explorer has already been surplused, the trucks and generator will be sent to auction, the Leeboy has a private offer, the Shopsmith and Tapmate will be disposed to the Thrift Store, and the concrete saw will be thrown away. New additions to the list include: 2006 GMC that was purchased at a dealership in 2017; 2008 Ford Vactor truck purchased in 2012 from Twain Harte CSD. Staff will remove the vactor unit and mount it on a trailer. The 2007 Chevy 350 service truck purchased in 2013 from Atlas Auto. The 1988 Leeboy motor grader is no longer used except to occasionally level out the gravel at the park. The District has an offer from Derrick Sandwick to purchase it for \$5,000.

Motion: Vice President Clark made the motion to approve the surplus of equipment. President Spiller seconded the motion.

Vote: The motion carried by the following roll call vote: 4 - Yes; 0 – No; 1 - Absent. President Spiller-Yes; Vice President Clark-Yes; Director Clark -Yes; Director Haas - Absent; Director Cardenas - Yes; Director Roper - Yes.

9. Discussion and Possible Action Regarding Approval of Professional Services Agreement for Financial Support Services

Discussion: The District has worked with Cindy Byerrum for four years. She was originally with Platinum Consulting which was later bought out by Eide-Bailly. This relationship has been very beneficial. Eide-Bailly provides financial oversight, monthly financials, trained staff and provides expert high-level guidance for the District. As we are building the FY24 budget, approval of certain agreements is an important part of the process. Eide-Bailly has proposed a modest increase to \$53,245. Billable hours have increased by 20-30%. Hours of service were reduced to minimize budget impact. Staff will pick up some duties. Staff is requesting \$55,000 to provide a buffer above estimate. If approved by the Board, the PSA will be executed.

Motion: President Spiller made a motion approve the PSA with Eide-Bailly for \$55,000 for financial support services for FY 20204. Director Roper seconded the motion.

Vote: The motion carried by the following roll call vote: 4 - Yes; 0 – No; 1 – Absent. President Spiller-Yes; Vice President Clark-Yes; Director Clark -Yes; Director Haas -Absent; Director Cardenas -Yes; Director Roper - Yes.

10. Discussion and Possible Action Regarding Approval of Change Order #4 for Maintenance Building Drawings

Discussion: The buildings are not yet signed off by County. The buildings have been delayed for 5 months due to the availability of fire control panel. County fire will not final building until they have approved plans for the tenant improvements. The change order for engineering to complete plans is \$15,000. The District will pay for the plan check fee when submitted. The county process will cause further delays in completion. County is outsourcing plan check services. Engineers who completed the original building will complete the engineering plans and submittals for the tenant improvements. The timeframe with new county plan check process is unknown since they are contracting out all plan checks. The District had an interesting experience with the building shell submittals. The cost of the change order #4 is \$15,000.

Motion: Director Roper made a motion to approve change order #4 for maintenance building tenant improvement engineering drawings. Director Cardenas seconded the motion.

Vote: The motion carried by the following roll call vote: 4 - Yes; 0 – No; 1 – Absent. President Spiller-Yes; Vice President Clark-Yes; Director Clark -Yes; Director Haas -Absent; Director Cardenas -Yes; Director Roper - Yes.

Other Business

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

President Spiller called for a brief recess at 8:00 pm to be followed by closed session.

Closed Session began at 8:12 pm

Closed Session

12. Conference with Legal Counsel – Anticipated Litigation

Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2)

One Potential Case

13. Report of Closed Session Items

Legal Counsel Kennedy reported that the Board met in Closed Session, there was no reportable action resulting from closed session items.

14. Adjournment

President Spiller adjourned the meeting at 8:43 pm

Submitted by:

Approved by:

Henry Spiller, President

Sandy Haas, Secretary

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



Helendale Community Services District

Date: April 20, 2023
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Sharon Kreinop, Senior Account Specialist
SUBJECT: Agenda item #4 b
Consent Items: Bills Paid and Presented for Approval

STAFF RECOMMENDATION:

Updated Report Only. Receive and File

STAFF REPORT:

Staff issued 43 checks and 18 EFT's totaling \$106,729.65.

Total Cash Available:	<u>04/17/2023</u>	<u>03/30/23</u>
Cash	\$6,151,770.64	\$6,061,817.65
Drafts /Checks/EFT's Issued	\$ 106,729.65	\$ 156,932.22

INVESTMENT REPORT:

The Investment Report shows the status of the invested District funds. The interest rate is 2.831% for LAIF and 4.9771% for CA Class for March 2023. Income earned March 2023 on CA Class account is \$8,254.26.



Helendale CSD

Bills Paid and Presented for Approval

Transaction Detail

Issued Date Range: 03/31/2023 - 04/17/2023

Cleared Date Range: -

Issued Date	Number	Description	Amount	Type	Module
Bank Account: 251229590 - CBB Checking					
04/10/2023	22430	Reverse Refund Check MARIA DELGADO	3.61	Check Reversal	Utility Billing
03/31/2023	26186	California State Disbursement Unit	-230.76	Check	Accounts Payable
03/31/2023	26187	State of California - Franchise Tax Board	-50.00	Check	Accounts Payable
04/05/2023	26192	SOLIDIFI TITLE & CLOSING CO	-457.68	Check	Utility Billing
04/05/2023	26193	HENDERSON FAM TR 4/25/06	-4.50	Check	Utility Billing
04/05/2023	26194	Eide Bailly LLP	-4,557.30	Check	Accounts Payable
04/05/2023	26195	Evans Hydro, Inc.	-5,500.00	Check	Accounts Payable
04/05/2023	26196	Sonic Systems, Inc	-1,727.70	Check	Accounts Payable
04/05/2023	26197	Rollings & McDonald Consultng	-10,312.50	Check	Accounts Payable
04/05/2023	26198	AVCOM Services Inc.	-1,060.00	Check	Accounts Payable
04/05/2023	26199	Cal Fire	-226.94	Check	Accounts Payable
04/05/2023	26200	Christine M. Meyer	-84.47	Check	Accounts Payable
04/05/2023	26201	County of San Bernardino	-60.00	Check	Accounts Payable
04/05/2023	26202	David S. Littlefield DBA	-1,275.00	Check	Accounts Payable
04/05/2023	26203	Desert Service Station Maintenance	-931.19	Check	Accounts Payable
04/05/2023	26204	K. C. Fabrication & Restoration	-365.00	Check	Accounts Payable
04/05/2023	26205	Mobile Occupational Services, Inc.	-45.00	Check	Accounts Payable
04/05/2023	26206	O'Reilly Auto Parts	-190.90	Check	Accounts Payable
04/05/2023	26207	Sierra Analytical Labs, Inc	-180.00	Check	Accounts Payable
04/05/2023	26208	Southwest Gas Company	-5.75	Check	Accounts Payable
04/05/2023	26209	The Woodall Group, Inc	-35.00	Check	Accounts Payable
04/14/2023	26210	California State Disbursement Unit	-230.76	Check	Accounts Payable
04/14/2023	26211	State of California - Franchise Tax Board	-50.00	Check	Accounts Payable
04/12/2023	26212	GERARDO ELIZARRARAZ	-158.81	Check	Utility Billing
04/12/2023	26213	SEAN DONNELLEY	-131.34	Check	Utility Billing
04/12/2023	26214	JOSEPH TODORA	-215.47	Check	Utility Billing
04/12/2023	26215	Inland Water Works Supply Co.	-1,750.32	Check	Accounts Payable
04/13/2023	26216	Amazon Capitol Services	-1,922.86	Check	Accounts Payable
04/13/2023	26217	Beck Oil Inc	-1,698.74	Check	Accounts Payable
04/13/2023	26218	Burrtec Waste Industries Inc	-544.81	Check	Accounts Payable
04/13/2023	26219	Cardmember Services	-799.01	Check	Accounts Payable
04/13/2023	26220	Choice Builder	-960.55	Check	Accounts Payable
04/13/2023	26221	Frontier Communications	-154.52	Check	Accounts Payable
04/13/2023	26222	Frontier Communications	-80.18	Check	Accounts Payable
04/13/2023	26223	Frontier Communications	-48.66	Check	Accounts Payable
04/13/2023	26224	Geo-Monitor, Inc.	-241.00	Check	Accounts Payable
04/13/2023	26225	Infosend, Inc	-1,963.66	Check	Accounts Payable
04/13/2023	26226	Lowe's Inc.	-603.54	Check	Accounts Payable
04/13/2023	26227	Online Information Services, Inc	-9.36	Check	Accounts Payable
04/13/2023	26228	Parkhouse Tire, Inc.	-567.30	Check	Accounts Payable
04/13/2023	26229	State of California Department of Justice	-49.00	Check	Accounts Payable
04/13/2023	26230	Tyler Technologies, Inc.	-3,554.70	Check	Accounts Payable
04/13/2023	26231	USA Blue Book	-230.87	Check	Accounts Payable
04/17/2023	26232	ASBCSD	-308.00	Check	Accounts Payable
04/03/2023	EFT0004530	SCE ACH Community Center 700218740906	-1,532.33	EFT	General Ledger
04/12/2023	EFT0004538	SW Gas Community Center ACH Acct.# 910000010177	-1,646.33	EFT	General Ledger

Bank Transaction Report

Issued Date	Number	Description	Amount	Type	Module
04/12/2023	EFT0004539	SW Gas Water Shop ACH Acct # 910001037540	-11.00	EFT	General Ledger
04/12/2023	EFT0004540	SW Gas ACH 4-Plex Acct # 910000817466	-240.77	EFT	General Ledger
04/12/2023	EFT0004541	SW Gas ACH WWTP Acct # 910000010195	-196.94	EFT	General Ledger
03/31/2023	EFT0004544	CalPERS 457 Pmt PPE 3/26/23	-4,964.73	EFT	General Ledger
04/07/2023	EFT0004545	To record CalPERS Health Premium	-17,494.06	EFT	General Ledger
04/06/2023	EFT0004546	SCE ACH WWTP & Wells 3,4 & 1 Acct 700547354472	-16,276.91	EFT	General Ledger
04/12/2023	EFT0004548	SCE ACH 4-Plex Acct 700392338368	-298.05	EFT	General Ledger
04/12/2023	EFT0004549	ACH Water Shop SCE Acct 700453074415	-20.44	EFT	General Ledger
04/10/2023	EFT0004552	CalPERS PEPRA Pmt PPE 3/12/23	-2,117.46	EFT	General Ledger
04/10/2023	EFT0004553	CalPERS Classic Pmt PPE 3/12/23	-7,946.90	EFT	General Ledger
04/12/2023	EFT0004559	To record Thrift Store 1st Quarter 2023 Reurn Pmt	-2,156.00	EFT	General Ledger
04/12/2023	EFT0004560	CalPERS 457 Pmt PPE 4/9/23	-5,086.49	EFT	General Ledger
04/03/2023	EFT0004561	To record EVO Thrift Store CC Fees 23099	-537.37	EFT	General Ledger
04/04/2023	EFT0004563	To record Paymentech Fees Acct Ending 6621	-2,131.16	EFT	General Ledger
04/04/2023	EFT0004564	To record Paymentech CC Fees Acct Ending 9479	-482.17	EFT	General Ledger
04/05/2023	EFT0004565	To record American Express CC Fees Acct 7882 -	-21.00	EFT	General Ledger
			Bank Account 251229590 Total: (62)		-106,729.65
			Report Total: (62)		-106,729.65

Summary

Bank Account
[251229590 CBB Checking](#)

Count	Amount
62	-106,729.65
Report Total: 62	-106,729.65

Cash Account
[99 99-111000 Cash in CBB - Checking](#)

Count	Amount
62	-106,729.65
Report Total: 62	-106,729.65

Transaction Type	Count	Amount
Check	43	-43,573.15
Check Reversal	1	3.61
EFT	18	-63,160.11
Report Total:	62	-106,729.65

Master Card February 17 - March 16, 2023

Acct #	Description	Charges	Charges	Charges	Charges	Charges	Charges	Total
01-524500	CEU Training Course - C. Carlson /HDMWA Class	125.00	180.00					305.00
01-541000	Re-key Water Shop Doors	350.00						350.00
01-553000	Costco -Water Operating Supplies	23.78						23.78
01-556500	HDMWA Membership	100.00						100.00
02-541000	Re-key WW shop Door	50.00						50.00
02-553000	Costco -WW Operating Supplies	23.78						23.78
03-545000	Forklift Maint	45.14						45.14
03-553000	Costco -Thrift Store Supplies	23.78						23.78
03-556800	Thrift Store Employee Incentive Gift Cards	360.00						360.00
05-545000	Gator Starter	117.92						117.92
05-553000	Costco - Park Operating Supplies / Sprayer	23.77	30.12					53.89
05-5530000-3	Door Sweeps Unit C	46.56						46.56
05-553400	Memorial Bench Plaque	106.60						106.60
05-550002	Basketballs/ End f Season Pizza Party	51.76	400.00					451.76
10-522505	Brkfst & Lunch Meetings KC, H. Spiller, & R. Clark	28.24	44.76					73.00
10-522510	HDMI Cords / Board Member Business Cards / Snacks	49.54	261.78	215.28	65.00			591.60
10-526650	Lunch Meeting @ Silver Lakes Inn KC & Mike Plozink	30.70						30.70
10-553000	Costco -Admin Operating Supplies	23.78	37.69					61.47
10-556500	San Bernardino Sun Monthly Subscriptions (Auto-pay) / Press Digital Monthly Subscription (Auto Pay)	18.00	9.99					27.99
Total								2,842.97
Due 4/15//23		Staff Key:	KC	CC	CV			

Total Due



Helendale Community Services District

Date: April 20, 2023
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Eide-Bailley Financial Consultants
SUBJECT: Agenda item #4c
February Financials



Helendale CSD
Statement of Revenues and Expenses - Water
As of February 28, 2023
(Unaudited)
Preliminary Results - Subject to Change

	Feb 2023	YTD Actual	Budget	67% of Budget	PYTD
1 Operating Revenues					
2 Meter Charges	\$ 134,236	\$ 1,072,494	\$ 1,595,102	67%	\$ 1,072,609
3 Water Sales	45,076	633,211	938,058	68%	657,578
4 Standby Charges	403	18,920	30,378	62%	29,624
5 Other Operating Revenue	5,500	71,943	106,320	68%	87,638
6 Total Operating Revenues	185,215	1,796,569	2,669,858	67%	1,847,450
7 Non-Operating Revenues					
8 Grant Revenue	-	-	405,000	0%	-
9 Miscellaneous Income (Expense)	-	-	-	0%	91,387
10 Total Non-Operating Revenues	-	-	405,000		91,387
11 Total Revenues	185,215	1,796,569	3,074,858	58%	1,938,838
12 Expenses					
13 Salaries & Benefits					
14 Salaries	25,676	255,446	355,140	72%	253,542
15 Benefits	9,943	89,099	131,982	68%	89,605
16 Total Salaries & Benefits	35,619	344,545	487,122	71%	343,147
17 Transmission & Distribution					
18 Contractual Services	283	40,288	73,252	55%	55,481
19 Power	9,224	131,260	207,247	63%	120,984
20 Operations & Maintenance	5,865	160,936	145,500	111%	103,061
21 Rent/Lease Expense	800	8,290	11,490	72%	8,290
22 Permits & Fees	1,277	29,925	29,900	100%	24,107
23 Total T&D	17,448	370,699	467,389	79%	311,922
24 General & Administrative					
25 Utilities	386	2,591	5,500	47%	2,681
26 Office & Other Expenses	51	1,628	5,750	28%	3,122
27 Admin Allocation	53,835	430,684	646,025	67%	384,531
28 Total G&A	54,273	434,902	657,275	66%	390,334
29 Debt Service	-	507,602	531,311	96%	507,602
30 Total Expenses	107,340	1,657,748	2,143,098	77%	1,553,005
31 Net Income (Loss) Before Capital	77,875	138,821	931,760	15%	385,833
32 Sale or Lease of Water Rights	-	10,199	-	N/A	31,954
33 Capital Expenses	(69,000)	(465,366)	(745,000)	62%	(1,372,518)
34 Net Income (Loss) After Capital	\$ 8,875	\$ (316,347)	\$ 186,760		\$ (954,731)

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Helendale CSD
Financial Statement Analysis
Preliminary – No Year End Audit Adjustments
For the Month Ended February 28, 2023 – 67% of Fiscal Year

Fund 01-Water Revenues and Expenses

Line 2 Meter Charges: Includes fixed monthly charge for water service. Year-to-date (YTD) meter charges are in line with budget.

Line 3 Water Sales: Includes water consumption charges. YTD water sales are in line with budget.

Line 4 Standby Charges: Includes special assessment standby charges for the current & prior years and delinquent standby penalties. Most of these revenues are received in November, December, and April. YTD is **trending under** budget at 62% due to timing of when collection revenues and fees are received in the fiscal year.

Line 5 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 in line with budget.

Line 8 Grant Revenue: Budget for this account consists of \$405,000 for grant reimbursement from the Bureau of Reclamation Small Scale, MWA Strategic Partners, and the DWR. There is no activity YTD.

Line 9 Miscellaneous Income (Expense): Includes gain or loss on sale of assets, the Enel X Demand Response Program and other miscellaneous income. There is no activity YTD.

Line 14 Salaries: Includes salaries for water employees and a portion of the mechanic's salary. YTD is **trending over** budget at 72% due to increased overtime.

Line 15 Benefits: Includes health insurance, CalPERS retirement, worker's compensation insurance, payroll taxes, and employee education and trainings. YTD benefits are in line with budget.

Line 18 Contractual Services: Includes lab testing, engineering, geographic information system (GIS) support & other contract services. YTD is **trending under** budget due to timing and need for specific contractual services.

Line 19 Power: Includes electricity usage for transmission & distribution. YTD power usage is **trending under** budget at 63% due to less usage.

Line 20 Operations & Maintenance: Includes operations & maintenance expenses, uniforms, vehicle maintenance and vehicle fuel. YTD can trend over/under budget due to need and the timing of services. YTD is **trending over** budget due to \$40K costs for Well 1A repairs, \$19K costs for emergency repair of pumping equipment, \$6K liquid chlorine purchases, increased vehicle maintenance expenses and operating supplies purchases.

Line 21 Rent/Lease Expense: Includes rental costs for the water shop and Bureau of Land Management (BLM) tank sites. YTD is **trending over** budget at 72% due to the timing of Right of Way Rental of BLM tank sites.

Line 22 Permits & Fees: Includes all water permits, miscellaneous fees, and Watermaster fees. YTD can trend over/under budget due to the timing of permits and fee payments. YTD is **trending over** budget due to SWRCB fees being higher than expected and timing of quarterly payments for Watermaster fees.

Line 25 Utilities (G&A): Includes gas and telephone expenses. YTD is **trending under** budget at 47% due to less gas usage and lower telephone expenses.

Line 26 Office & Other Expenses: Includes mileage/travel reimbursements, office supplies, water conservation program and dues/subscriptions. These expenses are on an as-needed basis and can trend over/under budget. YTD is **trending under** budget at 28%.

Line 27 Admin Allocation: This is the monthly distribution of the budgeted Administration Fund (Fund 10) expenses to the enterprise funds. YTD is in line with budget.

Line 29 Debt Service: Includes interest & principal payments on outstanding debt. YTD can trend over/under budget due to the timing of payments. Payments occur on a quarterly basis in July, October, January, and April. YTD is **trending over** budget at 96% due to timing of payments; expected to remain as such until the end of FY.

Line 33 Capital Expenses: YTD balance in capital expenses includes the following:

- \$245K – New Well Pipeline
- \$134K – Water Rights
- \$66.4K – Service Truck
- \$64.5K – Water Rights
- \$11.7K – Electrical Well 13
- \$7.1K – Interior of New Water Building
- \$1.5K – Concrete, fencing, camera, internet Well 13



Helendale CSD
Statement of Revenues and Expenses - Sewer
As of February 28, 2023
(Unaudited)

Preliminary Results - Subject to Change

	Feb 2023	YTD Actual	Budget	67% of Budget	PYTD
1 Operating Revenues					
2 Sewer Charges	\$ 151,780	\$ 1,095,684	\$ 1,717,148	64%	\$ 871,796
3 Standby Charges	403	16,445	24,867	66%	25,248
4 Other Fees & Charges	1,857	24,886	31,320	79%	26,171
5 Other Income/(Expense)	-	-	1,000	0%	23,474
6 Total Revenues	154,041	1,137,016	1,774,335	64%	946,690
7 Expenses					
8 Salaries & Benefits					
9 Salaries	22,018	199,438	284,971	70%	188,309
10 Benefits	8,864	76,758	101,335	76%	74,421
11 Total Salaries & Benefits	30,883	276,196	386,306	71%	262,730
12 Sewer Operations					
13 Contractual Services	8,995	52,434	78,000	67%	52,497
14 Power	8,067	76,617	89,613	85%	62,094
15 Operations & Maintenance	5,494	34,726	63,213	55%	56,823
16 Permits & Fees	874	32,086	37,500	86%	31,268
17 Total Sewer Operations	23,430	195,863	268,326	73%	202,680
18 General & Administrative					
19 Utilities	317	2,794	4,407	63%	2,564
20 Office & Other Expenses	6,123	11,442	11,760	97%	4,936
21 Admin Allocation	52,759	422,070	633,105	67%	376,841
22 Total G&A	59,199	436,306	649,272	67%	384,340
23 Debt Service	-	51,061	102,123	50%	51,061
24 Total Expenses	113,512	959,427	1,406,027	68%	900,812
25 Net Income (Loss) Before Capital	40,528	177,589	368,308	48%	45,878
26 Capital Expenses	(25,545)	(64,022)	(935,000)	7%	(575,726)
27 Net Income (Loss) After Capital	\$ 14,983	\$ 113,567	\$ (566,692)		\$ (529,848)

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Fund 02 - Sewer Revenues and Expenses

Line 2 Sewer Charges: Includes the monthly charge for sewer services. YTD is trending in line with budget.

Line 3 Standby Charges: Includes special assessment standby charges for the current & prior years and delinquent standby penalties. YTD is trending in line with budget.

Line 4 Other Fees & Charges: Includes permit & inspection charges, connection fees, other fees, and charges. YTD is **trending over** budget at 79% due to higher connection & delinquent fees than anticipated.

Line 5 Other Income/(Expense): Includes gain or loss on sale of assets and other miscellaneous income. There is no activity YTD.

Line 9 Salaries: Includes salaries for all sewer employees. YTD is trending in line with budget.

Line 10 Benefits: Includes employee insurance, PERS retirement, workers compensation, payroll taxes, and education & training. YTD is **trending over** budget at 76% due to employee group insurance premiums and payroll taxes being higher than anticipated.

Line 13 Contractual Services: Includes lab testing, engineering, GIS support & other contractual services. YTD is trending in line with budget.

Line 14 Power: Includes electricity used for Sewer. YTD is **trending over** budget at 85% due to higher monthly utility costs than anticipated.

Line 15 Operations & Maintenance: Includes compost disposal, vehicle maintenance, vehicle fuel, uniforms, small tools, and salaries for mechanics. YTD can trend over/under budget due to need and the timing of services. YTD is **trending under** budget at 55%.

Line 16 Permits and Fees: Includes all annual permits and fees paid to the state. YTD can trend over/under budget due to the timing of permits and fee payments. YTD is **trending over** budget at 86% due to timing of SWRCB fees.

Line 19 Utilities (G&A): Includes gas, water, and telephone expenses. YTD is **trending under** budget at 63% due to decreased gas usage.

Line 20 Office & Other Expenses: Includes mileage/travel reimbursements, office supplies, water conservation program, and dues & subscriptions. These expenses are on an as-needed basis and can trend over/under budget. YTD is **trending over** budget at 97% due to cement mixer purchase of \$5.2K in February.

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: Includes interest & principal payments on outstanding debt. YTD can trend over/under budget due to the timing of payments. Payments occur bi-annually in December and June.

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

- \$23.9K – Sludge Compressors
- \$12.6K – Sewer Equipment
- \$12.1K – VFD for T-Filter Feed Pumps
- \$9.8K – Wastewater T-Filter Feed Pump By-Pass
- \$5.5K - Interior Completion of Maintenance Building



Helendale CSD
Statement of Revenues and Expenses - Recycling Center
As of February 28, 2023
(Unaudited)
Preliminary Results - Subject to Change

	Feb 2023	YTD Actual	Budget	67% of Budget	PYTD
1 Operating Revenues					
2 Retail Sales	\$ 24,557	\$ 219,722	\$ 325,000	68%	\$ 215,517
3 Donations	-	-	-	0%	-
4 Board Discretionary Revenue	-	-	(67,000)	0%	-
5 Miscellaneous Income (Expense)	-	-	-	0%	7,623
6 Total Revenues	24,557	219,722	258,000	85%	223,140
7 Expenses					
8 Salaries & Benefits					
9 Salaries	12,755	109,041	180,226	61%	93,248
10 Benefits	4,027	15,202	20,897	73%	13,097
11 Total Salaries & Benefits	16,782	124,243	201,123	62%	106,345
12 Recycling Center Operations					
13 Contractual Services	-	-	4,500	0%	-
14 Operations & Maintenance	2,193	12,988	11,000	118%	8,715
15 Total Recycling Center Operations	2,193	12,988	15,500	84%	8,715
16 General & Administrative					
17 Utilities	536	6,638	33,622	20%	5,127
18 Office & Other Expenses	477	3,685	5,500	67%	3,141
19 Total G&A	1,013	10,323	39,122	26%	8,268
20 Total Expenses	19,988	147,553	255,745	58%	123,328
21 Net Income (Loss) Before Capital	4,569	72,169	2,256		99,812
22 Capital Expenses	-	-	-	-	-
23 Net Income (Loss) After Capital	\$ 4,569	\$ 72,169	\$ 2,256		\$ 99,812

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03-Recycling Center Revenues and Expenses

Line 2 Retail Sales: Includes sales revenues from the Thrift Store. YTD is trending in line with budget.

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 5 Miscellaneous Income/(Expense): Includes gain or loss on sale of assets and other miscellaneous income. No activity YTD.

Line 9 Salaries: Salaries for all part-time recycling center employees and full-time supervisor. YTD is **trending under** budget at 61% due to lower than anticipated supervisor costs.

Line 10 Benefits: Includes employee insurance, workers compensation, payroll taxes, and education & training. YTD is **trending over** budget at 73% due to lower than anticipated training expenses.

Line 13 Contractual Services: Includes software support and other contract services. Services are on an as-needed basis. YTD will trend under or over budget due to the timing of services needed.

Line 14 Operations & Maintenance: Includes vehicle maintenance, vehicle fuel, operating supplies and uniforms. YTD can trend over/under budget due to need and the timing of services. YTD is **trending over** budget due to \$1.3K in asphalt repairs in September and a \$2.9K purchase of poly box trucks.

Line 17 Utilities (G&A): Includes electric and telephone expenses. YTD is **trending under** budget at 20% due to HVAC system installation budgeted for \$25K which has not yet occurred.

Line 18 Office & Other Expenses: Includes advertising, bank charges and other miscellaneous expenses. YTD is trending in line with budget.

Line 21 Net Income: Net income in the Recycling Center is moved to Parks & Recreation Fund (Fund 5) at year-end during the audit through Board Discretionary Revenue.



Helendale CSD
Statement of Revenues and Expenses - Property Rental
As of February 28, 2023
(Unaudited)
Preliminary Results - Subject to Change

	Feb 2023	YTD Actual	Budget	67% of Budget	PYTD
1 Operating Revenues					
2 Property Rental Revenues	\$ 9,990	\$ 78,720	\$ 125,480	63%	\$ 84,659
3 Other Income	-	300	-	N/A	-
4 Board Discretionary Revenue	-	-	-	0%	-
5 Total Revenues	9,990	79,020	125,480	63%	84,659
6 Expenses					
7 Contractual Services	-	-	5,000	0%	-
8 Utilities	1,390	10,545	14,815	71%	7,119
9 Operations & Maintenance	403	5,267	12,367	43%	5,282
10 Debt Service	-	26,544	53,088	50%	26,544
11 Total Expenses	1,793	42,356	85,270	50%	38,945
12 Net Income (Loss)	\$ 8,197	\$ 36,664	\$ 40,210	91%	\$ 45,714

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04-Property Rental Revenues and Expenses

Line 2 Property Rental Revenues: Includes revenue for 15302 Smithson and 15425 Wild Road properties. YTD is **trending under** at 63% budget due to less tenant rental revenue collected in the beginning of the FY compared to PY.

Line 3 Other Income: Includes penalties and other miscellaneous Income; due to the unexpected nature of these revenues these accounts are not budgeted for.

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) at year-end during the audit.

Line 7 Contractual Services: Includes contractor and handyman expenses for installation of appliances, drywall repair, roofing, or plumbing repairs. No activity YTD.

Line 8 Utilities: Includes electric & gas expense for the rental properties. YTD is **trending over** budget at 71% due to higher utility usage compared to PY.

Line 9 Operations & Maintenance: Includes maintenance and other costs relating to the rental properties. YTD can trend over/under budget due to need and the timing of services. YTD is **trending under** budget at 43% due to a refund for maintenance supplies.

Line 10 Debt Service: Includes interest and principal payments on outstanding debt. YTD can trend over/under budget due to the timing of payments. Payments occur bi-annually in December and June. YTD is **trending under** budget at 50% .

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 February 28, 2023
(Unaudited)
Preliminary Results - Subject to Change

	Feb 2023	YTD Actual	Budget	67% of Budget	PYTD
1 Operating Revenues					
2 Program Fees	\$ 2,714	\$ 42,623	\$ 30,400	140%	\$ 38,312
3 Property Taxes	1,689	12,789	23,533	54%	14,903
4 Donations & Sponsorships	1,600	4,235	5,500	77%	5,600
5 Rental Income	2,162	19,348	24,075	80%	19,456
6 Developer Impact Fees	-	5,160	6,880	75%	6,880
7 Grants	-	-	-	0%	-
8 Interfund Transfer In/(Out)	(3,508)	(28,067)	(42,100)	67%	(28,067)
9 Board Discretionary Revenue	21,443	261,165	441,507	59%	246,166
10 Miscellaneous Income (Expense)	-	895	-	N/A	3,064
11 Total Revenues	26,099	318,148	489,795	65%	306,315
12 Expenses					
13 Salaries & Benefits					
14 Salaries	8,054	63,140	83,701	75%	54,622
15 Benefits	3,889	29,658	47,683	62%	26,066
16 Total Salaries & Benefits	11,942	92,798	131,384	71%	80,688
17 Program Expense	5,652	55,339	70,475	79%	48,308
18 Contractual Services	5,026	11,416	21,760	52%	35,008
19 Utilities	4,395	48,005	63,956	75%	35,078
20 Operations & Maintenance	5,836	20,863	24,362	86%	19,932
21 Permits & Fees	1,082	1,680	983	171%	1,317
22 Grant Expense	-	-	-	0%	-
23 Other Expenses	43	905	1,555	58%	711
24 Total Expenses	33,977	231,006	314,475	73%	221,042
25 Net Income (Loss) Before Capital	(7,878)	87,142	175,319		85,274
26 Capital Expenses	-	(5,500)	(208,000)	3%	(281,582)
27 Net Income (Loss) After Capital	\$ (7,878)	\$ 81,642	\$ (32,681)		\$ (196,308)

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05-Parks & Recreation Revenues and Expenses

Line 2 Program Fees: Includes recreation program fees, basketball league fees, youth soccer league fees and Farmer's Market revenue. YTD is **trending over** budget due to more recreation program fees and higher than anticipated Farmer's Market revenues not accounted for in the budget.

Line 3 Property Taxes: Includes the transfer of property taxes for streetlight utility expenses YTD is **trending under** budget at 54% due to lower than anticipated street light utility costs.

Line 4 Donations & Sponsorships: Includes concert in the park sponsorships, event sponsorships and other donations/sponsorships. YTD is **trending over** budget at 77% due to donations received at February concert.

Line 5 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 of rentals. YTD is **trending over** budget at 80% due to the timing of the annual payment for District field use and higher community requests for usage.

Line 6 Developer Impact Fees: Includes park development impact fees charged to new developments. YTD is **trending over budget** at 75% due to increased development activity and conservative budgeting.

Line 8 Interfund Transfer Out/(In): This line shows the year end transfer of cash balance from the Recycling Center (Fund 03) and Property Rental (Fund 04) to the Parks & Recreation Fund (Fund 05), as well as the monthly repayment of the interfund loan from Sewer to Parks.

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

- Radio Tower Site Rent – \$13,689
- Property Tax - \$1,613
- Solid Waste Franchise Fees - \$7,829
- Transfer Property Tax Revenue for Street Light Utilities – \$(1,689)

Line 10 Miscellaneous Income/(Expense): Includes gain or loss on sale of assets and other miscellaneous income.

Line 14 Salaries: Includes full and part-time Parks and Recreation employees. YTD is **trending over** budget at 75% due to increased salary expenditures compared to PY.

Line 15 Benefits: Includes health insurance, CalPERS retirement, worker's compensation insurance, payroll taxes, and employee education & trainings. YTD is **trending under** budget at 62% due to lower group insurance expense than anticipated.

Line 17 Program Expense: Includes supplies and expenses for the youth soccer league, park, community center, Farmer's Market and other programs. YTD is **trending over** budget at 79% due to more program activities than anticipated.

Line 18 Contractual Services: Includes software support and other contract services. These expenses are on an as-needed basis and can trend over/under budget.

Line 19 Utilities: Includes gas and electric for parks and the community center, along with telephone & electricity for street lighting. YTD is **trending over** budget at 75% due to higher electric consumption during the first half of the year and more program activities than anticipated.

Line 20 Operations & Maintenance: Includes vehicle maintenance, small tools, vehicle fuel and building repair for the park and community center. YTD can trend over/under budget due to need and the timing of services. YTD is **trending over** budget at 86% due to the timing of annual insurance payment, \$1.1K water heater replacement in December and increased vehicle repairs in November and December.

Line 21 Permits & Fees: Includes permit and inspection fees, along with San Bernardino County fees. YTD can trend over/under budget due to the timing of permits and fee payments.

Line 23 Other Expenses: Includes uniforms, printing costs, dues & subscriptions, and bank charges. YTD is **trending under budget** at 58% due to the timing of dues payments and need to account services.

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

- \$5.5K – Turf Renovator Purchase



Helendale CSD
Statement of Revenues and Expenses - Solid Waste Disposal
As of February 28, 2023
(Unaudited)
Preliminary Results - Subject to Change

	Feb 2023	YTD Actual	Budget	67% of Budget	PYTD
1 Operating Revenues					
2 Charges for Services	\$ 50,937	\$ 402,428	\$ 599,922	67%	\$ 383,562
3 Assessments & Fees	3,023	137,819	237,720	58%	136,175
4 Other Charges	1,718	16,252	24,559	66%	17,558
5 Board Discretionary Revenue	-	-	-	0%	-
6 Miscellaneous Income (Expense)	-	-	-	0%	4,768
7 Total Revenues	55,678	556,498	862,201	65%	542,064
8 Expenses					
9 Salaries & Benefits					
10 Salaries	6,562	58,343	66,350	88%	63,818
11 Benefits	3,584	30,004	42,917	70%	28,641
12 Total Salaries & Benefits	10,146	88,346	109,267	81%	92,459
13 Contractual Services	-	347,921	585,367	59%	286,751
14 Disposal Fees	13,368	100,119	165,768	60%	136,412
15 Operations & Maintenance	205	2,851	7,112	40%	4,441
16 Other Operating Expenses	262	1,649	4,694	35%	10,577
17 Admin Allocation	1,077	8,614	12,921	67%	7,691
18 Total Expenses	25,058	549,501	885,128	62%	538,331
19 Net Income (Loss)	\$ 30,620	\$ 6,997	\$ (22,927)		\$ 3,733

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06-Solid Waste Disposal Revenues and Expenses

Line 2 Charges for Services – Solid Waste: Includes regular pick up of solid waste. YTD is trending in line with budget.

Line 3 Assessment & Fees: Includes special assessments for refuse land use fees for current & prior years. YTD can trend over/under budget due to the timing of receipts which are usually received in April and December. YTD is **trending under** budget 58%.

Line 4 Other Charges: Includes delinquent fees and penalties on delinquent taxes. YTD is trending in line with budget.

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 FY. No activity YTD.

Line 6 Miscellaneous Income/(Expense): Includes gain or loss on sale of assets and other miscellaneous income. No activity YTD.

Line 10 Salaries: Includes salaries for solid waste employees. YTD is **trending over** budget at 88% due to less salaries allocated from the Solid Waste Fund (Fund 06) to the Recycling Center Fund (Fund 03) than projected in the budget.

Line 11 Benefits: Includes employee insurance, CalPERS retirement, workers compensation, payroll taxes, and education & training. YTD is **trending over budget** at 70% due to vision and dental expenses not budgeted for.

Line 13 Contractual Services: Includes Burrtec fees and other miscellaneous contract services. YTD can trend over/under budget due to need and the timing of services and fees. YTD is **trending under** budget at 59%.

Line 14 Disposal Fees: Includes San Bernardino County disposal fees and green waste disposal fees. YTD can trend over/under budget due to need and the timing of fees. YTD is **trending under** budget at 60%.

Line 15 Operations & Maintenance: Includes vehicle maintenance, vehicle fuel, operating supplies, and uniforms. YTD can trend over/under budget due to need and the timing of services. YTD is **trending under** budget at 40%.

Line 16 Other Operating Expenses: Includes rent for park storage, telephone, postage, event expenses, public outreach, printing, small tools and bad debt expenses. YTD is **trending under** budget at 30% due to need and the timing of services.

Line 17 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 February 28, 2023
(Unaudited)

Preliminary Results - Subject to Change

	Feb 2023	YTD Actual	Budget	67% of Budget	PYTD
1 Operating Revenues					
2 Tower Rent	\$ 13,689	\$ 129,490	\$ 173,536	75%	\$ 123,795
3 Property Taxes	1,613	80,591	107,141	75%	75,497
4 Solid Waste Billing & Fees	14,131	113,755	170,258	67%	108,524
5 Fees & Charges	2,551	19,323	22,300	87%	17,641
6 Investments	69	48,372	7,140	677%	5,183
7 Other Income	29	29	(2,800)	-1%	16,476
8 Board Discretionary Revenue	(23,131)	(273,954)	(372,373)	74%	(261,069)
9 Total Revenues	8,951	117,605	105,200	112%	86,047
10 Expenses					
11 Salaries & Benefits					
12 Salaries	45,814	401,284	571,473	70%	382,129
13 Benefits	16,326	189,561	264,708	72%	188,641
14 Directors' Fees	3,320	44,079	100,000	44%	49,158
15 Total Salaries & Benefits	65,460	634,923	936,180	68%	622,919
16 Contractual Services	25,421	188,507	236,777	80%	170,018
17 Insurance	-	67,824	99,476	68%	63,358
18 Utilities	748	13,395	18,887	71%	11,653
19 Operations & Maintenance	-	1,584	4,459	36%	1,139
20 Permits & Fees	1,067	13,776	19,020	72%	15,153
21 Office & Other Expenses	4,857	57,652	67,452	85%	47,471
22 Election Expense	-	-	15,000	0%	-
23 Admin Allocation	(107,671)	(861,367)	(1,292,051)	67%	(769,063)
24 Total Expenses	(10,119)	116,295	105,200	111%	162,648
25 Net Income (Loss) Before Capital	19,070	1,311	-		(76,601)
26 Capital Expenses	(10,892)	(10,892)	-	0%	-
27 Net Income (Loss) After Capital	\$ 8,177	\$ (9,582)	\$ -		\$ (76,601)

*No assurance provided on these financial statements. These financial statements do not include a statement of cash flows. Substantially all disclosures required by accounting principles generally accepted in the United States not included.

10-Administrative Revenues and Expenses

Line 2 Tower Rent: Includes radio tower site rental fees. YTD is **trending over** budget at 75% due to timing of tower rent payments.

Line 3 Property Taxes: Includes current & prior property tax and penalties. YTD can trend over/under budget due to the timing of property tax collections, with a majority being received in December and April. YTD is **trending over** budget at 75%.

Line 4 Solid Waste Billing & Fees: Includes franchise fees and billing for solid waste. YTD is trending in line with budget.

Line 5 Fees & Charges: Includes credit card processing fees and other miscellaneous fees. YTD is **trending over** budget at 87% due to the large volume of credit card processing fees.

Line 6 Investments: Includes investment income and unrealized gain or loss on investments. YTD is **trending over** budget due to investment in California Cooperative Liquid Assets Security System (CA CLASS) account yielding higher interest returns.

Line 7 Other Income: Other Income includes recycling revenues and other miscellaneous income. YTD is **trending under** budget at due to O'Reilly settlement.

Line 8 Board Discretionary Income: Includes the transfer of the following for Parks and Recreation Fund (Fund 05):

- Radio Tower Site Rent – \$13,689
- Property Tax - \$1613
- Solid Waste Franchise Fees – \$7,829
- Transfer Property Tax Revenue for Street Light Utilities - \$(1,689)

Line 12 Salaries: Includes full time, part time & overtime for administrative employees. YTD is trending in line with budget.

Line 13 Benefits: Includes employee insurance, CalPERS retirement, workers compensation, payroll taxes, employee benefit & morale and education & training. YTD is **trending over** budget at 72% due to the July payment of the annual CalPERS unfunded actuarial liability and Medicare/FICA payroll taxes being higher than anticipated.

Line 14 Directors' Fees: Includes directors fees as well as directors training, seminars, and mileage expense. YTD is **trending under** budget at 44%.

Line 16 Contractual Services: Includes software support, legal services, and auditing & accounting services. YTD is **trending over** budget at 80% due to the \$12.5K purchase of ClearGov Budgeting Software in February and costs of auditing/accounting services.

Line 17 Insurance: Includes both general liability and vehicle insurance expenses. YTD is trending in line with budget.

Line 18 Utilities: Includes telephone and electricity expenses. YTD is **trending over** budget at 67% due to higher expenses on a month-to-month basis than anticipated.

Line 19 Operations & Maintenance: Includes vehicle maintenance, vehicle fuel, mileage & travel reimbursement, uniforms and equipment maintenance. YTD can trend over/under budget due to need and the timing of services.

Line 20 Permits & Fees: Includes the annual LAFCO fees, the GFOA application fee for the budget award, and San Bernardino County fees. YTD is **trending over** budget at 72% due to the timing of annual LAFCO fees payment.

Line 21 Office & Other Expense: Includes board meeting supplies, public relations, community promotion, bank charges, office supplies, postage and dues & subscription. YTD is **trending over** budget at 85% due to increased bank charges, processing fees and dues & subscriptions.

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: April 20, 2023
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #6
Discussion and Possible Action Regarding Approval of Directors' Expense Reports

STAFF RECOMMENDATION

None.

STAFF REPORT

This matter is at the discretion of the Board. Included herein for the Board's consideration are expense reports submitted since the last Board meeting.

FISCAL IMPACT: NA

POSSIBLE MOTION: At the discretion of the Board.

ATTACHMENTS: Expense Reports

HELENDALE COMMUNITY SERVICES DISTRICT BOARD MEMBER EXPENSE VOUCHER

Name

Sandy Haas

Pay Period Ending

4/9/23

Date	Event	Expense Description/Explanation	Miles	Meals	Lodging	Other Expense	Reimburse Y/N	Phone Call Y/N	Expense Category
3/31		<i>Meeting w/ church</i>		\$	\$		<i>Y</i>	<i>Y</i>	<i>B</i>
4/7		<i>Meeting w/ GM</i>		\$	\$		<i>Y</i>	<i>N</i>	<i>B</i>
4/3		<i>update on new building & well</i>							
4/5		<i>Meeting w/ GM</i>		\$	\$		<i>Y</i>	<i>N</i>	<i>B</i>
4/4		<i>agenda & other dist. business</i>							
4/6		<i>Reg Meeting</i>		\$	\$		<i>Y</i>	<i>Y</i>	<i>A</i>
		<i>Zoom</i>							
				\$	\$				
			Total Miles	Total Meals	Total Lodging	Total Other Expense	Total Compensable Meetings		
							<i>600</i>		

Sandy Haas

Signature

4-10-23

Date

Expense Categories

- A: Public Meeting governed by Brown Act
- B: Public Event *
- C: Representation at Public Meeting/Event *
- D: Representation at 501C3 Board *
- E: Conference/seminar/Training Program related to District *
- F: Ad Hoc committee of the Board
- G: Meeting w/GM or Designee regarding District Operations
- H: Meeting w/auditors, attorney or consultant retained by District
- I: Meeting of Local, State or Federal body w/jurisdiction affecting HCSD
- J: Meeting w/organization with interests in matters involving functions or operations of the District
- K: Meeting pre-approved by the Board of Directors

* Written or verbal report required to be presented at the next Board meeting



Helendale Community Services District

Date: April 20, 2023
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #7
Discussion and Possible Action Regarding Adoption of Resolution 2023-10: A Resolution of the Board of Directors of the Helendale Community Services District Establishing Policies for its Compensation, Reimbursement, and Ethics Training

STAFF RECOMMENDATION:

None

STAFF REPORT:

Based upon direction provided to Staff at the last board meeting held, April 4, 2023, attached are suggested revisions to the resolution that establishes policies for Board compensation and reimbursement.

This resolution along with another resolution and two ordinances are documents that outline how the Board conducts the public's business. As such, the Board has significant discretion in how it structures these policies and how it elects to provide compensation within the statutory limits for Board service.

The District's General Counsel has drafted the language presented to the Board for consideration that will provide the basis for discussion as to whether this adequately addresses the desired direction of the Board based upon Staff's interpretation of the prior discussion.

FISCAL IMPACT: NA

Possible Motion: Adopt Resolution 2023-10

ATTACHMENTS: Resolution 2023-10: Policies for compensation, reimbursement and ethics training



RESOLUTION NO. 2023-1008

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
HELENDALE COMMUNITY SERVICES DISTRICT ESTABLISHING POLICIES FOR ITS
COMPENSATION, REIMBURSEMENT, AND ETHICS TRAINING**

WHEREAS, the Board of Directors of the Helendale Community Services District finds as follows:

A. The Helendale Community Services District (the District) is a community services district organized and operating pursuant to California Government Code Section 61000 et seq.

B. The District is governed by an elected Board of Directors (the Board) whose activities are subject to the requirements of California law, including but not limited to the Local Government Sunshine Bill (AB 1234).

C. The purpose of this resolution is to ensure compliance with AB 1234 and to establish policies with respect to (1) Board member compensation, (2) Board member reimbursement, and (3) Board member ethics training.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS of the Helendale Community Services District as follows:

Section 1. **COMPENSATION.**

1.1. **Amount.** The amount of Board member compensation by the District shall be determined in accordance with all applicable requirements of California law. Pursuant to said requirements, the Board shall set the amount of such compensation at a rate established by adoption of a separate ordinance or resolution.

1.2. **Day of Service.**

1.2.1. **Definition.** For purposes of determining eligibility for compensation of Board members pursuant to the ordinance or resolution referred to in Section 1.1 above, the term "day of service" is defined as follows, and Board member attendance, representation, and participation shall be deemed previously approved by the Board, pursuant to Government Code Section 61047(e):

- (a) Attendance at a meeting of the Board;

- (b) Participation at a meeting of a standing committee of the Board;
- (c) Attendance at a meeting of an ad hoc committee of the Board;
- (d) Attendance at a meeting with the District's General Manager / the General Manager's Delegate involving the operations of the District;
- (e) Attendance at a meeting with the District's auditors, attorneys, or other consultants involving matters for which the consultants have been retained by the District;
- (f) Attendance at a meeting of a local, state, or federal body with subject matter jurisdiction affecting the operations of the District;
- (g) Attendance at a meeting with a local, state, or federal representative concerning matters involving the operations of the District;
- (h) Participation in the following activities, provided that the Board member delivers a written or oral report to the Board regarding the member's participation at the next Board meeting outlining the purpose of the meeting and the benefit to the public following the event:
 - (1) A conference, seminar, or organized educational or training activity involving matters related to the functions and operations of the District; and
 - (2) A meeting of organizations or community members with interests in matters involving the function and operations of the District;
- (i) Representation of the District at the following events, provided that the Board member delivers a written or oral report to the Board regarding the member's representation at the next Board meeting following the event:
 - (1) A public meeting or a public hearing conducted by another public agency;
 - (2) A public benefit nonprofit corporation on whose board the District has membership;
- (j) Any occurrence that is listed in Exhibit "A" attached hereto and incorporated herein by this reference; and
- (k) All other occurrences for which the Board member has obtained prior approval from the Board to attend or participate on behalf of the District.

1.2.2. (f) — ~~C~~Notwithstanding anything herein to the contrary, compensation for phone calls will be handled on a case-by-case basis. As a rule, phone calls do not constitute a meeting. However, to the extent that the Board determines that a phone call should be compensated as a day of service to the District, the amount of such compensation shall be one-sixth (1/6) of the rate established by the Board pursuant to the separate ordinance or resolution referenced in Section 1.1 above.

1.2.23. Daily Limitation. If a Board member attends or participates in multiple meetings in a single day, the Board member shall only be eligible for compensation for one meeting on that day.

1.3. **Procedure.** To receive compensation for a day of service within the scope of this Resolution, a Board member shall submit a payment request to the District's General Manager. Thereafter, the District's General Manager will issue payment to the Board member consistent with the District's regular payroll cycle and will include the payment request in the agenda materials for the next public meeting. At that meeting, the Board will review and approve or deny the payment request. Payments made by District staff prior to Board consideration of compensation requests are expressly subject to reconciliation following Board action thereon.

Section 2. **REIMBURSEMENT.**

Pursuant to Government Code Section 61047(c), the District shall reimburse Board members for their actual and necessary traveling and incidental expenses incurred while on official business as provided herein.

2.1. **Qualifying Events.** Pursuant to Government Code Section 53232.2(b), the types of occurrences that qualify a Board member to receive reimbursement of eligible expenses set forth in Section 2.2 below shall be any occurrence that is listed in Section 1.2.1 of this Resolution.

2.2. **Eligible Expenses.** Expenses eligible for reimbursement shall be limited to (1) registration or tuition costs, or other charges for participation at the meeting; (2) transportation to and from the meeting, including airfare, car rental, or mileage for use of a Board member's own automobile, and other miscellaneous transportation costs (shuttle, taxi, parking, etc.); (3) lodging at the single-room rate; and (4) costs of meals as set forth in Section 2.3.4.

2.3. **Rates.**

2.3.1. Registration, Tuition, and Meeting Charges. The District reimbursement rate for registration or other charges for participation at a meeting shall be the actual amount incurred, not to exceed the maximum rate published by the conference or activity sponsor for timely registration after applying all applicable deductions for any available discounts.

2.3.2. Transportation.

(a) Members of the Board must use government and group rates offered by a provider of transportation services for travel when available. If such rates are not available, the District reimbursement rate for Board member transportation shall be the actual amount incurred, not to exceed the cost of round-trip coach airfare.

(b) The District reimbursement rate for mileage by use of a Board member's own vehicle shall be calculated on the basis of total miles driven for District purposes at the rate specified in the Internal Revenue Code in effect at the time of the vehicle usage.

(c) The District reimbursement rate for vehicle parking by a Board member shall be the actual amount incurred.

2.3.3. Lodging. Members of the Board must use government and group rates offered by a provider of lodging services when available. If the lodging is in connection with an accepted conference or organized educational activity, lodging costs must not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available to the member of the Board at the time of booking. If a government or group rate is not available, the District reimbursement rate for Board member lodging shall be the actual amount incurred, not to exceed the rate for comparable lodging.

2.3.4. Meals. The District reimbursement rate for Board member meals shall be the actual amount incurred, not to exceed the applicable Internal Revenue Service rates for reimbursement as established in Publication 463 or any successor publication, or \$100.00, whichever is less, for each day of service outside the District's boundaries.

2.3.5. Other. District reimbursement of all other actual and necessary expenses incurred by a Board member shall be computed using the applicable Internal Revenue Service rates for reimbursement as established in Publication 463, or any successor publication. All expenses that do not fall within this reimbursement policy or the Internal Revenue Service reimbursable rates, as provided above, shall be approved by the Board in a public meeting before Resolution 2023-~~1008~~

the expense is incurred.

2.4. **Budget Limits.** The maximum amount of District-paid expenses that each Board member may annually incur without separate prior Board approval is \$2,000 each fiscal year.

2.5. **Ineligible Expenses.** Board members shall not be eligible for District reimbursement of any expenses incurred by any person traveling or attending a meeting as a guest of the Board member. No Board member shall be eligible for District reimbursement of any expenses for personal services not related to District business.

2.6. **Expense Forms.** The District shall provide expense report forms to be filed by the members of the Board for reimbursement for actual and necessary eligible expenses incurred on behalf of the District in the performance of official duties. The expense reports shall document that said expenses meet the policy reflected in this Resolution for expenditure of public resources. Board members shall submit such expense reports to the District's General Manager, and the reports shall be accompanied by the receipts documenting each expense. Thereafter, the District's General Manager will issue payment to the Board member in the amount requested in the expense report consistent with the District's regular payroll cycle and will include the reimbursement request in the agenda materials for the next public meeting. At that meeting, the Board will review and approve or deny the reimbursement request. Payments made by District staff prior to Board consideration of expense reimbursement requests are expressly subject to reconciliation following Board action thereon. All documents related to reimbursable District expenditures are public records subject to disclosure under the California Public Records Act.

2.7. **Report.** Board members shall provide brief reports on meetings attended at the expense of the District at the next regular meeting of the Board.

Section 3. **ETHICS TRAINING.**

3.1. **Requirement.** Each local agency official of the District must receive training in ethics laws no later than one year from the first day of service with the District. Thereafter, each local agency official must receive such training at least once every two years.

3.2. **Application.**

3.2.1. **Local Agency Official.** As used in Section 3.1 of this Resolution, the term "local agency official" means all of the following:

- (a) All Board members; and
- (b) All executive staff of the District.

3.2.2. Ethics Laws. As used in Section 3.1 of this Resolution, the phrase “ethics laws” includes, but is not limited to, the following:

- (a) Laws relating to personal financial gain by public servants, including, but not limited to, laws prohibiting bribery and conflict-of-interest laws;
- (b) Laws relating to claiming prerequisites of office, including, but not limited to, gift and travel restrictions, prohibitions against the use of public resources for personal or political purposes, prohibitions against gifts of public funds, mass mailing restrictions, and prohibitions against acceptance of free or discounted transportation by transportation companies;
- (c) Government transparency laws, including, but not limited to, financial interest disclosure requirements and open government laws; and
- (d) Laws relating to fair processes, including, but not limited to, common law bias prohibitions, due process requirements, incompatible offices, competitive bidding requirements for public contracts, and disqualification from participating in decisions affecting family members.

3.3. **District Responsibilities**.

3.3.1. Records. The District shall maintain records indicating (a) the dates that local agency officials satisfied the requirements of Section 3 of this Resolution and (b) the entity that provided the training. The District shall maintain these records for at least five years after local agency officials receive the training. These records are public records subject to disclosure under the California Public Records Act.

3.3.2. Notice. The District is required to provide information on training available to meet the requirements of Section 3 of this Resolution to its local agency officials at least once annually.

Section 4. **REVIEW OF RESOLUTION ON ANNUAL BASIS**.

Each year the Board shall review this Resolution to determine its effectiveness and the necessity for its continued operation. The District’s General Manager shall report to the Board

on the operation of this Resolution, and make any recommendations deemed appropriate, including proposals to amend the Resolution. Upon conclusion of its review, the Board may take any action it deems appropriate concerning this Resolution. Nothing herein shall preclude the Board from taking action on the Resolution at times other than upon conclusion of the annual review.

Section 5. **SEVERABILITY.**

If any provision of this Resolution or the application thereof to any person or circumstances, is held invalid, such invalidity shall not affect other provisions or applications of this Resolution which can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are declared to be severable.

Section 6. **EFFECTIVE DATE.**

This Resolution supersedes Resolution No. 2022-12 adopted by the Board on June 16, 2022, and shall take effect immediately upon its adoption.

ADOPTED this ~~2016~~th day of ~~February~~April, 2023

AYES:

NOES:

ABSTAIN:

ABSENT:

Henry Spiller, President

ATTEST:

Sandy Haas, Secretary

Exhibit "A"

This list is to be used as examples of meetings outlined under Section 1.2.1 and is subject to change at the discretion of the Board.

Brown Act Meetings
Regular and Special Board Meetings

Representation at a public hearing or public meeting of another government agency
Mojave Water Agency
Watermaster
San Bernardino County
LAFCO
Various City Councils
VWRA

Meeting with a representative from County, State, or Federal Government
Elected officials or representatives

Ad hoc committees of the Board
Park and Rec Committee
Recycled Water Committee

Meeting with District Consultants
Attorney, Engineer, Auditor, etc.

Meetings of County, Special District or LAFCO
Tri-Communities Special District Luncheon
Association of San Bernardino County Special Districts (ASBCSD)

Representation of the District on a non-profit Board
Chamber of Commerce
Homeowners Association

Training or education involving matters related to the functions and operations of the District
Board member training through CSDA

Farmers Market

Mojave Water Agency Tours

Concerts-in-the-Park if carrying out a function or helping with the event



Helendale Community Services District

Date: April 20, 2023
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #8

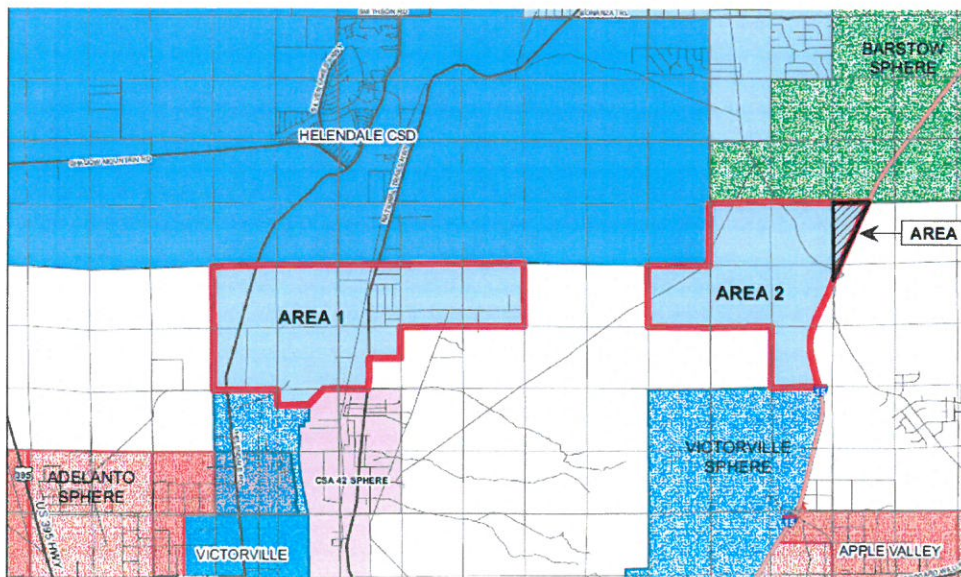
Discussion and Possible Action Regarding Adoption of Resolution 2023-12: A Resolution of Application by the Helendale Community Services District Requesting the Local Agency Formation Commission for San Bernardino County To Take Proceedings for the Annexation of a Portion of its Eastern Spere of Influence

STAFF RECOMMENDATION:

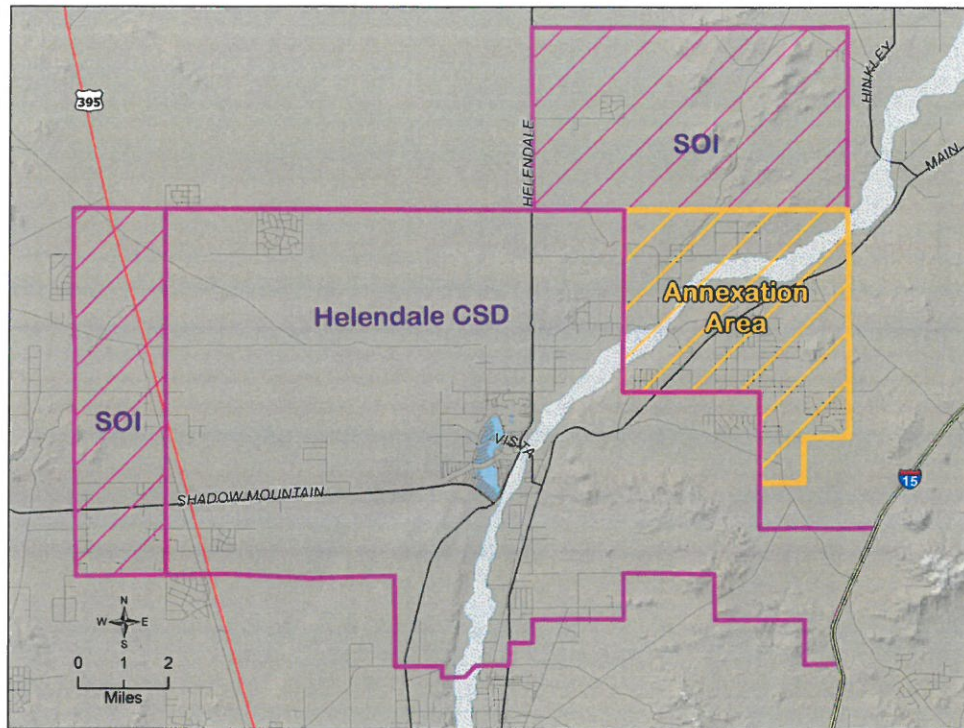
Staff requests approval from the Board.

STAFF REPORT:

The District was initially formed through the Local Agency Formation Commission (LAFCO) in 2006 in LAFCO action 2996. By the end of the first year of operation the District was required to determine if it desired a co-terminus sphere of influence of a larger sphere of influence (SOI). A larger SOI for the purpose of future expansions was the preference of the Board. In 2014 the District sought to annex a portion of the SOI in the southerly and easterly areas to abut the community of Oro Grande and the City of Victorville on the south. This process culminated in LAFCO action 3175 which annexed Areas 1 and 2 depicted in the map below.



Recently the District engaged a well-respected consultant to prepare the draft study to annex the area to the east of the current boundary and within the SOI shown below in orange.



The majority of the 23 square mile annexation area is included in the Helendale School District boundaries but was previously excluded from the CSD boundaries due to agricultural considerations referred to as Williamson Act Contracts. It has been determined that there is currently only one agricultural operation, a dairy, operating in the area so the prior exclusion is no longer valid.

One of the considerations LAFCO must make is the seamless provision of municipal level services. In the case of the proposed annexation, this will provide greater clarity for solid waste and park programs due to the current confusion over the boundaries for HCSO and the local school district. Fire and law enforcement will remain unchanged. There are no new fees or taxes imposed on the annexation area and a cost savings for solid waste services will result.

SOLID WASTE: This annexation will clear up the issue of solid waste provision. The residents in this area currently receive their service from Burrtec through the County. The proposed annexation will transfer solid waste service provision to the District and allow residents to participate in the semi-annual clean up days and other enhanced solid waste services that the District provides. There will be a cost savings for the residents in this area for solid waste services.

REPRESENTATION: The residents in this area will have a voice and representation with a local government entity with whom to address their concerns. In the past residents have inquired as to why they couldn't vote for the Board of Directors for the District. The process will give them that opportunity.

PARK PROGRAMS: The District does not exclude anyone from participating in the District's Park and Recreation programs and the Senior Nutrition program and there are residents in the annexation area who currently participate in these programs. This action will formally support that participation. Additionally, residents in the expansion area will receive the newsletter informing them of activities available to them.

District staff will begin reaching out to residents in the annexation area to gain their input and share information about the process. There are 97 residential properties with 175 registered voters.

Adoption of the proposed resolution will allow the District to submit the application and feasibility study to LAFCO for consideration. A public hearing will take place at a later date prior to the Commission rendering a determination.

FISCAL IMPACT: Application Fee of \$25,699

POSSIBLE MOTION: Adopt Resolution 2023-12

ATTACHMENTS: Resolution 2023-12
DRAFT Plan for Service

Resolution No.2023-12

A RESOLUTION OF APPLICATION BY THE HELENDALE COMMUNITY SERVICES DISTRICT REQUESTING THE LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY TO TAKE PROCEEDINGS FOR THE ANNEXATION OF A PORTION OF ITS EASTERN SPHERE OF INFLUENCE

WHEREAS, the Helendale Community Services District desires to initiate a proposal pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, commencing with Section 56000 of the California Government Code, for the annexation of a portion of its eastern sphere of influence; and,

WHEREAS, notice of intent to adopt this resolution of application has not been given to the commission, each interested agency and each subject agency at least 21 days prior to the adoption of this resolution; and

WHEREAS, the territory proposed to be annexed is legally inhabited, and a description of the boundaries of the territory is set forth in Exhibit A attached hereto and by this reference incorporated herein; and

WHEREAS, this proposal is consistent with the sphere of influence of the affected Helendale Community Services District; and

WHEREAS, it is desired that the proposed annexation shall be subject to the standard terms and conditions of the Local Agency Formation Commission related to annexation to a special district; and

WHEREAS, the reasons for the proposed annexation are as follows:

1. The proposal will transfer solid waste services from the existing County contract to the Helendale CSD contract offering expanded no-cost services of recycling, E-Waste and green waste drop off; two free clean up days per year along with expanded bulky item pick up program and dump passes under the Helendale CSD operations; and,
2. Officially allow the residents within the area to participate in recreation services offered by the District; and,

NOW, THEREFORE, BE IT RESOLVED that this Resolution of Application is hereby adopted and approved by the Board of Directors of the Helendale Community Services District, and the Local Agency Formation Commission for San Bernardino County is hereby requested to take proceedings for the annexation of territory as described in Exhibit A, according to the terms and conditions stated above and in the manner provided by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

.....
Passed and adopted by the Board of Directors of the Helendale Community Services District at a regular/special meeting

Vice President, Ron Clark

AYES:

NOES:

ABSENT:

Attest: _____

Sandy Haas, Secretary

Reference: Government Code Section 56654

EXHIBIT "A"

LAFCO # _____

**REORGANIZATION TO INCLUDE ANNEXATIONS TO THE HELENDALE COMMUNITY SERVICES DISTRICT
(AREA "A" ANNEXATION)**

All those portions located in Township 8 North, Range 4 West and Township 8 North, Range 3 West, San Bernardino Meridian (S.B.M.), in the County of San Bernardino, State of California, more particularly described as follows:

Sections 1, 2, 3, 10, 11, 12, 13, 14, 15, 22, 23 and 24, Township 8 North, Range 4 West and Sections 5, 6, 7, 8, 17, 18, 19, 20, 29, 30 and 31 Township 8 North, Range 3 West.

The above described area contains 23 square miles or 14,720 acres, more or less.

This legal description was prepared by me or under my direction.

By: 

February 2, 2023

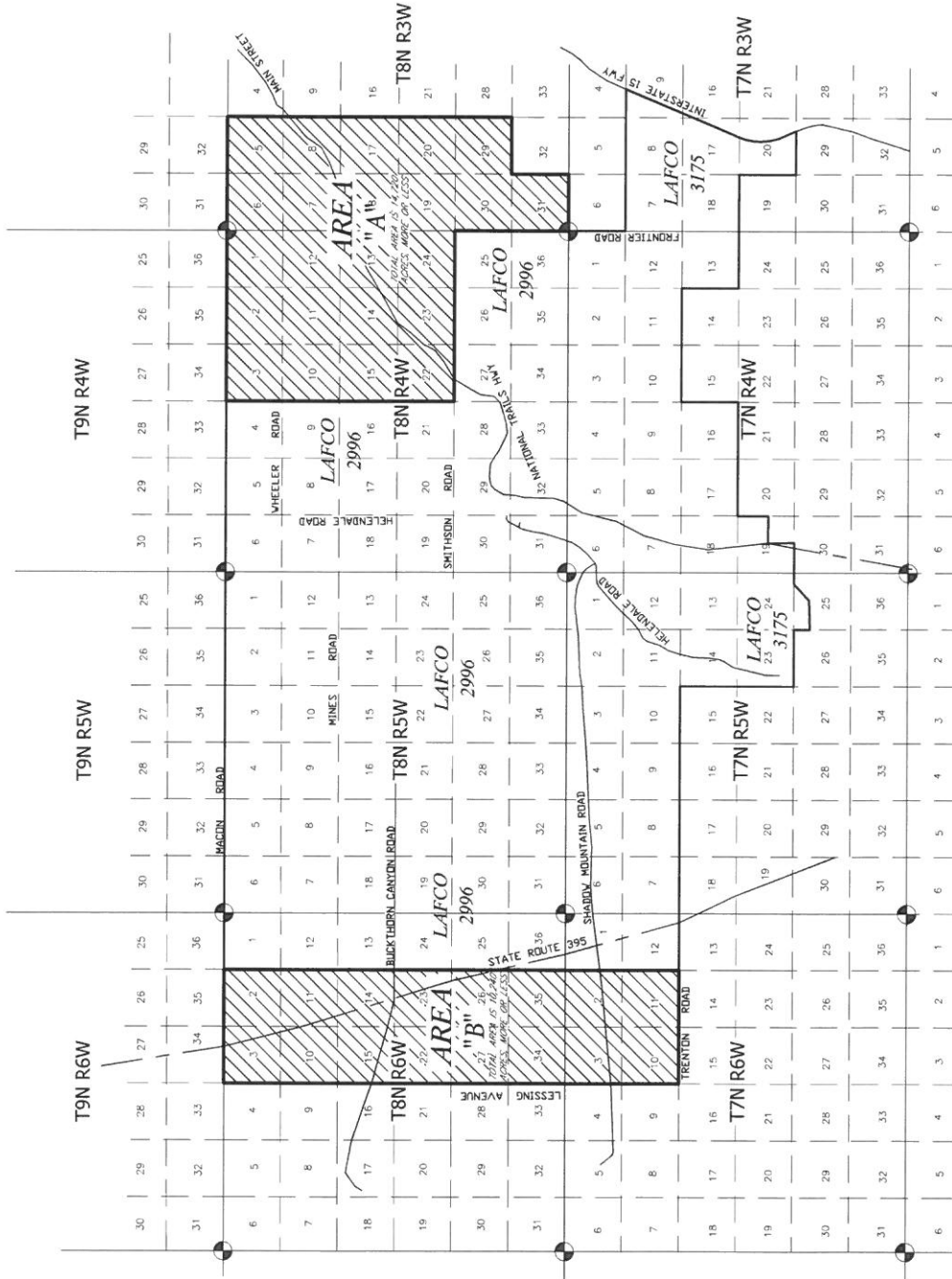
Matthew C. Ehe, PLS 9410
Deputy County Surveyor

Date



LAFCO # XXXX

ANNEXATIONS TO THE HELENDALE COMMUNITY SERVICES DISTRICT



- NOTES:**
- P.O.B. - INDICATES POINT OF BEGINNING
 - INDICATES THE PROPOSED BOUNDARY
 - AREA "A" - CONTAINS 16 SQUARE MILES MORE OR LESS
 - AREA "B" - CONTAINS 23 SQUARE MILES MORE OR LESS
 - INDICATES TOWNSHIP CORNER
 - INDICATES BARTON CITY LIMITS
 - INDICATES APPLE VALLEY CITY LIMITS
 - INDICATES VICTORVILLE CITY LIMITS
 - INDICATES ADELANTO CITY LIMITS

AFFECTED AGENCIES:

- HELENDALE COMMUNITY SERVICES DISTRICT
- ANNEXATIONS TO THE HELENDALE COMMUNITY SERVICES DISTRICT

SHEET	1
OF	1
SCALE	1" = 5000'
DRAWING NO.	LA2002002
DATE	12/20/02

SAN BERNARDINO COUNTY SURVEYOR
 825 E. THIRD STREET, SAN BERNARDINO, CA 92415-0835

HELENDALE COMMUNITY SERVICES DISTRICT
 AREA A, CONTAINS 16 SQUARE MILES MORE OR LESS
 AREA B, CONTAINS 23 SQUARE MILES MORE OR LESS

LEGAL DESCRIPTION
 ALL THOSE PORTIONS LOCATED IN TOWNSHIP 8 NORTH, RANGE 6 WEST AND TOWNSHIP 8 NORTH, RANGE 4 WEST SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:
 AREA "A" - SECTIONS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000.

SURVEYOR'S STATEMENT
 I, THOMAS P. HERRIN, Surveyor, do hereby certify that I am duly qualified and licensed by the State of California to perform the duties of a Surveyor, and that I have personally supervised the making of this map, and that the same is a true and correct representation of the facts as shown by the original field notes and data.

THOMAS P. HERRIN
 SAN BERNARDINO COUNTY SURVEYOR

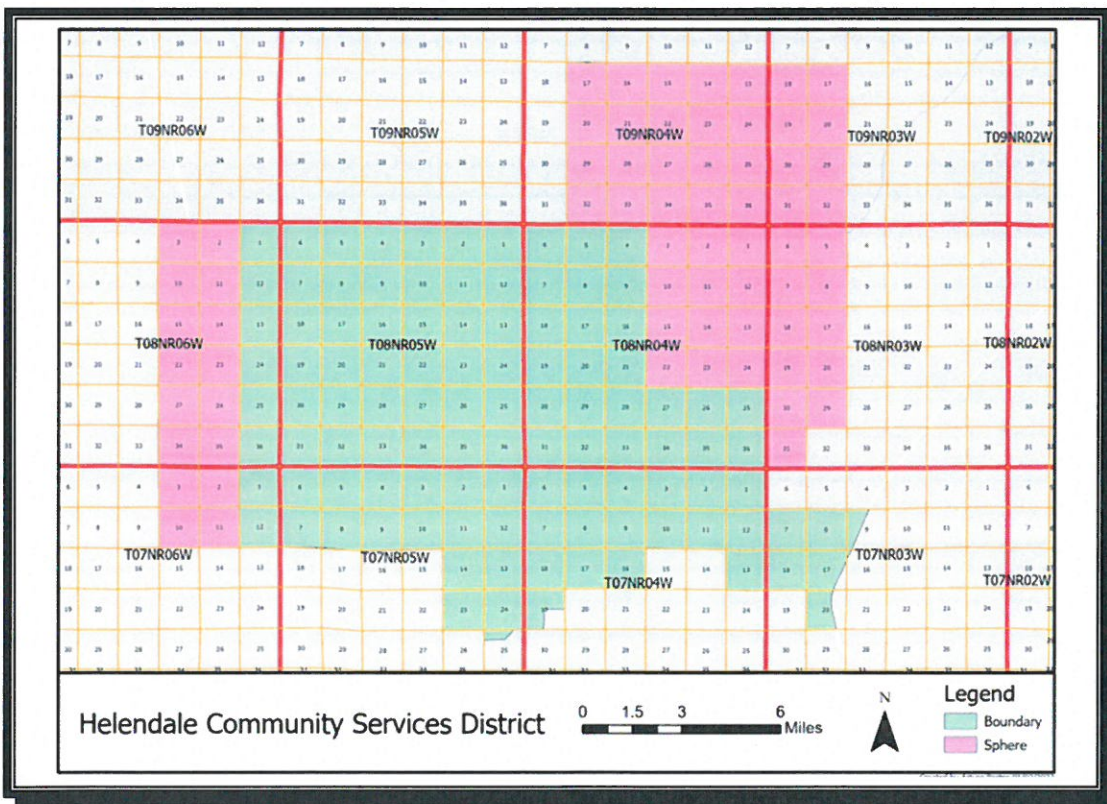


APPROVED BY: _____
 TITLE: _____
 DATE: _____

ANNEXATIONS TO THE HELENDALE COMMUNITY SERVICES DISTRICT
 LAFCO 2996
 LAFCO 3175

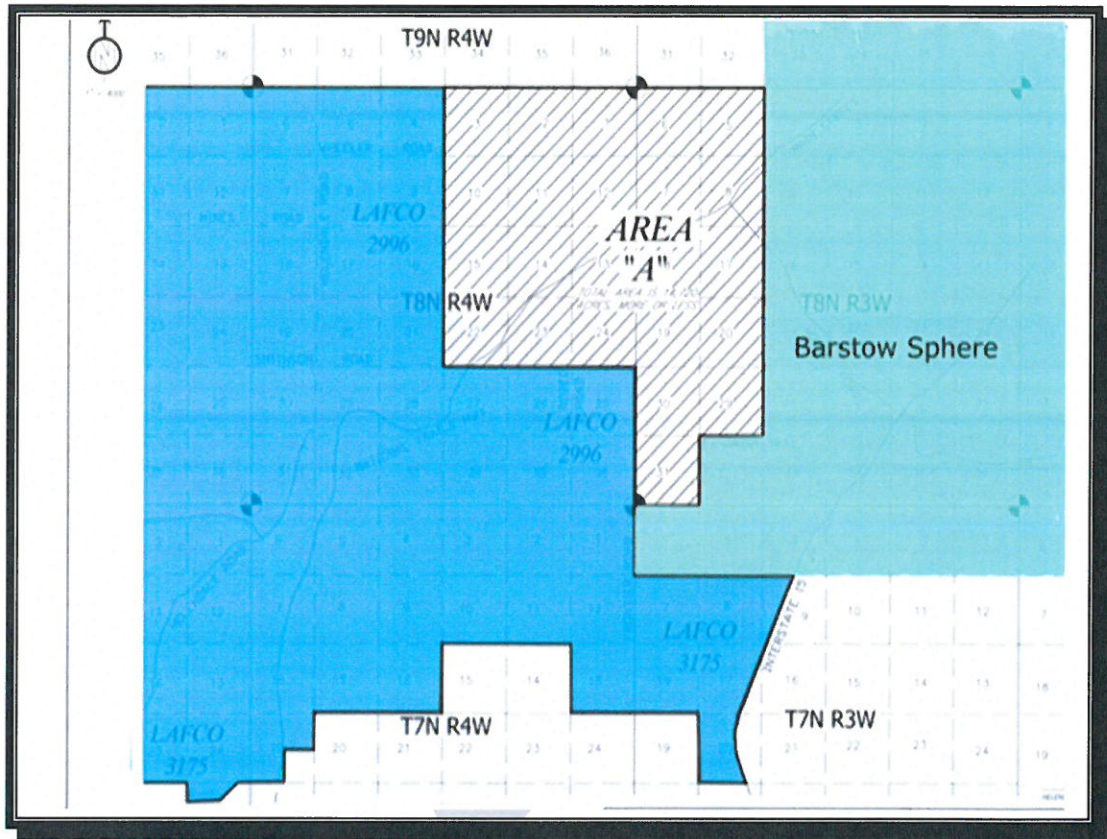
PLAN FOR SERVICE AND FISCAL IMPACT ANALYSIS ANNEXATION TO THE HELENDALE COMMUNITY SERVICES DISTRICT OF ITS EASTERN SPHERE OF INFLUENCE

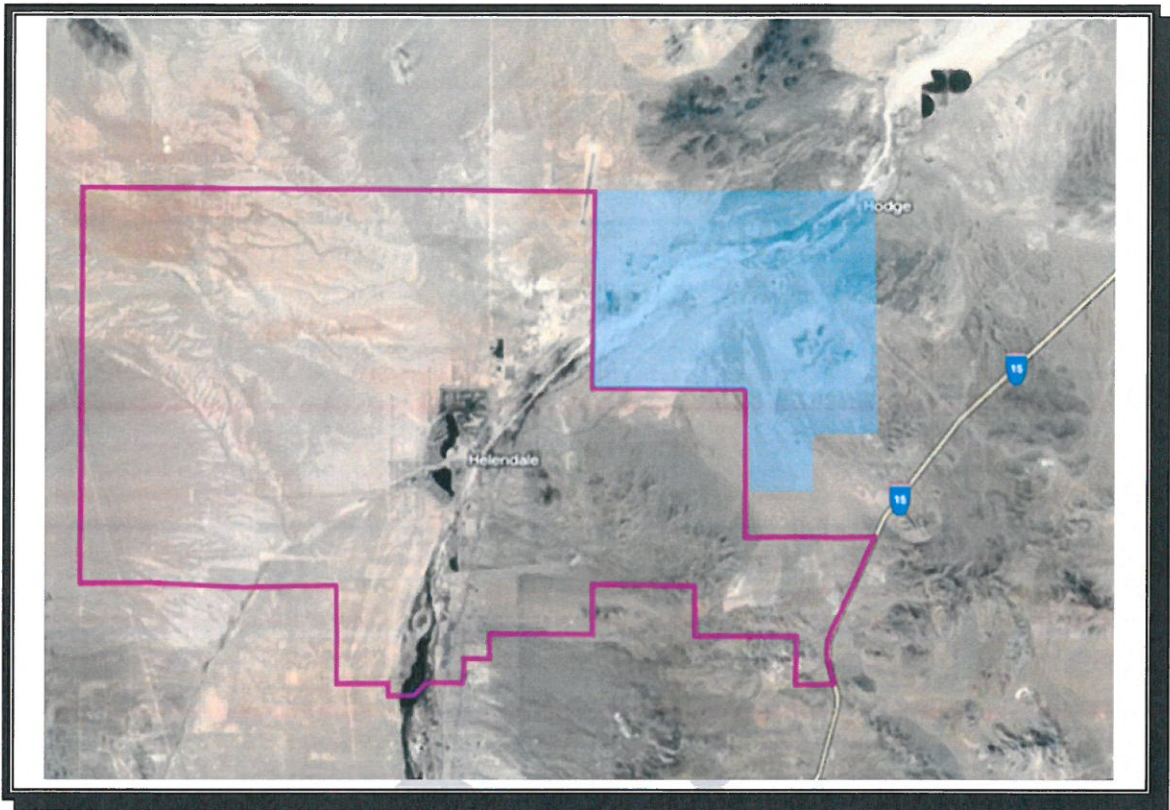
The Helendale Community Services District (hereafter shown as CSD) was formed on December 8, 2006, to provide the community with local control of its services within its 90 square miles: water, sewer, solid waste, park and recreation, streetlighting and graffiti abatement. In addition, it was intended to separate the area for preservation for a potential future city should the residents choose to move down that path at some point in the future. Since its formation, the district has been expanded to the south and west to include an additional 7,762 acres clearly defining the community of Helendale separate from the community of Oro Grande, or the cities of Victorville and Adelanto to the south. A map of the CSD's boundaries is shown below.



The district is now proposing the annexation of an additional 14,720 acres (23 square miles) within its eastern sphere of influence to separate the community of Helendale from the territory assigned to the City of Barstow sphere of influence. This area is bisected by National Trails Highway (Route 66) in north south direction. The maps

which follow outline the annexation area and the topographic map of the area proposed for annexation showing its relationship to the CSD:





Significant development is anticipated to the east of the annexation boundary within the City of Barstow Sphere of Influence. This development, known as Barstow International Gateway, anticipates the construction of a new state-of-the-art master planned integrated rail facility. This facility is proposed on 4,500 acres in the western Barstow sphere of influence and is anticipated to include a rail yard, intermodal facility, and warehouses for the transition of international containers from the ports of Los Angeles to domestic containers for distribution to the rest of the western United States. The proposed development will extend from Barstow in the northeast to Hinkley Road, north of the proposed Helendale annexation area. The district is supportive of the project and the potential growth it will bring to the area. By annexing this portion of its sphere, the district can position itself to support the growth, eliminate confusion with the school district boundary, and the delivery of park and solid waste services.

In the initial formation of the Helendale CSD, an area that is within the Helendale School District Boundaries was excluded from the district's boundaries due to the existence of Williamson Act contracts (agricultural uses). This exclusion has created confusion for rural residents in the area. While some of the area's students attend Helendale schools, their trash service is provided by the County. Augmented solid waste and recycling services that are provided to residents within the Helendale CSD are not available to them. The district has allowed residents to participate in the programs provided by the Parks Department regardless of residential address. In addition, the Helendale Senior

Center and Senior Nutrition Program offered by the district provides services to residents in the proposed annexation area.

The County and various special districts currently provide many services within the area proposed for annexation, including, but not limited to, general government, community development, fire protection, emergency medical and ambulance, police, library, regional parks and recreation, road maintenance, health and welfare and regional flood control. After annexation, these services would continue to be provided by the various County department and special districts. The Helendale CSD would provide a limited range of services to the property owners upon annexation including solid waste disposal, parks and recreation, and graffiti abatement. The remaining services available through the Helendale CSD are not anticipated to be extended, water, sewer, and streetlighting.

Based on a review of the current service delivery capabilities of the Helendale CSD it is equipped to handle the additional demand from the proposed annexation of 97 residential properties. The Helendale CSD is projected to cover the annual recurring costs for providing the services with a projected recurring surplus of \$9,750.

INTRODUCTION

The following is a summary of the plan for service and projected recurring fiscal impacts for the annexation. This analysis assumes that water and sewer will not be extended into the area upon annexation and would only be extended under the proper development conditions. This would include the development of the necessary infrastructure and addressing the issues of water availability within the Centro Subarea of the Mojave Basin adjudication. Streetlighting is not anticipated to be extended to the annexing area under the provisions of the San Bernardino County Dark Sky's ordinance.

The purpose of this study is to show that the Helendale CSD can provide its range and level of services to the area and can maintain such levels at those currently available in the study area. The Plan must address the components outlined in Government Code Section 56653, as refined by San Bernardino LAFCO policies which are:

- A. *A description of the level and range of each service to be provided to the affected territory.*
- B. *An indication of when the service can be feasibly extended to the affected territory.*
- C. *An identification of any improvement or upgrading of structures, roads, water or sewer facilities, other infrastructure, or other conditions the affected agency would impose upon the affected territory.*
- D. *The Plan shall include a Fiscal Impact Analysis which shows the estimated cost of extending the service and a description of how the service or required improvements will be financed. The Fiscal Impact Analysis shall provide, at a minimum, a five (5)- year projection of revenues and expenditures. A narrative discussion of the sufficiency of revenues for anticipated service extensions and operations is required.*
- E. *An indication of whether the annexing territory is, or will be, proposed for inclusion within an existing or proposed improvement zone/district, redevelopment area, assessment district, or community facilities district.*
- F. *If retail water service is to be provided through this change, provide a description of the timely availability of water for projected needs within the area based upon factors identified in Government Code Section 65352.5 (as required by Government Code Section 56668(k)).*

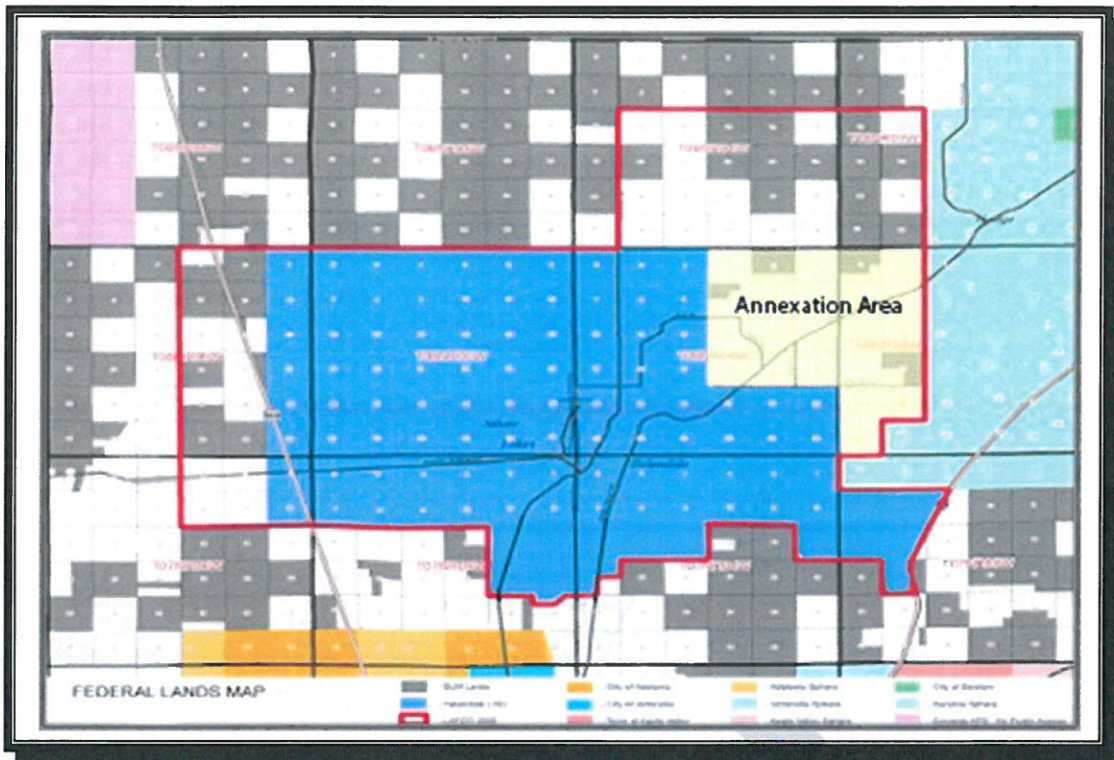
The area proposed for annexation is not anticipated to have significant growth over the next several years. A review of County records shows that over the past five years only 19 permits for new residential construction have been issued and it is anticipated that for the next five years the same will be true. However, major development is anticipated in the Barstow sphere of influence area, immediately east of the proposal area, associated with the BNSF's Barstow International Gateway project. This major facility is anticipated to be a new state-of-the art master planned rail facility with more than 20,000 direct and indirect jobs. The rationale for the annexation proposal is to provide the district and community with a defined boundary, eliminate confusion with the Helendale School District boundary by including it wholly within the CSD and provide solid waste and park services to the residents in this rural area. Further, the District will be able to provide better representation for the residents in the annexation area for the future and to provide its voice in working with the City of Barstow, the County and railroads related to the future development in the area.

PROJECT DESCRIPTION

EXISTING DEVELOPMENT:

Based upon a review of County Assessor information related to the annexation area, it has limited development. The area is comprised of 1,110 parcels with the bulk of the parcels undeveloped. There are 176 parcels which have improvements, of those 97 are residential properties. The total assessed valuation of the area is \$41,885,889 (\$25,836,514 land; \$16,049,375 improvements). There is a single identified commercial operation, Dutch Dairy, operating along Wild Road in the annexation area. It has the largest parcel valuation in the proposal area. The balance of the area is scattered residential and vacant lands.

The map below identifies the land ownership patterns within the proposal area:



The San Bernardino County general plan land use within the area includes:

- RL-5 Rural Living – 1 unit per five acres
- RL Rural Living – range of 1 unit per 5 to 1 unit per 30 acres
- Resource Conservation – 1 unit to 40 acres
- Agriculture/Agriculture Preserve
- Floodway

The properties immediately north and south of the Mojave River flood zone are comprised of the most intense residential uses (RL-5 and RL). Beyond those areas the predominant land use is Resource Conservation. A review of the County of San Bernardino Land Use Services Department shows that for the last 12 months there have been no active residential development permits. There have been permits for solar conversion, remodel and accessory unit development. The 2020 Census has identified the population density for Census Tract 116.02, generally north of the Mojave River, as 1.2 person per square mile (estimated to be 9 square miles for a potential population of 10.8 persons) and Census Tract 117, generally southerly of the Mojave River as 8.8 per square mile (estimated to be 14 square miles for a potential population of 123.2). The San Bernardino County Registrar of Voters has certified that there are 175 registered voters in the area as of February 10, 2023, exceeding Census estimates.

An additional consideration for a Local Agency Formation Commission is the issue of agricultural and open space lands. The statutes require that development, and the

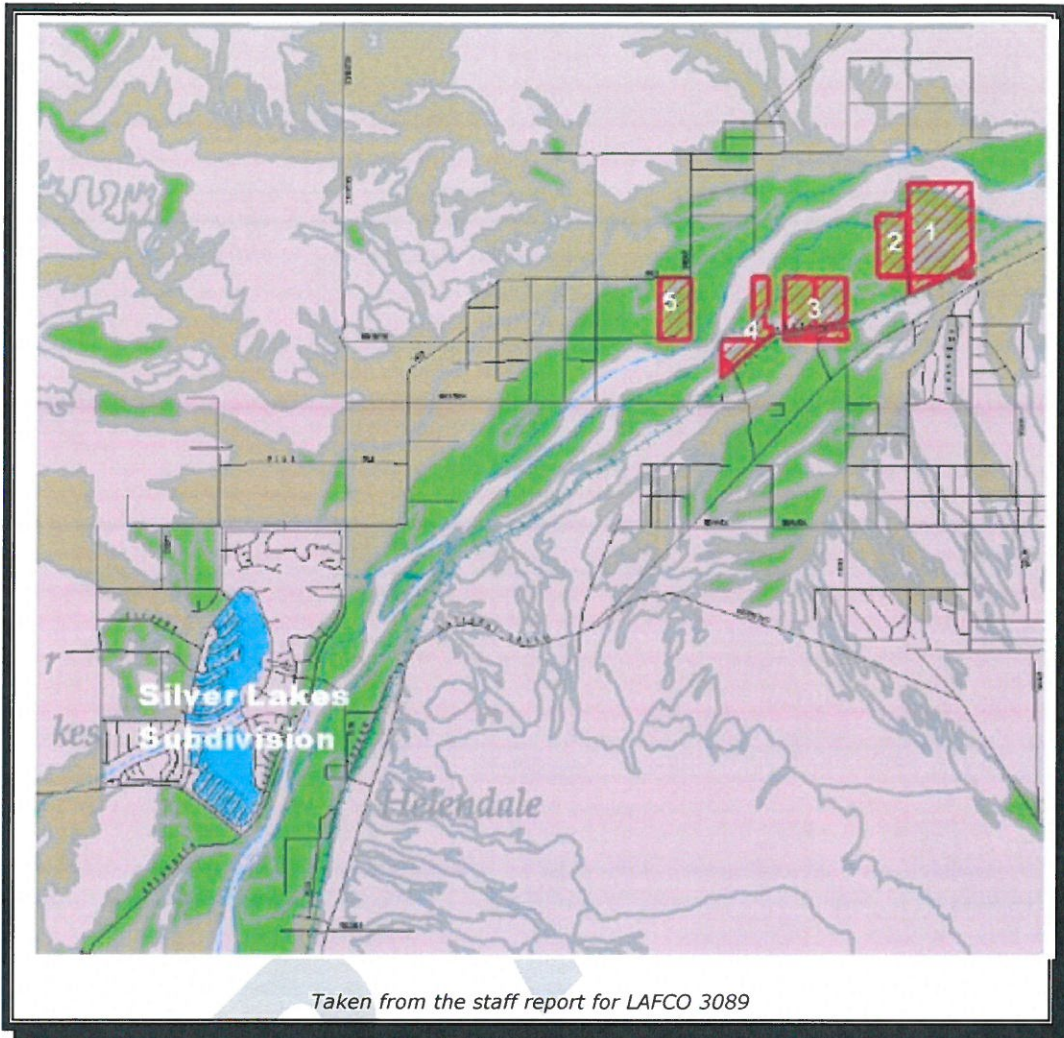
units of government which provide for urbanization, be kept at bay from these areas. Within the proposed annexation are areas of Williamson Act contract lands and mineral resource zones requiring addressing this issue.

The map below shows the location of the Williamson Act contract lands in the proposal as taken from the staff report for LAFCO 3089 (sphere expansion for the district) in 2010. No change to the designation for tax purposes has taken place; however, only one parcel has improvements on it, #5 shown on the map below. Contract areas 1, 2,3 and 4 had all improvements demolished by permit in 2014 and their agricultural use stopped. This action was related to environmental issues for discharge into the Mojave River causing contamination. The existing dairy operation, Dutch Dairy, operates on the parcel immediately adjacent to contract area #5 shown below without a Williamson Act Contract.

Table 2-1
Agricultural Parcels with Existing Williamson Act Contracts
Proposed Helendale Sphere of Influence

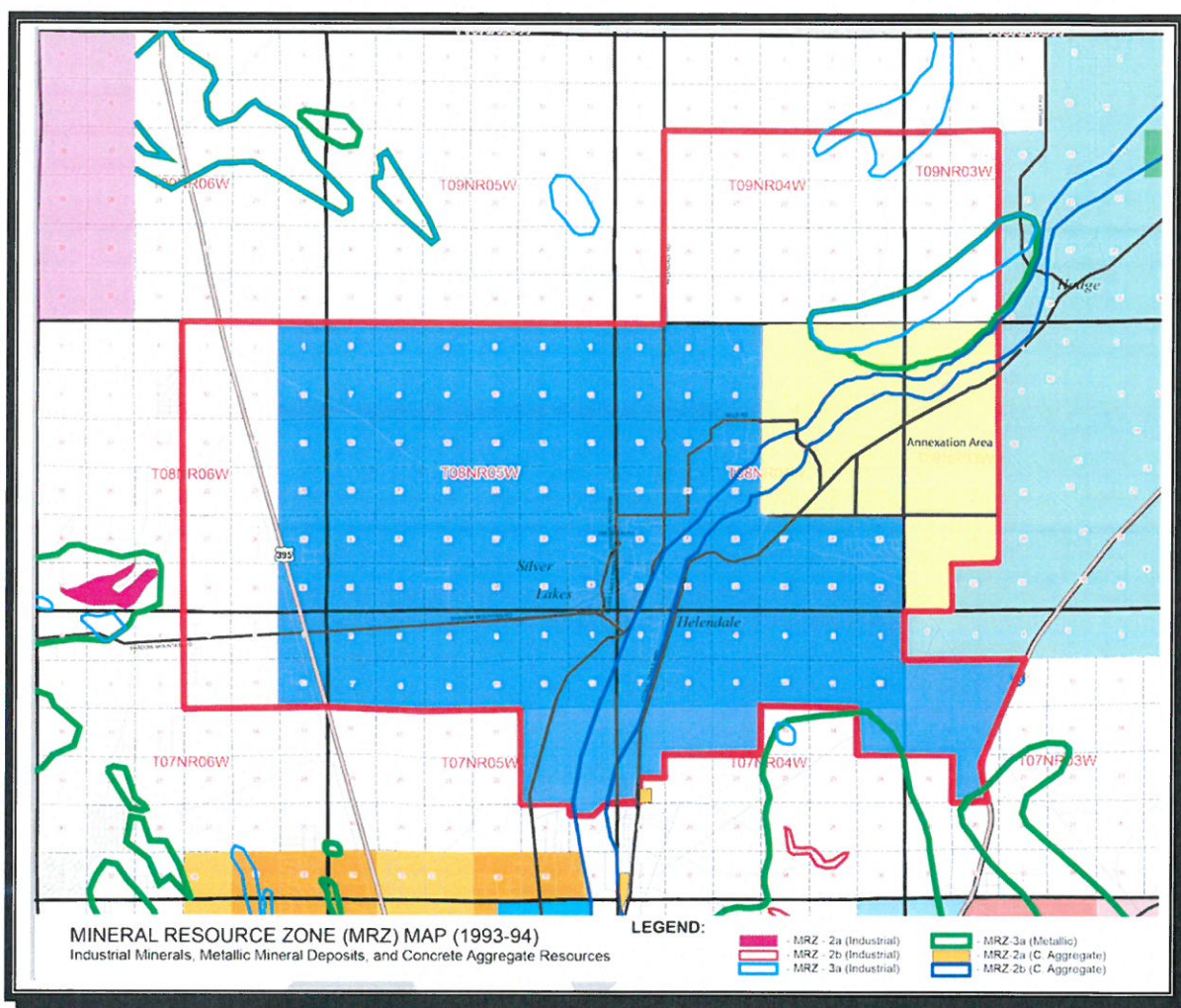
Map Number	Williamson Act Number	GIS Acreage	APN	Contract Began	Contract Status
1	84-577a	237.33	04-66-041-23 04-66-111-02	2/10/1984	Active
2	84-577c, 68-60	76.23	04-66-041-17	2/10/1984	Active
3	83-566	74.55	04-66-101-07	2/7/1983	Active
		74.60	04-66-101-06		
4	84-580	38.73	04-66-101-04	1/1/1984	Active
		32.64	04-66-121-25		
5	84-577b	80.78	04-66-091-17	2/10/1984	Active

Source: Stanley R. Hoffman Associates, Inc.
 County of San Bernardino Parcel Data
 Christney Barilla, Senior Planner, Current Planning, County of San Bernardino



Taken from the staff report for LAFCO 3089

Government Code Section 56301 guides a LAFCO to preserve open-space and agricultural lands, which Government Code Section 65560 defines as "...and areas containing major mineral deposits including those in short supply." The map which follows shows that within the annexation proposal are areas designated with significant mineral resources as identified by the State Department of Conservation and the County General Plan. The resources identified are defined as MRZ-2 and various industrial and aggregate resources.



The bulk of the mineral resources are on lands which are privately owned. Those parcels, some of which contain Mojave River lands, have an easement for flood control purposes, but no lands in this area are owned by the San Bernardino County Flood Control District. Land use authority within this area is retained by San Bernardino County Land Use Services Department as to the preservation of this resource.

Roadway patterns in the area for regional connectivity use National Trails Highway (Route 66) in a general north south pattern. The annexation area uses this roadway to gain access to other major urban areas such as the Silver Lakes community and the Cities of Barstow and Victorville. Access to Interstate 15 is available from Hodge Road (unpaved roadway) in a southeasterly direction from the northern portion of the annexation area.

PUBLIC FACILITIES AND SERVICES BEFORE AND AFTER ANNEXATION

In response to the requirements for a Plan for Service, this document must provide:

"A description of the level and range of each service to be provided to the affected territory; an indication of when the service can be feasibly extended to the affected territory; and an identification of any improvement or upgrading of structures, roads, water or sewer facilities, other infrastructure, or other conditions the affected agency would impose upon the affected territory."

San Bernardino County general government and its board governed special districts provide several services to the Helendale community within and surrounding the CSD. Many of these services will continue to be provided by San Bernardino County upon successful completion of the proposed annexation. Helendale CSD will be authorized to provide its range of services to the area upon annexation. Some of the services available from the Helendale CSD will not be provided immediately upon annexation and could be extended on an as needed basis and/or upon future development with appropriate infrastructure.

There are three broad categories of service providers, which are summarized below and on the table which follows. The table provides an identification of the transfer of service and the source of funding:

1. County Government/Board-Governed Special Districts/Independent Special District

- | | | |
|-------------------------------|---|----------------------------|
| • General Government Services | . | Flood Control and Drainage |
| • Law Enforcement – Sheriff | . | Health and Welfare |
| • Animal Control | . | Schools |
| • Fire and Paramedic | . | Transportation |
| • Ambulance | . | State Water Contractor |
| • Library | . | Regional Park and |
| • Recreation | | |

2. Private Utilities

- | | | |
|---------------------------|---|-------------|
| • Cable/internet Provider | . | Telephone |
| • Power | . | Natural Gas |

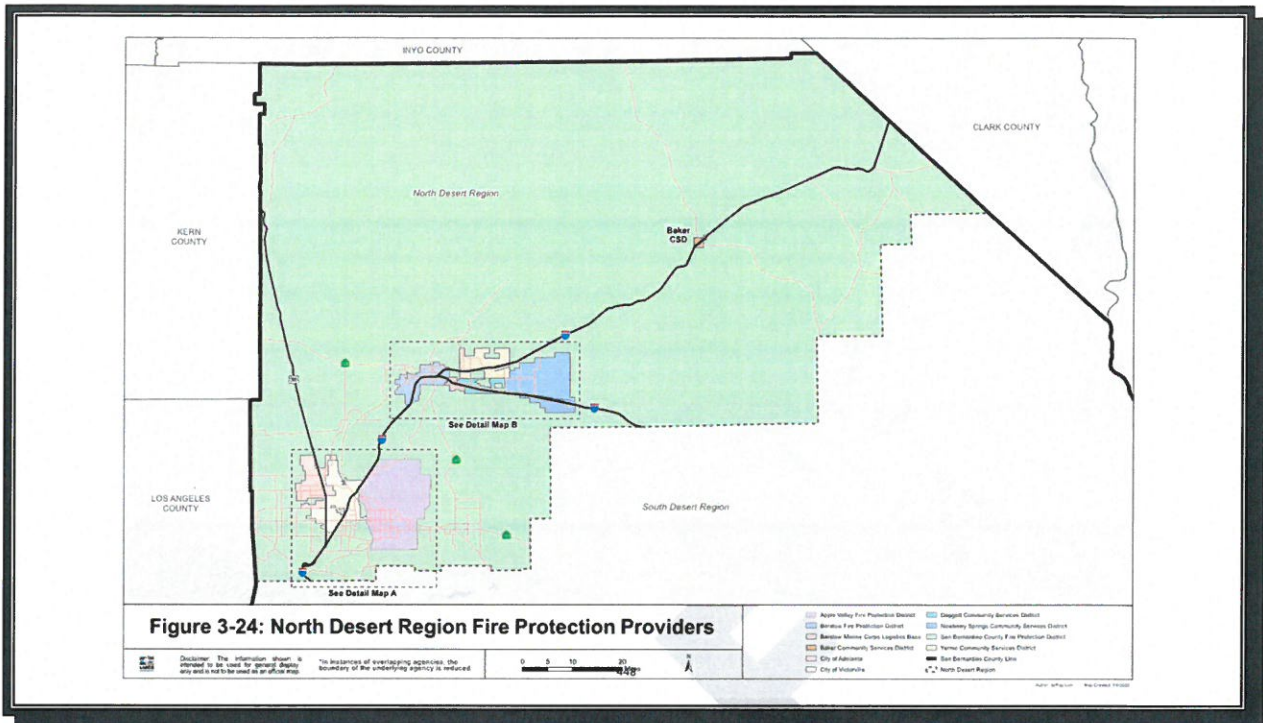
3. Helendale Community Services District

- | | | |
|------------------------------------|---|---------------------|
| • CSD Administration | . | Park and Recreation |
| • Sewer | . | Streetlighting |
| • Water | . | Graffiti Abatement |
| • Solid Waste Management/Recycling | | |

CATEGORY OF SERVICE	SERVICES PROVIDERS FOR PROPOSAL ANNEXATION		FUNDING SOURCE AFTER ANNEXATION
	BEFORE ANNEXATION	AFTER ANNEXATION	
General Government - Administrative Services:			
Finance Division	County of San Bernardino	County of San Bernardino	General Ad Valorem Tax
Human Resources	County of San Bernardino	County of San Bernardino	General Ad Valorem Tax
Community Development			
Planning	County of San Bernardino	County of San Bernardino	Fees/Charges
Building and Safety	County of San Bernardino	County of San Bernardino	Fees/Charges
Code Enforcement	County of San Bernardino	County of San Bernardino	General Ad Valorem Tax and Fees/Charges
Law Enforcement - Sheriff	County of San Bernardino	County of San Bernardino	General Ad Valorem Tax
Animal Control	County of San Bernardino	County of San Bernardino	General Ad Valorem Tax
Fire	San Bernardino County Fire Protection District, North Desert Service Zone	San Bernardino County Fire Protection District, North Desert Service Zone	General Ad Valorem Tax, Service Zone FP-5 special assessment, County General Fund Support
Paramedic	San Bernardino County Fire Protection District, North Desert Service Zone	San Bernardino County Fire Protection District, North Desert Service Zone	General Ad Valorem Tax, Service Zone FP-5 special assessment, County General Fund Support
Fire Hazard Abatement	San Bernardino County Fire Protection District, North Desert Service Zone	San Bernardino County Fire Protection District, North Desert Service Zone	General Ad Valorem Tax and Fees/Charges
Flood Control and Drainage			
Local Facilities	San Bernardino County Flood Control District	San Bernardino County Flood Control District	General Ad Valorem Tax
Regional Facilities	San Bernardino County Flood Control District	San Bernardino County Flood Control District	General Ad Valorem Tax
Health and Welfare	San Bernardino County Department of Public Health	San Bernardino County Department of Public Health	General Ad Valorem Tax
Library	San Bernardino County Library	San Bernardino County Library	
Schools	Helendale Unified School District (southern portion) Barstow Unified School District (northerly portion)	Helendale Unified School District (southern portion) Barstow Unified School District (northerly portion)	General Ad Valorem Tax
Transportation			
Freeway and Interchanges	Caltrans	Caltrans	Taxes
Arterials and Collectors	San Bernardino County Public Works	San Bernardino County Public Works	General Ad Valorem/State Tax
Local Road Maintenance	San Bernardino County Public Works	San Bernardino County Public Works	General Ad Valorem/State Tax
Utilities			
Power	Southern California Edison	Southern California Edison	Fees/Charges
Telephone	Verizon/Spectrum	Verizon/Spectrum	
Natural Gas	Southwest Gas Corporation	Southwest Gas Corporation	Fees/Charges
Helendale Community Services District (CSD)			
District Administration		Helendale CSD	
Sewer	Septic System	Septic System/Helendale CSD upon future development need	Fees/charges upon future installation of service
Water			
Domestic Water	Private Wells	Private Wells/ Helendale CSD upon future development need	Fees/charges upon future installation of service
Recycled Water	none	Helendale CSD upon future development need/availability	Fees/charges upon future installation of service
Water Quality	Private Wells	Private Wells/ Helendale CSD upon future development need	Fees/charges upon future installation of service
Solid Waste Management			
Collection	San Bernardino County under contract with Burrtec	Helendale CSD under contract with Burrtec	Fees/charges and ESFR special assessment
Recycling	San Bernardino County under contract with Burrtec	Helendale CSD under contract with Burrtec	Fees/Charges
Parks and Recreation			
Local Facilities	San Bernardino County Regional Parks	Helendale CSD	Fees/Charges
Regional Facilities	San Bernardino County Regional Parks	San Bernardino County Regional Parks	General Ad Valorem Tax
Streetlighting	County of San Bernardino	Helendale CSD	Not provided due to Dark Sky Ordinance
Graffiti Abatement	San Bernardino County Public Works	Helendale CSD	

The following agencies will have no change in service provision following annexation. They are:

1. **General Government:** The County of San Bernardino currently provides and will continue to provide all regional administrative services, Community Development services and economic development services to the CSD and annexation area.
2. **County Sheriff:** The San Bernardino County Sheriff/Coroner's office currently provides and will continue to provide public safety services to the Helendale CSD and annexation area. The California Highway Patrol currently provides and will continue to provide traffic patrol and highway within the unincorporated area. This includes the territory of the CSD and the proposed annexation area. The Highway Patrol can also provide emergency response backup to the County Sheriff upon request.
3. **Animal Control:** San Bernardino County Animal Care (formerly known as Animal Control) currently provides and will continue to provide animal control services to the Helendale CSD and annexation area. Animal Care is responsible for animal licensing, dead animal pickup, loose animal investigations, animal shelter management and other services. The closest Animal Care Shelter operated by the County is the Devore Animal Shelter located approximately 48 miles away.
4. **County Fire:** The San Bernardino County Fire Protection District (SBCFPD), its North Desert Regional Service Zone and Service Zone FP-5 currently provide and will continue to provide for the fire protection and emergency medical response for the community of Helendale and the annexation area. Shown below is a map excerpt from the Countywide Municipal Service Review for Fire Protection/Emergency Medical Response (LAFCO 3231 adopted in February 2020) showing the area of the North Desert Regional Service Zone:

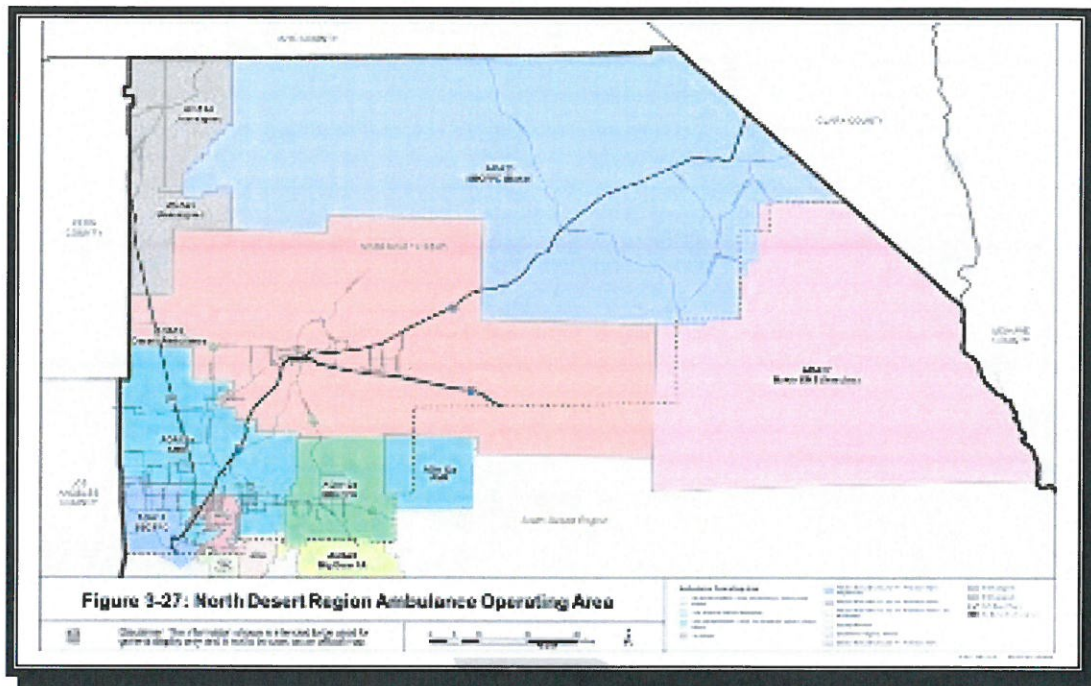


As shown on the Tax Rate Area Allocations Chart, included in the financial portion of this Plan, most of the annexation area has not been assigned to the parent district for property tax purposes by the State Board of Equalization and/or the Auditor Controller. One tax rate area has not been assigned to the North Desert Service Zone, the actual service provider for fire protection and emergency medical response. However, as a function of the reorganization process included in LAFCO 3000 (the reorganization which crafted the new county governed fire entity this territory should have been included in the full range of County Fire taxing entities.

The Helendale community (including the annexation area) is serviced by SBCFPD Fire Station Number 4 (Silver Lakes/Helendale Station located at 27089 Helendale Road). General Ad Valorem property tax is provided through the SBCFPD (under its administrative category) and the North Desert Service zone. Zone FP-5, a special tax zone, was approved in 2006 and expanded in 2018. The special tax for FY 2022-23 is \$166.84 per parcel.

5. Ambulance: Ambulance emergency response is currently provided and will continue to be provided by designated providers under the ambulance operating areas (AOAs) assigned by the Inland Counties Emergency Medical Authority (ICEMA). The area is currently divided between two operating areas: AOA 12(a) is assigned to AMR and AOA 13 is assigned to Desert Ambulance. Shown below is a map excerpt from the Countywide Municipal Service Review for Fire Protection/Emergency Medical Response (LAFCO 3231 adopted in February

2020) outlining the designation of Operating Areas in the north desert portion of the County. Users of ambulance services are billed on a per trip basis by the respective providers to the individual and/or their health insurance provider.



6. Flood Control and Drainage: The San Bernardino County Flood Control District operates on a regional level and intercepts and manages flood flow through and away from developed areas throughout the County. There will be no change in this service provision following annexation.
7. Health and Welfare: The San Bernardino County Department of Public Health currently serves the Helendale CSD and the annexation for the general public's health and welfare services. The department provides a variety of programs and services that informs and educates the public about health issues and provides public assistance welfare and healthcare needs for all residents within San Bernardino County. There will be no changes in the service providers for these services following annexation.
8. Library: The San Bernardino County Library system serves the households within the Helendale CSD and the annexation area. The nearest County library is in the City of Adelanto approximately 20 miles away. The Adelanto Branch Library is located a 11497 Bartlett Avenue in Adelanto. There will be no change in this service provider following annexation.

9. Schools: The School Districts serving the annexation area are unaffected by this process and will not change upon annexation. The districts include the Barstow Unified School District for the northeastern portion of the annexation; the Helendale Elementary School District, charter high school, and Victor Valley Union High School District for the central portion, and the Oro Grande Elementary School District and Victor Valley Union High School District for the southern portion. The Victor Valley Community College District serves the entirety of the area.
10. Transportation: Current transportation services in the Helendale CSD area and the proposed annexation include freeways, highways, and interchanges serviced by Caltrans; arterials and collectors serviced by the Public Works Department of San Bernardino County; and local public roads also serviced by the Public Works Department of San Bernardino County. There will be no change in these services or their providers after annexation.
11. Utilities: Current utility providers within the Helendale CSD and the proposed annexation area are: Southern California Edison for electricity and power; Southwest Gas Corporation for natural gas; and Verizon and Spectrum for internet/cable and telephone. There will be no change in these services or their providers after annexation.

Helendale Community Services District:

The range of services the Helendale CSD is authorized to provide is outlined below. This description identifies those that will be extended and those that would be available in the future should future development be proposed.

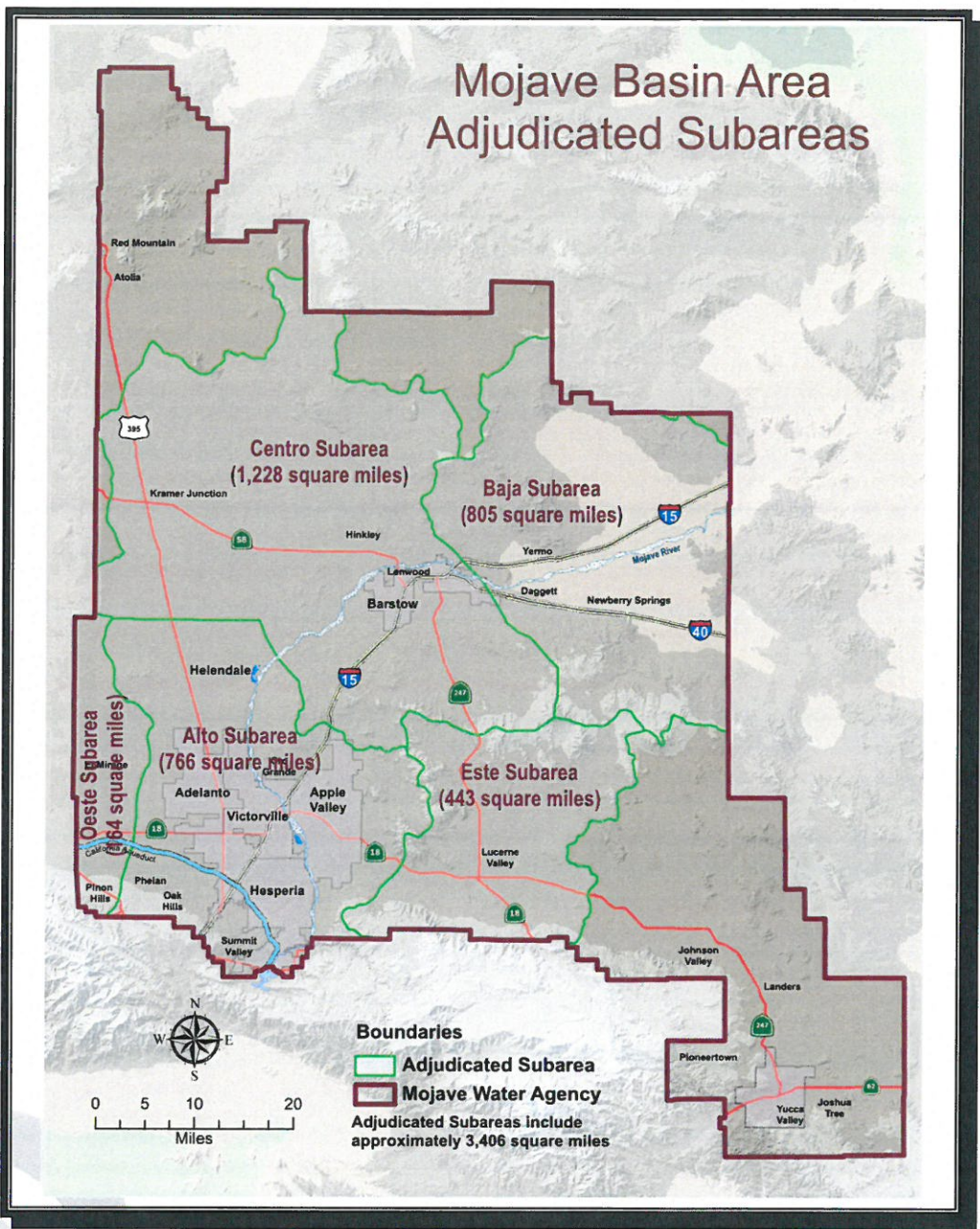
1. District Administration: Following annexation the administrative services offered by the Helendale CSD Board of Directors and staff will be extended to the new territory. These services include regulatory compliance, CSD personnel, budgeting, and management services, monthly billing for solid waste services and the Recycling Center and thrift store. In addition, meetings of the Board of Directors provide a local forum for the gathering of information and discussion of issues affecting the CSD as a whole and will provide for a conduit for discussions with other regional/local entities related to issues affecting the area. At present the area is only provided governmental representation by its representative on the County Board of Supervisors to address concerns.
2. Sewer: Residences or businesses within the annexation area currently rely upon on-site septic systems for their wastewater disposal service. After annexation this will not change. The CSD currently operates the sanitary sewer collection system and treatment plant. This includes 36 miles of

sewer line, 560 manholes, 2 pump stations, 1 lift stations, and percolations ponds. New development would be evaluated as to the feasibility of connecting to the existing treatment plant or whether to build new facilities should the density demand such service. The cost of new sewer service would be the responsibility of the property owners requesting the extension and the future residents would pay the monthly service charges. The wastewater plant currently operates with a flow of 50% of permitted capacity ensuring room for growth. However, depending upon where the sewer need within the annexation was located, a small package plant rather than line extension would be evaluated for efficient service delivery.

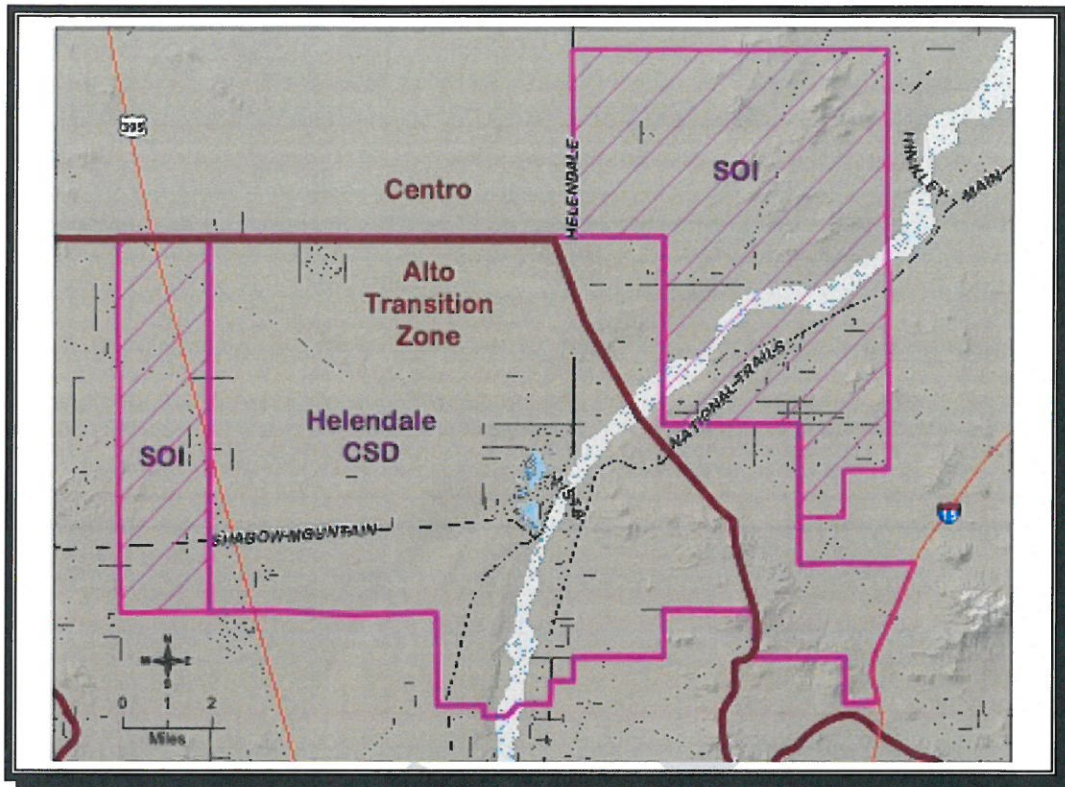
3. Water: Residences or businesses within the annexation area currently rely upon underground wells for their drinking water needs. After annexation this will not change. The CSD has the power "to supply water for any beneficial use" as outlined in Community Services District law. This service was authorized at the time of the formation of the district, and it currently provides for domestic water and water quality service for those connected to its system.

The Helendale CSD currently depends on two wells to produce potable water supplies, with four wells on standby that are not currently in service. A new production well is scheduled to be on-line in June 2023. The CSD has two reservoirs with a combined storage capacity of 5 million gallons. The CSD provides for approximately 2,830 service connections and 348 fire hydrants within the community. The majority of the CSD water service area is located within the Alto subarea of the Mojave Basin Area adjudication and operates under the court's judgment that governs water pumping. The CSD owns sufficient water rights to provide for the needs of the community which includes excess water rights in both the Alto and Centro basins. Approximately 10% of the District's existing service area is located in the Centro subarea.

The annexation area is located within Centro subarea and service would need to draw from this groundwater basin. The CSD is well positioned to work with property owners in need of an organized water system for future development in the area. A map of the adjudication subareas taken from LAFCO 3187 Countywide Municipal Service Review for Water and Wastewater completed in July 2017 is included as an attachment and shown below:



The map which follows outlines the relationship of the Helendale CSD and the annexation area to the boundaries of the Alto and Centro adjudication subareas:



4. Solid Waste Management: The proposed annexation area currently receives their solid waste disposal service through the San Bernardino County Solid Waste Management Division (SWMD) under contract with Burrtec. The proposed annexation includes portions of Collection Franchise Areas (CFA) 19, 22 and 23 all under contract with Burrtec. For Fiscal Year 2022-23 the monthly service charge for residential properties under the County contract in this area is \$32.31 per month and commercial charge for three-yard weekly service is \$188.59 per month.

The Helendale CSD assumed responsibility for the residential solid waste disposal services (trash and recycling) within its boundaries from the SWMD in 2010-11 along with the collection of the ESFR special assessment (\$85.14 per parcel). This assessment pays for the tipping fee and rate fee at the San Bernardino County landfill for the contract trash hauler and for access to the dump by individual CSD residents with a dump pass. The Helendale CSD will provide this service through a contract with Burrtec. The district provides billing for residential solid waste disposal service.

For AB1383 compliance, the district was able to gain approval from the State to operate a food waste drop off site in compliance with the new organic materials disposal. This cost savings approach has saved residents several dollars per

month in disposal and processing costs compared to other communities. The annexation area, unless otherwise exempted by Cal Recycle, will be included in these programs upon successful annexation.

The Helendale CSD for Fiscal Year 2022-23 are \$23.97 per month for residential service and commercial service is \$171.80. The difference between the Helendale CSD solid waste contract and the County's contract is a residential cost savings of \$6.10 per month or \$73.20 per year and a commercial savings of \$24.08 per month or \$288.96 a year. At this time, it has not been published what the proposed rate charge will be for Fiscal Year 2023-24 when full implementation of the requirements of AB 1338, the state mandated organics diversion program, takes full effect. But the change, which could include substantial increases, effects both the county and Helendale CSD in a similar manner.

In addition, the district offers enhanced services for the community through a bulky item pick up program which provides residential pick up service for up to ten large items each year, such as appliances, mattresses, furniture, etc. The district maximizes recycling for the rural community through its recycling center operation which accepts any broken appliance or electronic for recycling and provides mattress collection and recycling. These services were offered in an effort to provide a free location for unwanted items and reduce the dumping in the rural desert area. The district offers green waste disposal to the community and provides a centralized drop-off location at the Community Center for the green waste that is taken to a compost facility.

In addition, the Helendale CSD operates the award-winning Recycling Center located in Suite A at the Community Center on Vista Road under its Solid Waste authority. The district offers a variety of recycling programs such as green waste, electronic waste, metal, and mattress recycling. Residents can also donate their unwanted items to the recycling center for re-purposing rather than throwing the items away. This service encourages recycling and diverts waste from going into the landfill

5. Parks and Recreation: The County Regional Parks Department provides regional park services for all the residents in the county, including those within the proposed annexation. The closest County Regional Park is Mojave Narrows Regional Park located approximately 30 miles away. Neither the County nor a local special district provides for local park services for the residents in the annexation area.

After annexation, the area will have access to local park services provided by the Helendale CSD through its park and recreation department officially. The

district provides youth sports programs, an annual concert-in-the-park series, adult recreational programs including an adult softball league, corn-hole league and basketball. In addition, enrichment programs are offered that include arts and crafts, exercise and informational topics. The weekly farmers market with seasonal activities provides a weekly gathering place for Helendale and the outlying communities of Oro Grande, Hodge and Hinkley. The district partners with the San Bernardino County Sheriff's Department and other community stakeholders to host National Night Out, an event to bring the police and community together. The Community Center is made available to residents for parties, meetings and other occasions. In addition, two churches hold services at the Community Center on Saturday night and Sunday morning for the rural residents. In addition, the district hosts the Helendale Senior Center and contracts through the County for a daily senior lunch program that is served at the Helendale Community Center. It is anticipated that the residents of the annexation area currently partake in the services and classes offered by the CSD due to its proximity to the area and the district's position to welcome all.

6. **Streetlighting:** Because of the rural nature of the area and the County's Dark Sky Ordinance, there are no known publicly operated streetlights in the area. Streetlights along Route 66 are operated by Caltrans as a highway protection. The district provides streetlighting on public rights-of-way generally in and around the Silver Lakes subdivision paid through the general ad valorem taxes the CSD receives. This service would be provided to the annexation area under the proper economic and development conditions in compliance with Dark Sky Ordinance requirements with future residents of the area subject to any applicable one-time development impact fee or ongoing user charges.
7. **Graffiti Abatement:** San Bernardino County Public Works department currently provides and will continue to provide graffiti abatement for road signs and bridges in the area. After annexation, graffiti abatement would be available through the CSD based upon availability of resources and request for service from the residents of the annexation area.

FISCAL IMPACT ANALYSIS

San Bernadino LAFCO policies require that the Fiscal Impact Analysis provide for a five-year projection of expense and revenues which identifies how the service will be financed and that the revenues are sufficient to provide for the service for the foreseeable future. Several of the District's services are not anticipated to be extended, water, sewer, and streetlighting so no revenue or cost projections are provided. Should such services be needed in the future the requesting parties

would be required to pay their pro rata share for extension and ongoing operations. While authorized to provide graffiti abatement, this service is not currently actively provided. It is proposed that the district's services for administration, solid waste management, and park and recreation will be extended into the area and the fiscal analysis which follows outlines the first five years following annexation.

The area proposed for annexation is not anticipated to receive a share of the general ad valorem taxes from the area. This is based upon established policies of San Bernardino County which provides that for a special district annexation the only portion of the general ad valorem property tax subject to exchange pursuant to Revenue and Taxation Code Section 99 would be a detaching special district. There are no detaching agencies in this annexation; therefore, no share of the ad valorem property taxes will come to the district. The table which follows shows the existing tax entities within the affected Tax Rate Areas of the proposed annexation and their shares of the general ad valorem tax.

TAX RATE AREA (TRA) ALLOCATIONS SAN BERNARDINO COUNTY									
AGENCY CODE	AGENCY	TRA 56017 ALLOCATION	TRA 56095 ALLOCATION	TRA 56101 ALLOCATION	TRA 56134 ALLOCATION	TRA 78010 ALLOCATION	TRA 78011 ALLOCATION	TRA 99003 ALLOCATION	TRA 99026 ALLOCATION
AB01 GA01	COUNTY GENERAL FUND	17.719649	15.489247	17.709399	18.001735	14.779060	14.786244	16.695367	14.701145
AB02 GA01	AUGMENTATION FUND	26.849919	23.470300	26.834171	27.277369	22.394182	22.405047	25.297883	22.276079
BF04 GA01	SAN BNDO COUNTY FLOOD CONTROL ZONE 4	2.801543	2.448926	2.803804		2.336317	2.337531		
BF06 GA01	SAN BNDO COUNTY FLOOD CONTROL ZONE 6				1.420205			1.317094	1.159623
BF08 GA01	SAN BNDO COUNTY FLOOD Admin 3-6	0.107179	0.093712	0.107526	0.108892	0.089342	0.089445	0.100984	0.088914
BL01 GA01	COUNTY FREE LIBRARY	1.717032	1.501156	1.715567	1.744369	1.431910	1.432824	1.617651	1.424177
BS01 GA01	SUPERINTENDENT OF SCHOOL	0.608415	0.531834	0.607879	0.618116	0.507491	0.507707	0.573263	0.504771
BS01 GA03	SUPERINTENDENT OF SCHOOL PHY HAND	0.239394	0.209230	0.238829	0.243159	0.199577	0.199710	0.225496	0.198525
BS01 GA02	SUPERINTENDENT OF SCHOOL - ROP	0.104385	0.091186	0.104284	0.105973	0.087035	0.087044	0.098291	0.08654
BS01 GA05	SUPERINTENDENT OF SCHOOL - DEV CENTER	0.062796	0.054855	0.062679	0.063734	0.052371	0.052350	0.059100	0.052042
BS01 GA04	SUPERINTENDENT OF SCHOOL - MENT RET					0.160232	0.160362	0.181056	0.159429
SC10 GA01	BARSTOW COMMUNITY COLLEGE DISTRICT	10.374298	9.068153	10.380937	10.537595				
SC66 GA01	VICTOR VALLEY COMMUNITY COLLEGE DISTRICT					6.645343	6.648932	7.506918	6.609619
SE46 GA01	ORD GRANDE ELEMENTARY SCHOOL DISTRICT							21.040015	18.524605
SU10 GA01	BARSTOW UNIFIED SCHOOL	34.782384	30.403289	34.802507	35.329736				
SE30 GA01	HELENDALE ELEMENTARY SCHOOL DISTRICT					16.922153	16.931168		
SH66 GA01	VICTOR VALLEY UNION HIGH SCHOOL					18.109238	18.118923	20.456911	18.011339
UD44 GA01	CSA 60					1.025157	1.025686	1.158042	1.019558
UD50 GA01	CSA 70	0	0	0	0	0	0	0	0
UF01 GA01	SBCFPD	0							
UF01 GA05	SBCFPD ADMIN	3.195404	2.792679	3.198366	3.245302	2.664152	2.665736	3.009710	2.649776
UF01 GA03	SBCFPD NORTH DESERT SERVICE ZONE		12.599479	0	0	12.019687	12.026435	0	11.95501
VB01 GA01	BARSTOW CEMETERY DISTRICT	0.745699	0.651772	0.746204	0.757402				
WR03 GA01	MOJAVE DESERT RESOURCE CONSERVATION DISTRICT	0.059797	0.041636	0.055114	0.019770	0.049657	0.025887	0.066759	0.054565
WY20 GA01	MOJAVE WATER AGENCY	0.632106	0.552546	0.632734	0.526673	0.527096	0.498969	0.595460	0.524283
		100	100	100	100	100	100	100	100

BLUE HIGHLIGHT IDENTIFIES AREAS NOT A PART OF THE AGENCY BUT WHO SHOULD HAVE BEEN INCLUDED BY THE STATE BOARD OF EQUALIZATION, PURSUANT TO LAFCO 3000

A review of audit and budget data for the Helendale CSD provides the background information for development of the costs for service extension and anticipated revenues. In the case of the annexation area, the CSD's revenues are projected on a developed parcel basis. Of the 1,128 parcels within the annexation area, 178 have improvements but only 97 of those have residential development. The importance of this data is that the range of revenues to be provided by the Helendale CSD are

directly related to residentially developed properties. These calculation factors are shown on the table which follows:

CATEGORY		PROJECTION FACTOR - PER HOUSEHOLD COST	2022-23	PROJECTION FACTOR	2023-24 THROUGH 2028-29
RECURRING REVENUES					
Property Tax			\$0		\$0
Franchise Fees	97 developed parcels	\$28.68	\$2,782	8.7% increase over prior year	\$3,024
Solid Waste Billing	97 developed parcels	\$287.64	\$27,901	8.7% increase over prior year	\$30,328
Solid Waste ESFR Assessment	97 developed parcels	\$85.14	\$8,259	no change	\$8,259
Park and Recreation Fees	97 developed parcels	\$1.00	\$97	no change	\$97
TOTAL			\$39,039		\$41,708
RECURRING COSTS					
Administration	97 developed parcels	\$246.38	\$2,957	2.5% increase over prior year	\$3,030
Park and Recreation	97 developed parcels	\$48.27	\$4,682	2.5% increase over prior year	\$4,799
Solid Waste Disposal	97 developed parcels	\$228.84	\$22,197	8.7% increase over prior year	\$24,129
TOTAL			\$29,836		\$31,958

The table which follows outlines the revenue and expenditure categories associated with the annexation area. These calculations are being proposed to represent conservative revenue projections and liberal expense projections. The current year column makes its projections using the district's Fiscal Year 2022-23 Budget with additional questions reviewed with the district. Since the past five years has seen limited residential permits within the annexation area in general, no increase in number of households has been included in the projection table. The revenue categories of solid waste billing and Franchise Fees and expense category for Solid Waste Disposal have been increased by 8.7% for the upcoming year based upon the implementation requirements of AB 1338 imposed upon the district. The ESFR is a flat rate set out by vote with no allowance for inflationary increase and the projection corresponds.

CATEGORY	2022-23	2023-24 THROUGH 2028-29
RECURRING REVENUES		
Property Tax	\$0	\$0
Franchise Fees	\$2,782	\$3,024
Solid Waste Billing	\$27,901	\$30,328
Solid Waste ESFR Assessment	\$8,259	\$8,259
Park and Recreation Fees	\$97	\$97
TOTAL	\$39,039	\$41,708
RECURRING COSTS		
Administration	\$2,957	\$3,030
Park and Recreation	\$4,682	\$4,799
Solid Waste Disposal	\$22,197	\$24,129
	\$29,836	\$31,958

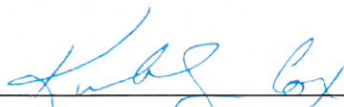
The information outlined above shows that the district can extend the range of its services identified in the application to the area and can sustain those services at existing levels, improving those levels through the introduction of park and recreation services, for the foreseeable future.

Attachments and Additional Information:

1. Map and Legal Description of the Proposal Area
2. Barstow International Gateway Project Information
3. Map of Mojave Water Agency Adjudication Subarea Basins

CERTIFICATION

I hereby certify that the statements furnished above, and the documents attached to this form present the data and information required to the best of my ability and that the facts, statements, and information presented herein are true and correct to the best of my knowledge and belief.



DR. KIMBERLY COX, General Manager
Helendale Community Services District

DATE



Helendale Community Services District

Date: April 20, 2023
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #9
Discussion and Possible Action Regarding Payment of the Unfunded Accrued Liability to CalPERS

STAFF RECOMMENDATION:

Staff seeks approval of this item.

STAFF REPORT:

In an effort to contain the cost for retirement pensions, CalPERS allows any annual accrued liability to be paid off each year. This option saves the District 3.4% in interest on the annual amount. This amount changes every year based upon performance of PERS investments, actuarial changes and other economic conditions. However, paying off the amount each year saves the Districts interest that would continue to accrue on the unfunded amount. Currently, the District's overall Unfunded Accrued Liability is approximately \$550,000 as of June 2021, the latest date reflected in the actuarial report. This is based upon the first years of operation during which the District did not exercise this option.

For the past several years, the District has paid off the outstanding Unfunded Actuarial Liability (UAL) for the CalPERS retirement system. This amount is programmed into the budget and expended from Fund 10 (Administration). In FY21 the amount was \$24,057; FY 22-\$29,326; FY23 - \$42,555. For FY2024, the amount is \$39,395 for Classic employee and \$0 for PEPRAs employees. The District has until July 31 deadline to pay off the UAL.

FISCAL IMPACT: \$39,395

ACTION: Motion to approve the payment of UAL in an amount up to \$39,395

ATTACHMENTS:

CalPERS Circular Letter dated March 30, 2023
Annual Valuation Cover letter as of July 2022, for Classic employees
Annual Valuation Report as of July 2022, for PEPRAs employees



Save 3.4% Interest Through a UAL Lump-Sum Prepayment

March 30, 2023

Circular Letter: 200-017-23

Distribution: VI

To: All Contracting Public Agencies

Purpose

The purpose of this Circular Letter is to inform you about the option of prepaying your annual unfunded accrued liability (UAL) to save 3.4% interest.

Save 3.4% Interest by Prepaying Annual UAL in July

Springtime is the budget planning season for many public agencies, and we want to make sure you are aware of this cost-saving payment option available to all California Public Employees' Retirement System (CalPERS) contracting agencies. If you make a lump-sum prepayment of your annual UAL in July, we will discount your annual payment by 3.4% interest. When your contributions are invested early in the fiscal year it gives a better chance of maximizing potential investment returns throughout the remainder of the year. Last year, nearly 80% of our contracting agencies took advantage of this incentive and saved money. We want to make sure you are aware of this option while planning your budget. **This incentive is exclusive to the month of July.**

Find Your Prepayment Amount

There are two ways to find your lump-sum prepayment amount. You can view your agency's most recent actuarial valuation report on the CalPERS website. The annual UAL prepayment amount is found on page 4 under required contributions, or you can contact your assigned actuary.

Payment Timing and Methods

Your UAL receivables for FY 2023-24 are available in myCalPERS starting July 1, 2023. Lump-sum UAL prepayments must be received and posted by CalPERS no later than July 31, 2023, or myCalPERS will automatically set up a 12-month payment plan. Payments should be made using one of the below methods.

Be Prepared: We Switched our EFT Bank Vendor to U.S. Bank

If you use myCalPERS to send electronic funds transfer (EFT) payments to CalPERS, you need to notify your bank of the switch to U.S. Bank, our new vendor beginning on July 1, 2023. If you don't notify your bank of this change, your payment may be rejected if your account has existing blocks that require your approval to change. More information will be released about this change in a May 2, 2023, Circular Letter.

Payment Method	Payment Instructions	Due Date
EFT Debit	Log in to myCalPERS to make a payment. For lump-sum payments, enter the amount of the prepayment manually.	Payments should be set up no later than Friday July 28, 2023, with a settlement date no later than Monday, July 31, 2023.



California Public Employees' Retirement System
Actuarial Office

400 Q Street, Sacramento, CA 95811 | Phone: (916) 795-3000 | Fax: (916) 795-2744
888 CalPERS (or 888-225-7377) | TTY: (877) 249-7442 | www.calpers.ca.gov

July 2022

**Miscellaneous Plan of the Helendale Community Services District (CalPERS ID: 1809345897)
Annual Valuation Report as of June 30, 2021**

Dear Employer,

Attached to this letter, you will find the June 30, 2021 actuarial valuation report for the rate plan noted above. **Provided in this report is the determination of the minimum required employer contributions for fiscal year (FY) 2023-24.** In addition, the report contains important information regarding the current financial status of the plan as well as projections and risk measures to aid in planning for the future.

Because this plan is in a risk pool, the following valuation report has been separated into two sections:

- Section 1 contains specific information for the plan including the development of the current and projected employer contributions, and
- Section 2 contains the Risk Pool Actuarial Valuation appropriate to the plan as of June 30, 2021.

Section 2 can be found on the CalPERS website (www.calpers.ca.gov). From the home page, go to "Forms & Publications" and select "View All". In the search box, enter "Risk Pool" and from the results list download the Miscellaneous Risk Pool Actuarial Valuation Report for June 30, 2021.

Your June 30, 2021 actuarial valuation report contains important actuarial information about your pension plan at CalPERS. The plan actuary whose signature is in the Actuarial Certification is available to discuss.

Actuarial valuations are based on assumptions regarding future plan experience including investment return and payroll growth, eligibility for the types of benefits provided, and longevity among retirees. The CalPERS Board of Administration (board) adopts these assumptions after considering the advice of CalPERS actuarial and investment teams and other professionals. Each actuarial valuation reflects all prior differences between actual and assumed experience and adjusts the contribution requirements as needed. This valuation is based on an investment return assumption of 6.8%, which was adopted by the board in November 2021. Other assumptions used in this report are those recommended in the CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021.

Required Contribution

The table below shows the minimum required employer contributions for FY 2023-24 along with estimates of the required contributions for FY 2024-25. Employee contributions other than cost sharing (whether paid by the employer or the employee) are in addition to the results shown below. **The required employer contributions in this report do not reflect any cost sharing arrangement between the agency and the employees.**

Fiscal Year	Employer Normal Cost Rate	Employer Amortization of Unfunded Accrued Liability
2023-24	15.17%	\$39,395
<i>Projected Results</i>		
2024-25	15.2%	\$35,000

The actual investment return for FY 2021-22 was not known at the time this report was prepared. The projections above assume the investment return for that year would be 6.8%. ***To the extent the actual investment return for FY 2021-22 differs from 6.8%, the actual contribution requirements for FY 2024-25 will differ from those shown above.*** For additional details regarding the assumptions and methods used for these projections, please refer to the "Projected Employer Contributions" in the "Highlights and Executive Summary" section. This section also contains projected required contributions through FY 2028-29.

Changes from Previous Year's Valuation

On July 12, 2021, CalPERS reported a preliminary 21.3% net return on investments for FY 2020-21. Since the return exceeded the 7.00% discount rate sufficiently, the CalPERS Funding Risk Mitigation policy allows CalPERS to use a portion of the investment gain to offset the cost of reducing the expected volatility of future investment returns. Based on the thresholds specified in the policy, the excess return of 14.3% prescribes a reduction in investment volatility that corresponds to a reduction in the discount rate of 0.20%, from 7.00% to 6.80%.

On November 17, 2021, the board adopted new actuarial assumptions based on the recommendations in the November 2021 CalPERS Experience Study and Review of Actuarial Assumptions. This study reviewed the retirement rates, termination rates, mortality rates, rates of salary increases, and inflation assumption for public agencies. These new assumptions are incorporated in this actuarial valuation and will impact the required contribution for FY 2023-24. In addition, the board adopted a new strategic asset allocation as part of its Asset Liability Management process. The new asset allocation along with the new capital market assumptions and economic assumptions support a discount rate of 6.80%. This includes a reduction in the price inflation assumption from 2.50% to 2.30%.

Besides the above noted changes, there may also be changes specific to the plan such as contract amendments and funding changes.

Further descriptions of general changes are included in the "Highlights and Executive Summary" section and in Appendix A of the Section 2 report, "Actuarial Methods and Assumptions."

Questions

We understand that you might have questions about these results, and the plan actuary whose signature is on the valuation report is available to discuss. If you have other questions, you may call the Customer Contact Center at (888)-CalPERS or **(888-225-7377)**.

Sincerely,



SCOTT TERANDO, ASA, EA, MAAA, FCA, CFA
Chief Actuary



California Public Employees' Retirement System

Actuarial Office

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July 2022

PEPRA Miscellaneous Plan of the Helendale Community Services District (CalPERS ID: 1809345897) Annual Valuation Report as of June 30, 2021

Dear Employer,

Attached to this letter, you will find the June 30, 2021 actuarial valuation report for the rate plan noted above. **Provided in this report is the determination of the minimum required employer contributions for fiscal year (FY) 2023-24.** In addition, the report contains important information regarding the current financial status of the plan as well as projections and risk measures to aid in planning for the future.

Because this plan is in a risk pool, the following valuation report has been separated into two sections:

- Section 1 contains specific information for the plan including the development of the current and projected employer contributions, and
- Section 2 contains the Risk Pool Actuarial Valuation appropriate to the plan as of June 30, 2021.

Section 2 can be found on the CalPERS website (www.calpers.ca.gov). From the home page, go to "Forms & Publications" and select "View All". In the search box, enter "Risk Pool" and from the results list download the Miscellaneous Risk Pool Actuarial Valuation Report for June 30, 2021.

Your June 30, 2021 actuarial valuation report contains important actuarial information about your pension plan at CalPERS. The plan actuary whose signature is in the Actuarial Certification is available to discuss.

Actuarial valuations are based on assumptions regarding future plan experience including investment return and payroll growth, eligibility for the types of benefits provided, and longevity among retirees. The CalPERS Board of Administration (board) adopts these assumptions after considering the advice of CalPERS actuarial and investment teams and other professionals. Each actuarial valuation reflects all prior differences between actual and assumed experience and adjusts the contribution requirements as needed. This valuation is based on an investment return assumption of 6.8%, which was adopted by the board in November 2021. Other assumptions used in this report are those recommended in the CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021.

Required Contribution

The table below shows the minimum required employer contributions and the Employee PEPRA Rate for FY 2023-24 along with estimates of the required contributions for FY 2024-25. Employee contributions other than cost sharing (whether paid by the employer or the employee) are in addition to the results shown below. **The required employer contributions in this report do not reflect any cost sharing arrangement between the agency and the employees.**

Fiscal Year	Employer Normal Cost Rate	Employer Amortization of Unfunded Accrued Liability	PEPRA Member Rate
2023-24	7.68%	\$0	7.75%
<i>Projected Results</i>			
2024-25	7.7%	\$0	TBD

The actual investment return for FY 2021-22 was not known at the time this report was prepared. The projections above assume the investment return for that year would be 6.8%. ***To the extent the actual investment return for FY 2021-22 differs from 6.8%, the actual contribution requirements for FY 2024-25 will differ from those shown above.*** For additional details regarding the assumptions and methods used for these projections, please refer to the "Projected Employer Contributions" in the "Highlights and Executive Summary" section. This section also contains projected required contributions through FY 2028-29.

Changes from Previous Year's Valuation

On July 12, 2021, CalPERS reported a preliminary 21.3% net return on investments for FY 2020-21. Since the return exceeded the 7.00% discount rate sufficiently, the CalPERS Funding Risk Mitigation policy allows CalPERS to use a portion of the investment gain to offset the cost of reducing the expected volatility of future investment returns. Based on the thresholds specified in the policy, the excess return of 14.3% prescribes a reduction in investment volatility that corresponds to a reduction in the discount rate of 0.20%, from 7.00% to 6.80%.

On November 17, 2021, the board adopted new actuarial assumptions based on the recommendations in the November 2021 CalPERS Experience Study and Review of Actuarial Assumptions. This study reviewed the retirement rates, termination rates, mortality rates, rates of salary increases, and inflation assumption for public agencies. These new assumptions are incorporated in this actuarial valuation and will impact the required contribution for FY 2023-24. In addition, the board adopted a new strategic asset allocation as part of its Asset Liability Management process. The new asset allocation along with the new capital market assumptions and economic assumptions support a discount rate of 6.80%. This includes a reduction in the price inflation assumption from 2.50% to 2.30%.

Besides the above noted changes, there may also be changes specific to the plan such as contract amendments and funding changes.

Further descriptions of general changes are included in the "Highlights and Executive Summary" section and in Appendix A of the Section 2 report, "Actuarial Methods and Assumptions."

Questions

We understand that you might have questions about these results, and the plan actuary whose signature is on the valuation report is available to discuss. If you have other questions, you may call the Customer Contact Center at (888)-CalPERS or **(888-225-7377)**.

Sincerely,



SCOTT TERANDO, ASA, EA, MAAA, FCA, CFA
Chief Actuary