



Helendale Community Services District Regular Board Meeting

26540 Vista Road, Suite C, Helendale, CA 92342

Thursday, September 3, 2020 at 6:30 PM

SPECIAL NOTICE OF TELECONFERENCE ACCESSIBILITY

Pursuant to the provisions of Executive Order N-29-20 issued by Governor Gavin Newsom in response to the COVID-19 pandemic and in an effort to prevent the spread of the virus, Helendale CSD will hold its board meeting via teleconference. The Helendale CSD Board of Directors will meet in person at the District Office located at 26540 Vista Rd. Suite C. Helendale, CA 92342. This meeting is open to the public via virtual interface and can be accessed by clicking on the link below.

<https://attendee.gotowebinar.com/register/6840359113852847115>

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

Call to Order - Pledge of Allegiance

1. Approval of Agenda

2. Public Participation

Anyone wishing to address any matter pertaining to District business listed on the agenda or not, may do so at this time. However, the Board of Directors may not take action on items that are not on the agenda. The public comment period may be limited to three (3) minutes per person. Any member wishing to make comments may do so by filling out the speaker's card at the following link: <https://www.surveymonkey.com/r/HKGNLL8>. We request that all speaker's cards are filled out by 6:25 pm.

3. Consent Items

- a. Approval of Minutes: August 6, 2020, Regular Board Meeting
- b. Directors Compensation and Expenses
- c. Bills paid report
- d. June Financials

4. Reports

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

Regular Business:

5. Discussion Only Regarding COVID-19 Pandemic Update
6. Discussion and Possible Action Regarding Purchase of Modularized Bathroom Structure for the Park
7. Discussion and Possible Action Regarding Community Center Park Concept and Rendering
8. Discussion and Possible Action Regarding Investments and Adoption of Resolution 2020-12: A Resolution of the Helendale Community Services District Establishing the Statement of Investment Policy for Fiscal Year 2020-2021

Other Business

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

Closed Session

10. Conference with Real Property Negotiators (Government Code Section 54956.8)

Property: APN's: 0467-021-33; 0466-181-25; 0466-618-26

District Negotiator: Kimberly Cox, General Manager

Negotiating Parties: US Materials

Under Negotiation: Price and Terms of Payment

11. Report of Closed Session Items

12. 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'd 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: September 3, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #3
Consent Items

CONSENT ITEMS

- a. Approval of Minutes: August 20
- b. Bills Paid Report
- c. Directors Expenses
- d. June Financials



Helendale Community Services District

Date: September 3, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Cheryl Vermette
SUBJECT: Agenda item #3a
Minutes from Board meeting 8/20/2020



*Minutes of the Helendale Community Services District
BOARD OF DIRECTORS MEETING
August 20, 2020 at 6:30 PM
26540 Vista Road, Suite C. Helendale, CA 92342*

Pursuant to the provisions of Executive Order N-29-20 issued by Governor Gavin Newsom in response to the COVID-19 pandemic and in an effort to prevent the spread of the virus, Helendale CSD's August 20, 2020 board meeting was held via teleconference.

Board Members Roll Call:

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

Staff Members Present:

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

Consultants:

Steve Kennedy, Legal Counsel

Members of the Public:

There were three members of the public present via the teleconference link

Call to Order and Pledge of Allegiance

The meeting was called to order at 6:31 pm by President Ron Clark, after which the Pledge of Allegiance was recited.

1. Approval of Agenda

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

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

2. Public Participation

None

3. Consent Items

- a. Approval of Minutes: August 6, 2020 Regular Board Meeting
- b. Bills Paid Report
- c. Directors Compensation and Expenses
- d. COVID-19 Update

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

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

4. Reports

a. Directors' Reports

Director Schneider reported that he attended the San Bernardino County Virtual Water Conference. He also reported that he went in and viewed Unit D.

Director Haas reported she went in and viewed Unit D as well and suggested possibly painting the floor.

Director Smith and Schneider talked about using an epoxy on the floor and suggested whatever is used to paint the floor it should not be slippery. Director Smith commented that painting the floor and walls will make the room presentable. Director Smith reported that he attended the San Bernardino County Virtual Water Conference, which was very informative and had information on new technology.

b. General Manager's Report

General Manager Cox presented the General Manager's report. Staff was notified that the issues with the motor from Well 1 has been determined. The motor leads inside the motor had some cuts in the shielding of the cable. The pump is under warranty and a new replacement motor will be provided in the next few weeks.

COVID-19 update: there are now 45 cases and 1 death reported in Helendale.

She presented two photos of Unit D being used for the last farmers market.

A letter of support for the Special Districts Provide Essential Services Act (SDPESA) Bill was presented. The bill was introduced by John Garamendi and is being heard by two committees currently. The proposed bill makes special districts eligible for the Coronavirus Relief Fund if more than \$150B is appropriated to the fund. The bill includes special district as eligible issuers in the Municipal Liquidity Facility program and acknowledges special districts as a political subdivision, formed pursuant to general law or special act of a state for the purpose of performing one or more governmental or proprietary functions. The Board requested the General Manager send out the letter of support for the proposed bill.

The Board approved a water rights purchase in November 2019 of 50 AF. The balance may come to fruition and we are in the first position to receive them. The transaction cost is \$50,000.

Wastewater Operations Manager Aviles presented the wastewater report. Staff took check valve assemblies from the digester pump room and moved them to primary pump room due to severe wear from not having grit removal for over a year. Poured pump mounts to install inside of vault for the secondary recycled project. Laid over 1,200 LF of 6" C-900 and tied in the 6" recycled line to the 10" existing line with risers in the center of the track. Staff isolated the existing 10" line from the distribution system to prevent cross-connection. Approximately 70% of the project is completed. Installed risers and 4" valves and spools to connect the District's three pumps. Aviles showed several photos of the project.

General Manager Cox presented the Administration Update. There were 51 account transfers in the month of July. A map and chart detailing this information was also presented.

Regular Business

5. Discussion and Possible Action Regarding Write Off of Certain Accounts

Discussion: Typically, on an annual basis, write-offs are approved by the Board. The write-off policy was approved in 2009 and revised in 2017 & 2019. Write-offs under \$25 are approved by the General Manager and write-offs over \$25 are approved by Board. Shavon has collected over \$24,000 in past 7.5 years. A write-off occurs when a balance is not paid and efforts to collect have been futile. The policy states write-off can be every quarter but at least annually. Due to the low number of write-offs, this item is typically brought to the Board annually. However, with the growing number of uncollectable debt Staff may present write-offs more frequently. The total write-offs last year included 13 accounts in the amount of

\$433.24. The total write-offs this year include 36 accounts; 12 are for solid waste services, in an amount of \$943.86. There were 25 accounts under \$25 totaling \$135.99 and 11 account over \$25 totaling 807.87. Staff is working on an additional \$707 past due since January.

Motion: Vice President Smith made the motion to approve write-off of certain utility accounts in the amount of \$943.86. Director Schneider seconded the motion.

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

6. Discussion and Possible Action Regarding a Policy Statement Regarding Recycled Water

Discussion: The draft copy presented is intended to stimulate thoughts and input from the Board. The Policy may require several iterations and is intended to be easy to read provide accurate information, daylight prior work that has been done, outline steps required, provide estimated costs, and serve as a resource. There are many moving parts including regulatory, environmental, engineering, funding, construction, cost implications, sources of funding, risks/costs of grant funding and other alternatives to increase water supply. The Board discussed the title and decided to call it the Recycled Water Policy. Director Smith suggested rewording the second paragraph and using it as a closing statement. The Board requested the Policy be sent to the SLA Board and certain SLA committees.

Motion: Vice President Smith made the motion approve the recycled water policy as corrected and agreed upon tonight. Director Haas seconded the motion.

Vote: The motion was approved by the following 4 Yes – 0 No – 1 Absent roll call vote: President Clark – Yes; Vice President Smith – Yes; Secretary Haas – Yes; Director Schneider – Absent; Director Spiller – Yes

7. Discussion and Possible Action Regarding Approval of Open Purchase Orders for Certain Vendors

Discussion: Open purchase orders are used to track payments to one vendor and ensure costs don't exceed the budgeted or contracted amount. Open PO's exist for most of our contract arrangements including our auditors, financial support services and capital purchases approved by the Board. PO's are helpful to track expenses for charges over time. Three expenditures need Board approval for an Open Purchase Order. These expenses were approved in the budget but are over the GM's signing authority. Upon approval PO will be opened and expenditures made up to the PO amount. Adjustments can be made at mid-year or as needed but will require Board approval. The vendors include Aqua Metrics (meter purchases) in the amount of \$65,000; BMK Law (legal services) in an amount of \$50,000 and Beck Oil (fuel) for \$26,000.

Motion: Director Haas made the motion to approve the open purchase orders as outlined in the staff report. Vice President Smith seconded the motion.

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

8. Discussion and Possible Action Regarding Community Center Signage

Discussion: The signage at the community center has not been updated in several years. The current signs are faded and in need of replacement. This item was discussed with the Board in November 2019, however the contractor that was awarded has not performed. The proposed signs are made of injected plastic molded letters and the Helendale CSD logo. Staff has received three quotes: Sooter Signs - \$7,318.82; Yesco Signs - \$10,955.90 and

Minutemen Press - \$14,897.62. The signage quotes include the Helendale CSD logo, the words "Helendale CSD", Thrift Store/Recycling Center, Community Room, and the letters "A" "B" "C" "D".

Motion: Director Schneider made the motion to approve community center signage in an amount not to exceed \$7,318.82 plus a 10% contingency. Vice President Smith seconded the motion.

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

Other Business

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

None

President Clark called for a brief recess at 7:47 pm after which closed session will begin. General Manager Cox announced the closed session items 10 & 11 will be pulled from the agenda.

Closed Session

President Clark called Closed Session to order at 7:55 pm.

~~10. Conference with Real Property Negotiators (Government Code Section 54956.8)~~

~~Property: APN's: 0467-021-33; 0466-181-25; 0466-618-26~~

~~District Negotiator: Kimberly Cox, General Manager~~

~~Negotiating Parties: US Materials~~

~~Under Negotiation: Price and Terms of Payment~~

~~11. Conference with Legal Counsel – Anticipated Litigation~~

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

~~One Potential Case~~

12. Conference with Real Property Negotiators (Government Code Section 54956.8)

Property: APN's: 0467-121-28, 0467-121-22

District Negotiator: Kimberly Cox, General Manager

Negotiating Party: Carl Ross Living Trust

Under Negotiation: Price and Terms of Payment

13. Report of Closed Session Items

Closed Session adjourned at 8:38 pm at which time President Clark called to order the Open Session. Legal Counsel Kennedy announced there was no action resulting from any of the closed session items.

14. Adjournment

Action: President Ron Clark adjourned the meeting at 8:38 pm

Submitted by:

Approved By:

Ron Clark, President

Sandy Haas, Secretary

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



Helendale Community Services District

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

STAFF RECOMMENDATION:

Updated Report Only. Receive and File

STAFF REPORT:

Staff issued 66 checks and 5 EFT's totaling \$204,044.58

Total Cash Available:	<u>8/31/20</u>	<u>8/13/20</u>
Cash	\$6,097,599.71	\$6,029,978.81
Checks/EFT's Issues	\$ 204,044.58	\$ 64,598.18

Investment Report

The Investment Report shows the status of the invested District funds. The current interest rate is 1.22% for LAIF, and 0.20% for the CBB Sweep Account for July 2020. Interest earned in July 2020 on CBB Sweep Account is \$993.18.



Helendale CSD

Bills Paid and Presented for Approval

Transaction Detail

Issued Date Range: 08/13/2020 - 08/31/2020

Cleared Date Range: -

Issued Date

Issued Date	Number	Description	Amount	Type	Module
Bank Account: 251229590 - CBB Checking					
08/13/2020	23405	Inland Water Works Supply Co.	-21,655.89	Check	Accounts Payable
08/13/2020	23406	Southern California Edison	-1,552.12	Check	Accounts Payable
08/13/2020	23407	Southern California Edison	-958.28	Check	Accounts Payable
08/13/2020	23408	Brian K. Mc Namara	-79.33	Check	Accounts Payable
08/13/2020	23409	Burrtec Waste Industries Inc	-1,110.90	Check	Accounts Payable
08/13/2020	23410	Burrtec Waste Industries Inc	-474.24	Check	Accounts Payable
08/13/2020	23411	Burrtec Waste Industries, Inc.	-45,263.44	Check	Accounts Payable
08/13/2020	23412	Choice Builder	-1,073.47	Check	Accounts Payable
08/13/2020	23413	Ferguson Enterprises	-101.31	Check	Accounts Payable
08/13/2020	23414	Frontier Communications	-48.60	Check	Accounts Payable
08/13/2020	23415	Frontier Communications	-127.88	Check	Accounts Payable
08/13/2020	23416	Graham Equipment	-923.25	Check	Accounts Payable
08/13/2020	23417	Home Depot Credit Services	-324.55	Check	Accounts Payable
08/13/2020	23418	Infosend, Inc	-1,871.87	Check	Accounts Payable
08/13/2020	23419	Lowe's Inc.	-776.56	Check	Accounts Payable
08/13/2020	23420	O'Reilly Auto Parts	-303.86	Check	Accounts Payable
08/13/2020	23421	Parkhouse Tire, Inc.	-1,008.16	Check	Accounts Payable
08/13/2020	23422	Print Mart	-118.42	Check	Accounts Payable
08/13/2020	23423	Synagro Technologies, Inc	-1,176.73	Check	Accounts Payable
08/13/2020	23424	Univar Solutions USA Inc	-297.39	Check	Accounts Payable
08/13/2020	23425	USA Blue Book	-261.04	Check	Accounts Payable
08/20/2020	23426	THOMAS FAVORITE	-111.33	Check	Utility Billing
08/20/2020	23427	LACY SEIDENKRANZ	-76.59	Check	Utility Billing
08/20/2020	23428	California State Disbursement Unit	-230.76	Check	Accounts Payable
08/20/2020	23429	LEAH HILTON	-47.13	Check	Utility Billing
08/20/2020	23430	FRANCISCO ESQUIVEL	-165.28	Check	Utility Billing
08/20/2020	23431	REBECCA TROTTER	-97.97	Check	Utility Billing
08/20/2020	23432	CADEN ADAMS	-33.77	Check	Utility Billing
08/20/2020	23433	Southern California Edison	-23,492.88	Check	Accounts Payable
08/20/2020	23434	Southern California Edison	-2,670.01	Check	Accounts Payable
08/20/2020	23435	Southern California Edison	-400.88	Check	Accounts Payable
08/20/2020	23436	Inland Water Works Supply Co.	-4,190.64	Check	Accounts Payable
08/20/2020	23437	Critex LLC	-18,562.98	Check	Accounts Payable
08/20/2020	23438	Sonic Systems, Inc	-1,400.90	Check	Accounts Payable
08/20/2020	23439	Eide Bailly	-6,364.06	Check	Accounts Payable
08/20/2020	23440	Special District Risk Management Authority	-15,714.75	Check	Accounts Payable
08/20/2020	23441	ACI Payments, Inc	-58.50	Check	Accounts Payable
08/20/2020	23442	Burrtec Waste Industries, Inc.	-12,455.74	Check	Accounts Payable
08/20/2020	23443	County of San Bernardino, Solid Waste Mgmt. Div.	-1,304.06	Check	Accounts Payable
08/20/2020	23444	Frontier Communications	-64.37	Check	Accounts Payable
08/20/2020	23445	Frontier Communications	-60.33	Check	Accounts Payable
08/20/2020	23446	Harbor Freight Tools	-58.17	Check	Accounts Payable
08/20/2020	23447	K. Matthew Brown Consulting	-425.00	Check	Accounts Payable
08/20/2020	23448	Mojave Desert AQMD	-2,965.81	Check	Accounts Payable
08/20/2020	23449	Mojave Environmental Education Consortium	-300.00	Check	Accounts Payable
08/20/2020	23450	Parkhouse Tire, Inc.	-149.48	Check	Accounts Payable
08/20/2020	23451	Sharon Kreinop	-500.00	Check	Accounts Payable
08/20/2020	23452	Sharon Kreinop	-1,000.00	Check	Accounts Payable
08/20/2020	23453	Uline	-207.38	Check	Accounts Payable
08/20/2020	23454	USA Blue Book	-275.83	Check	Accounts Payable
08/25/2020	23455	Water Education Group	-783.35	Check	Accounts Payable
08/25/2020	23456	Inland Water Works Supply Co.	-5,197.38	Check	Accounts Payable
08/27/2020	23457	Beck Oil Inc	-1,727.81	Check	Accounts Payable

08/27/2020	23458	Brunick, McElhane & Kennedy	-2,437.50	Check	Accounts Payable
08/27/2020	23459	Southwest Gas Company	-108.44	Check	Accounts Payable
08/27/2020	23460	Cardmember Services	-1,175.58	Check	Accounts Payable
08/27/2020	23461	Desert Service Station Maintenance	-625.26	Check	Accounts Payable
08/27/2020	23462	Frontier Communications	-85.94	Check	Accounts Payable
08/27/2020	23463	Shred-it USA LLC	-80.55	Check	Accounts Payable
08/27/2020	23464	Staples Credit Plan	-40.16	Check	Accounts Payable
08/27/2020	23465	UIA Ultimate Internet Access, Inc	-782.04	Check	Accounts Payable
08/27/2020	23466	Verizon Wireless	-2,085.92	Check	Accounts Payable
08/27/2020	23467	Verizon Wireless	-81.07	Check	Accounts Payable
08/27/2020	23468	Desert Community Bank	-292.37	Check	Accounts Payable
08/27/2020	23469	USPS	-220.00	Check	Accounts Payable
08/26/2020	23470	Stephen Plantenga	-206.80	Check	Utility Billing
08/13/2020	EFT0003329	To record CalPERS Classic Pmt PPE 8/2/20	-6,889.26	EFT	General Ledger
08/13/2020	EFT0003330	CalPERS PEPRA Pmt PPE 8/2/20	-1,541.02	EFT	General Ledger
08/24/2020	EFT0003337	CalPERS 457 Pmt PPE	-3,462.17	EFT	General Ledger
08/24/2020	EFT0003339	To record Sales Tax Pmt - 3rd Quarter Pmt	-2,553.00	EFT	General Ledger
08/26/2020	EFT0003340	To record Tasc Flex Claim Pmt - PPE	-777.07	EFT	General Ledger
Bank Account 251229590 Total: (72)			-204,044.58		
Report Total: (72)			-204,044.58		

Bank Account	Count	Amount
251229590 CBB Checking	72	-204,044.58
Report Total:	71	-204,044.58

Cash Account	Count	Amount
99 99-111000 Cash in CBB - Checking	72	-204,044.58
Report Total:	71	-204,044.58

Transaction Type	Count	Amount
Check	66	-188,822.06
EFT	5	-15,222.52
Report Total:	71	-204,044.58



Helendale Community Services District

Date: September 3, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Cheryl Vermette
SUBJECT: Agenda item #3c
Presentation of Directors' Expenses

STAFF REPORT:

Attached for the Board's consideration is a spreadsheet that outlines Director's expenses paid for the current pay period.

CORRECTED Director's Expenses
Pay Period Ending August 16, 2020

Name:		Sandy Haas	
	Date	Activity	Rate
1	8/3/2020	Met with Jean regarding Tri-Communities Luncheon	\$137.50
2	8/4/2020	Meeting with General Mangaer	\$137.50
3	8/5/2020	Met with Cheryl regarding nre park plans	\$137.50
4	8/6/2020	Regular Board Meeting	\$137.50
5	8/10/2020	Meeting with General Mangaer	\$137.50
6	8/11/2020	Park and Recreation Committee Meeting	\$137.50
		Miles	\$0.00
		Meals	\$0.00
		Lodging	\$0.00
		Other	\$0.00
Total this Pay Period			\$825.00

Name:		Craig Schneider	
	Date	Activity	Rate
1	7/21/2020	Met with GM to discuss new well	\$137.50
2	7/22/2020	Meeting at Wastewater Plant	\$137.50
3	8/5/2020	Meeting with GM	\$137.50
4	8/6/2020	Regular Board Meeting	\$137.50
5	8/11/2020	Park & Recreation Meeting	\$137.50
6	8/14/2020	San Bernardino Water Conference - Virtual	\$137.50
7	8/15/2020	Park Planning Meeting	\$137.50
		Miles	\$0.00
		Meals	\$0.00
		Lodging	\$0.00
		Other	\$0.00
Total this Pay Period			\$962.50

Name:		Tim Smith	
	Date	Activity	Rate
1	8/4/2020	Meeting with GM	\$137.50
2	8/6/2020	Regular Board Meeting	\$137.50
3	8/11/2020	Park & Recreation Meeting	\$137.50
4	8/14/2020	San Bernardino Water Conference - Virtual	\$137.50
5	8/15/2020	Park Grant Meeting	\$137.50
		Miles	\$0.00
		Meals	\$0.00
		Lodging	\$0.00
		Other	\$0.00
Total this Pay Period			\$687.50

Director's Expenses
Pay Period Ending August 30, 2020

Name: Sandy Haas

	Date	Activity	Rate
1	8/18/2020	Meeting with General Manager	\$137.50
2	8/20/2020	Regular Board Meeting	\$137.50
3	8/25/2020	Met with Program Coordinator regarding Park Grant	\$137.50
4	8/27/2020	Watched Park Input Webinar	\$137.50
		Miles	\$0.00
		Meals	\$0.00
		Lodging	\$0.00
		Other	\$0.00
Total this Pay Period			\$550.00

Name: Ron Clark

	Date	Activity	Rate
1	8/4/2020	Meeting with General Manager	\$137.50
2	8/6/2020	Regular Board Meeting	\$137.50
3	8/13/2020	Meeting with General Manager	\$137.50
4	8/15/2020	Public Scoping Meeting for Park Grant	\$137.50
5	8/20/2020	Regular Board Meeting	\$137.50
6	8/27/2020	Met with Program Coordinator regarding Park Grant	\$137.50
		Miles	\$0.00
		Meals	
		Lodging	\$0.00
		Other	
Total this Pay Period			\$825.00

Name: Tim Smith

	Date	Activity	Rate
1	8/19/2020	Meeting with GM	\$137.50
2	8/20/2020	Regular Board Meeting	\$137.50
3	8/26/2020	Met with Program Coordinator regarding Park Grant	\$137.50
		Miles	\$0.00
		Meals	
		Lodging	\$0.00
		Other	
Total this Pay Period			\$412.50

Name:		Henry Spiller	
	Date	Activity	Rate
1	8/4/2020	Meeting with General Manager	\$137.50
2	8/5/2020	Worked EBT Booth at Farmers Market	\$137.50
3	8/6/2020	Regular Board Meeting	\$137.50
4	8/11/2020	Park & Rec Meeting	\$137.50
5	8/12/2020	Worked EBT Booth at Farmers Market	\$137.50
6	8/15/2020	Public Scoping Meeting for Grant	\$137.50
7	8/18/2020	Meeting with General Manager	\$137.50
8	8/20/2020	Regular Board Meeting	\$137.50
9	8/25/2020	Met with Program Coordinator regarding Park Grant	\$137.50
10	8/26/2020	Worked EBT Booth at Farmers Market	\$137.50
		Miles	\$0.00
		Meals	
		Lodging	\$0.00
		Other	
Total this Pay Period			\$1,375.00

Name:		Craig Schneider	
	Date	Activity	Rate
1	8/19/2020	Meeting with GM	\$137.50
2	8/20/2020	Regular Board Meeting	\$137.50
3	8/26/2020	Met with Program Coordinator regarding Park Grant	\$137.50
		Miles	\$0.00
		Meals	
		Lodging	\$0.00
		Other	
Total this Pay Period			\$412.50



Helendale Community Services District

Date: September 3, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #3d
June Financials

Attached for the Board's Review, is the June Financial Statement that provides year-end information related to the District's financial position. This data is preliminary and may be modified as the audit work finalizes.

Helendale CSD
Statement of Revenues and Expenses - Water
As of June 30, 2020
(Unaudited)

PYTD
is FY
18/19

	June 2020	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Meter Charges	\$ 133,070	\$ 1,515,389	\$ 1,495,518	101%	\$ 1,382,532
3 Water Sales	84,899	844,918	866,897	97%	831,736
4 Standby Charges	399	29,884	24,410	122%	23,158
5 Other Operating Revenue	3,325	110,796	88,100	126%	121,138
6 Total Operating Revenues	221,693	2,500,987	2,474,924	101%	2,358,564
7 Non-Operating Revenues					
8 Grant Revenue	-	87,223	75,000	116%	5,000
9 Miscellaneous Income (Expense)	-	944	3,000	31%	6,628
10 Total Non-Operating Revenues	-	88,167	78,000	113%	11,628
11 Total Revenues	221,693	2,589,154	2,552,924	101%	2,370,191
12 Expenses					
13 Salaries & Benefits					
14 Salaries	25,073	297,113	339,707	87%	300,199
15 Benefits	4,480	109,221	118,201	92%	114,728
16 Total Salaries & Benefits	29,553	406,334	457,908	89%	414,927
17 Transmission & Distribution					
18 Contractual Services	15,547	56,040	30,150	186%	70,233
19 Power	16,985	110,265	113,730	97%	85,967
20 Operations & Maintenance	9,256	132,563	143,824	92%	119,506
21 Rent/Lease Expense	800	10,860	10,860	100%	10,060
22 Permits & Fees	-	19,565	22,740	86%	21,418
23 Total T&D	42,588	329,292	321,304	102%	307,183
24 General & Administrative					
25 Utilities	488	4,956	5,124	97%	5,356
26 Office & Other Expenses	17	967	2,235	43%	3,409
27 Admin Allocation	40,959	491,511	491,511	100%	426,127
28 Total G&A	41,465	497,433	498,870	100%	434,893
29 Debt Service	112,294	385,998	388,734	99%	545,691
30 Total Expenses	225,900	1,619,057	1,666,815	97%	1,702,693
31 Net Income (Loss) Before Capital	(4,208)	970,097	886,109	109%	667,498
32 Sale or Lease of Water Rights	494,475	494,475	-	0%	297,724
33 Capital Expenses	(167,999)	(430,783)	(2,230,667)	19%	1,571,463
34 Net Income (Loss) After Capital	\$ 322,268	\$ 1,033,789	\$ (1,344,558)		\$ 2,536,685

Helendale CSD
Financial Statement Analysis
For the Month Ended June 30, 2020 – 100% of Fiscal Year

Fund 01-Water Revenues and Expenses

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

Line 3 Water Sales: Water Sales reflects water consumption and ended the year slightly below budget.

Line 4 Standby Charges: Standby Charges includes special assessment standby charges for the current & prior years, and delinquent standby penalties. Year to Date (YTD) can trend over/under budget due to timing of assessment receipts and unbudgeted receipts of delinquent assessments, which is causing this category to trend over budget. YTD was over budget due to higher collections of delinquent standby charges than anticipated.

Line 5 Other Operating Revenue: Other Operating Revenue includes permit & inspection charges, connection fees, meter installation fees, other fees/charges & mechanic service reimbursements. Connection & meter installation fees are not budgeted due to the unexpected nature of these fees, which is causing this category to end the year over budget.

Line 8 Grant Revenue: YTD balance consists of a \$75K grant from the Bureau of Reclamation for installation of AMI smart meters. YTD is over budget due to receipts for the Scada Enernoc grant totaling \$1.5K & \$12.5 from Mojave Water Agency for AMI meters.

Line 9 Miscellaneous Income (Expense): Miscellaneous Income includes gain/loss on sale of assets, the Enel X Demand Response Program & other miscellaneous income. YTD balance consists of \$0.9K receipts for the Enel X Demand Response Program.

Line 14 Salaries: Amounts for water department employees and share of mechanic's payroll. YTD is ended under budget due to periodic vacancies.

Line 15 Benefits: Benefits includes health insurance, CalPERS retirement, worker's compensation insurance, payroll taxes, and employee education and trainings. YTD ended under budget due to lower than anticipated education and training expenses.

Line 16 Total Salaries & Benefits: Salaries & Benefits include all salaries & benefits paid. YTD total salaries & benefits ended under budget at 89%.

Line 18 Contractual Services: Contract Services includes lab testing, engineering, GIS support & other contract services. YTD is over budget due to payments for Prop 1 IRWM Implementation grant totaling \$10.9K and \$12.1K to Tyler Technologies for meter data sync.

Line 19 Power: This account includes electricity used for transmission & distribution. YTD ended near budget at 97%.

Line 20 Operations & Maintenance: This line includes operations & maintenance expense, vehicle maintenance & vehicle fuel. YTD ended under budget at 92%.

Line 21 Rent/Lease Expense: Rent/Lease Expense includes rental costs for the water shop & BLM tank sites. YTD ended right on budget at 100%.

Line 22 Permits & Fees: Includes all water permits, miscellaneous fees, and Watermaster fees. YTD ended under target at 86% due to less fees than anticipated.

Line 25 Utilities (G&A): Utilities includes gas & telephone expenses. YTD ended a little under budget at 97%.

Line 26 Office & Other Expenses: Office & Other includes mileage/travel reimbursements, office supplies, water conservation program, and dues & subscriptions. YTD will trend higher or lower than budget % due to timing of expenses. YTD ended under budget due COVID-19 travel and other activity restrictions.

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

Line 29 Debt Service: Debt Service includes Interest & Principal payments on outstanding debt.

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

- \$250.5K - Water Rights Purchase
- \$131.7K - Well Exploration Test Holes
- \$33.0K – Water Equipment
- \$6.7K AMI Meters

Helendale CSD
Statement of Revenues and Expenses - Sewer
As of June 30, 2020
(Unaudited)

PYTD is
FY 18/19

	June 2020	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Sewer Charges	\$ 101,347	\$ 1,274,297	\$ 1,279,029	100%	\$ 1,279,102
3 Standby Charges	381	27,055	21,350	127%	19,902
4 Other Fees & Charges	1,621	28,726	18,000	160%	33,884
5 Other Income/(Expense)	-	-	-	0%	9,580
6 Total Revenues	103,350	1,330,078	1,318,379	101%	1,342,468
7 Expenses					
8 Salaries & Benefits					
9 Salaries	20,883	241,194	246,229	98%	200,425
10 Benefits	4,135	94,604	98,728	96%	94,411
11 Total Salaries & Benefits	25,018	335,798	344,957	97%	294,836
12 Sewer Operations					
13 Contractual Services	155	39,907	77,082	52%	53,994
14 Power	9,047	77,176	68,955	112%	60,208
15 Operations & Maintenance	15,118	60,962	70,138	87%	69,739
16 Permits & Fees	-	24,356	26,000	94%	24,900
17 Total Sewer Operations	24,319	202,401	242,175	84%	208,841
18 General & Administrative					
19 Utilities	432	5,172	5,616	92%	4,369
20 Office & Other Expenses	1,799	7,644	11,393	67%	13,708
21 Admin Allocation	40,140	481,681	481,681	100%	417,605
22 Total G&A	42,371	494,497	498,690	99%	435,682
23 Debt Service	37,480	74,998	75,042	100%	62,014
24 Total Expenses	129,189	1,107,694	1,160,864	95%	1,001,373
25 Net Income (Loss) Before Capital	(25,840)	222,384	157,516	141%	341,095
26 Capital Expenses	(151,504)	(305,065)	(1,237,000)	25%	-
27 Net Income (Loss) After Capital	\$ (177,344)	\$ (82,681)	\$ (1,079,484)	8%	\$ 341,095

Fund 02 - Sewer Revenues and Expenses

Line 2 Sewer Charges: These are the monthly charges for sewer service. YTD ended on budget at 100%.

Line 3 Standby Charges: Standby Charges includes special assessment standby charges for the current & prior years, and delinquent standby penalties. Year to Date (YTD) can trend over/under budget due to timing of assessment receipts and unbudgeted receipts of delinquent assessments, which is causing this category to trend over budget. YTD was over budget due to higher collections of delinquent standby charges than anticipated.

Line 4 Other Fees & Charges: Other Fees & Charges includes permit & inspection charges, connection Fees, other fees/charges & delinquent charges on fees. Connection & permit fees are not budgeted due to the unexpected nature of these fees. YTD ended over budget due to more connection fees than anticipated.

Line 5 Other Income/(Expense): Other Income includes gain/loss on sale of assets & other misc. income.

Line 9 Salaries: Salaries for sewer employees. Salaries for the mechanic are budgeted and accounted for in Line 15, Vehicle Maintenance. YTD ended slightly under budget at 98%.

Line 10 Benefits: Benefits include employee insurance, PERS retirement, workers compensation, payroll taxes, and education and training. YTD ended slightly under budget at 96%.

Line 13 Contractual Services: Contract Services include lab testing, engineering, GIS support & other contractual services. YTD ended under budget due to lower than anticipated engineering fees.

Line 14 Power: YTD ended over budget due to higher than anticipated electricity costs due to the Recycled Water project

Line 15 Operations & Maintenance: This account includes compost disposal, vehicle maintenance, vehicle fuel, uniforms & small tools. YTD ended under budget due to lower than planned maintenance.

Line 16 Permits and Fees: This accounts for all annual permitting and fees paid to the state. YTD ended under budget at 94%.

Line 19 Utilities (G&A): Utilities includes gas & telephone expenses. YTD is ended under budget at 92%.

Line 20 Office & Other Expenses: Office & Other includes mileage/travel reimbursements, office supplies, water conservation program, and dues & subscriptions. YTD will trend higher or lower than budget % due to timing of expenses. YTD ended under budget due COVID-19 travel and other activity restrictions.

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

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

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

- \$49.0K Monitoring Wells
- \$98.4K Grit Removal System Replacement
- \$6.1K Secondary Irrigation Pump Project

Helendale CSD
Statement of Revenues and Expenses - Recycling Center
As of June 30, 2020
(Unaudited)

PYTD is
FY 18/19

	June 2020	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Retail Sales	\$ 19,496	\$ 228,227	\$ 294,000	78%	\$ 302,900
3 Donations	-	-	-	0%	186
4 Board Discretionary Revenue	-	-	(74,940)	0%	-
5 Total Revenues	19,496	228,227	219,060	104%	303,086
6 Expenses					
7 Salaries & Benefits					
8 Salaries	2,641	104,355	152,959	68%	111,831
9 Benefits	8,022	22,260	21,103	105%	18,808
10 Total Salaries & Benefits	10,663	126,615	174,062	73%	130,639
11 Recycling Center Operations					
12 Contractual Services	-	522	5,300	10%	2,020
13 Operations & Maintenance	3,004	13,928	12,000	116%	15,402
14 Total Recycling Center Operations	3,004	14,450	17,300	84%	17,422
15 General & Administrative					
16 Utilities	442	8,214	19,098	43%	11,099
17 Office & Other Expenses	1,191	8,266	8,600	96%	5,686
18 Total G&A	1,633	16,480	27,698	59%	16,785
19 Total Expenses	15,300	157,545	219,060	72%	164,847
20 Net Income (Loss) Before Capital	4,195	70,682	-		138,239
21 Capital Expenses	-	(10,736)	-	0%	-
22 Net Income (Loss) After Capital	\$ 4,195	\$ 59,946	\$ -	0%	\$ 138,239

03-Recycling Center Revenues and Expenses

Line 2 Retail Sales: YTD is under budget at 78% due lowered retail sales in April – June due to Covid closures.

Line 3 Donations: Donation revenue not budgeted due to the unexpected nature of these revenues, and there was no activity in FY 19/20

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

Line 8 Salaries: Salaries for part-time recycling center employees. YTD ended below budget at 68% due to the closure of Thrift Store.

Line 9 Benefits: Benefits include employee insurance, workers compensation, payroll taxes, and education and training. YTD ended over budget due to costs to reimburse the state for unemployment benefits for laid off Thrift Store employees.

Line 10 Total Salaries & Benefits: Salaries & benefits include all salaries paid, health insurance, worker's compensation insurance, payroll taxes, and employee education and training.

Line 12 Contractual Services: Contract Services includes software support & other contract services. Will trend under or over budget depending upon time of year expenses are incurred. YTD ended under budget due to less activity than planned.

Line 13 Operations & Maintenance: Operations & Maintenance includes vehicle maintenance, vehicle fuel, operating supplies & uniforms. YTD ended over budget due to unplanned vehicle repairs.

Line 16 Utilities (G&A): Utilities includes electric & telephone expenses. YTD ended under budget due to lower than expected expenses, and updated electric allocations.

Line 17 Office & Other Expenses: This line includes advertising, bank charges and other miscellaneous expenses. Office & other includes advertising, bank charges, & other misc. expenses. YTD ended under budget at 96%.

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

Line 21 Capital Expenses: YTD balance consists of a \$10.7K purchase of a dock lift for thrift store mattress recycling.

Helendale CSD
Statement of Revenues and Expenses - Property Rental
As of June 30, 2020
(Unaudited)

PYTD is
FY
18/19

	June 2020	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Property Rental Revenues	\$ 12,253	\$ 128,742	\$ 132,408	97%	\$ 129,914
3 Other Income	35	375	-	0%	526
4 Board Discretionary Revenue	-	-	(22,310)	0%	-
5 Total Revenues	12,288	129,117	110,098	117%	130,440
6 Expenses					
7 Contractual Services	-	325	10,000	3%	588
8 Utilities	637	5,486	6,216	88%	4,011
9 Operations & Maintenance	2,368	8,447	8,000	106%	11,042
10 Debt Service	42,938	85,882	85,882	100%	42,941
11 Total Expenses	45,943	100,139	110,098	91%	58,582
12 Net Income (Loss)	\$ (33,655)	\$ 28,978	\$ -		\$ 71,858

04-Property Rental Revenues and Expenses

Line 2 Property Rental Revenues: Property Rentals includes revenues from 15302 Smithson & 15425 Wild Road. YTD ended near budget at 97%.

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

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

Line 7 Contractual Services: Contract services includes contractor/handyman expense for installation of appliances, drywall repair, roofing or plumbing repairs. YTD ended below budget due to less activity than planned.

Line 8 Utilities: Utilities includes Electric & Gas expense for the rental properties. YTD ended under target at 55%.

Line 9 Operations & Maintenance: O&M includes maintenance & other costs relating to the rental properties. YTD ended over budget due to higher than planned maintenance on the Wild Road house.

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

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

Helendale CSD
Statement of Revenues and Expenses - Parks & Recreation
As of June 30, 2020
(Unaudited)

PYTD is
FY 18/19

	June 2020	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Program Fees	\$ -	\$ 25,182	\$ 26,700	94%	\$ 26,629
3 Property Taxes	1,534	16,395	16,600	99%	15,381
4 Donations & Sponsorships	145	11,716	12,940	91%	22,257
5 Rental Income	2,800	36,029	35,100	103%	34,064
6 Developer Impact Fees	-	5,160	-	0%	6,880
7 Grants	-	-	130,000	0%	-
8 Interfund Transfer Out/(In)	-	-	(42,100)	0%	(210,764)
9 Board Discretionary Revenue	16,629	339,030	420,668	81%	(104,525)
10 Total Revenues	21,109	433,511	599,908	72%	(210,079)
11 Expenses					
12 Salaries & Benefits					
13 Salaries	8,177	69,242	103,129	67%	32,872
14 Benefits	2,840	32,664	38,599	85%	14,927
15 Total Salaries & Benefits	11,017	101,906	141,727	72%	47,799
16 Program Expense	3,478	59,846	61,862	97%	56,883
17 Contractual Services	230	13,066	11,800	111%	4,960
18 Utilities	4,356	34,938	40,180	87%	39,842
19 Operations & Maintenance	14,304	45,650	21,440	213%	32,477
20 Permits & Fees	-	2,848	1,848	154%	3,214
21 Grant Expense	-	-	-	0%	38
22 Other Expenses	211	2,129	2,955	72%	1,598
23 Debt Service	10,571	40,330	40,679	99%	88,621
24 Total Expenses	44,166	300,713	322,492	93%	275,432
25 Net Income (Loss) Before Capital	(23,058)	132,798	277,417	48%	(485,511)
26 Capital Expenses	-	(32,140)	(225,000)	14%	(204,365)
27 Net Income (Loss) After Capital	\$ (23,058)	\$ 100,658	\$ 52,417	192%	\$ (689,876)

05-Parks & Recreation Revenues and Expenses

Line 2 Program Fees: Program Fees include recreation program fees, basketball league fees, youth soccer league fees & farmers market revenue. YTD ended under budget at 94% due to lower than planned activity due to Covid-19 restrictions.

Line 3 Property Taxes: Property taxes accounts for the transfer of property taxes for streetlight utility expenses. YTD ended on target with the budget.

Line 4 Donations & Sponsorships: This account includes concert in park sponsorships, event sponsorship and other donations/sponsorships.

Line 5 Rental Income: Rental Income Includes rent/lease income from the water shop, storage for the recycling center, unit C room rental, unit D church rental, and unit D gymnastics. YTD ended a little over budget at 103%.

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

Line 7 Grant Revenue: YTD is at 0% due to deferral of the grant. The budget in grant revenue anticipated \$130K in grant revenues from the Land and Wildlife Conservation Fund for construction of park facilities. This amount will be received in August or September 2020.

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

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

- Radio Tower Site Rent – \$10,989
- Property Taxes - \$1,556
- Solid Waste Franchise Fees - \$5,316
- Transfer Property Tax Revenue for Street Light Utilities – \$(1,503)

Line 13 Salaries: Amounts for full & part-time parks department employees. YTD is under budget at 67% due to the Covid-19 shutdown of programs and staffing vacancies.

Line 14 Benefits: Benefits includes health insurance, CalPERS retirement, worker's compensation insurance, payroll taxes, and employee education and trainings. YTD ended under budget at 85%.

Line 16 Program Expense: Program expense includes supplies/expenses for the youth soccer league, park, community center, farmers market, & other programs. YTD ended near budget at 97%.

Line 18 Utilities: Utilities includes gas, electric for park/community center, telephone & electricity for street lighting. YTD ended under budget at 87%.

Line 19 Operations & Maintenance: O&M includes maintenance costs for the park & community center, vehicle maintenance, small tools, vehicle fuel and building repair. YTD ended over budget due to a \$2.3K purchase of grass seed for the park in September & increased maintenance costs including: \$3.6K air conditioner installation, \$500 gym repairs, and \$2.8k in building/warehouse maintenance & a \$2.3k purchase of grass seed for the park in September, and \$13K for repaving a driveway.

Line 20 Permits & fees: This account includes permit/inspection fees & San Bernardino county fees. YTD is over budget due to higher annual fees than anticipated.

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

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

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

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

Helendale CSD
Statement of Revenues and Expenses - Solid Waste Disposal
As of June 30, 2020
(Unaudited)

PYTD is
FY 18/19

	June 2020	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Charges for Services	\$ 45,641	\$ 509,181	\$ 508,402	100%	\$ 479,946
3 Assessments & Fees	4,411	231,988	241,778	96%	230,899
4 Other Charges	1,141	9,056	9,800	92%	11,033
5 Grant Revenue	-	10,000	-	0%	-
6 Board Discretionary Revenue	-	-	-	0%	-
7 Total Revenues	51,193	760,224	759,980	100%	721,878
8 Expenses					
9 Salaries & Benefits					
10 Salaries	6,630	67,732	73,320	92%	64,411
11 Benefits	2,921	32,316	33,713	96%	38,257
12 Total Salaries & Benefits	9,551	100,048	107,033	93%	102,669
13 Contractual Services	85,282	503,474	470,317	107%	435,715
14 Disposal Fees	2,309	155,843	138,072	113%	128,215
15 Operations & Maintenance	125	2,724	6,574	41%	2,060
16 Other Operating Expenses	538	8,607	4,122	209%	6,457
17 Admin Allocation	819	9,830	9,830	100%	8,523
18 Total Expenses	98,624	780,527	735,948	106%	683,639
19 Net Income (Loss)	\$ (47,431)	\$ (20,303)	\$ 24,032		\$ 38,240

06-Solid Waste Disposal Revenues and Expenses

Line 2 Charges for Services – Solid Waste: This is the charge for regular pick up of solid waste. YTD ended on budget at 100%.

Line 3 Assessment & Fees: This account includes special assessments for refuse land use fees for current & prior years. The majority of these fees are collected in December & April. YTD ended under budget at 96%.

Line 4 Other Charges: Other charges includes delinquent fees & penalties & penalties on delinquent taxes. YTD ended slightly under budget.

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

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

Line 10 Salaries: This is the salaries for solid waste workers. YTD ended under budget at 92%.

Line 11 Benefits: Benefits include employee insurance, CalPERS retirement, workers compensation, payroll taxes, and education and training. YTD ended under budget at 96%.

Line 13 Contractual Services: Contract Services include Burrtec fees & other misc. contract services. YTD ended over budget due to higher than planned Burrtec fees.

Line 14 Disposal Fees: Fees include SB County disposal fees & green waste disposal fees. YTD ended over budget due to higher monthly fees than anticipated in the budget.

Line 15 Operations & Maintenance: O&M includes vehicle maintenance, vehicle fuel, operating supplies & uniforms. YTD ended under budget due to less activity than planned.

Line 16 Other Operating Expenses: Other Operating Expenses include rent for park storage, telephone, postage, event expense, public outreach, printing, small tools & bad debt expense. Can trend under or over budget depending upon time of year expenses are incurred. YTD ended over budget due to \$500/month rental from Parks not budgeted.

Line 17 Admin Allocation: Admin Allocation shows the monthly transfer allocation of admin expenses to the Solid Waste Fund.

Helendale CSD
Statement of Revenues and Expenses - Administration
As of June 30, 2020
(Unaudited)

PYTD is
FY 18/19

	June 2020	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Tower Rent	\$ 11,027	\$ 153,292	\$ 144,838	106%	\$ 141,860
3 Property Taxes	1,265	121,889	99,458	123%	118,025
4 Solid Waste Billing & Fees	13,055	147,024	144,552	102%	140,614
5 Fees & Charges	167	15,998	13,400	119%	17,829
6 Investments	1,016	86,760	77,000	113%	134,690
7 Other Income	-	7,465	6,800	110%	7,188
8 Board Discretionary Revenue	(18,164)	(355,425)	(323,418)	110%	(338,063)
9 Total Revenues	8,365	177,004	162,630	109%	222,141
10 Expenses					
11 Salaries & Benefits					
12 Salaries	51,095	511,528	480,383	106%	490,456
13 Benefits	10,066	149,084	153,085	97%	135,402
14 Directors' Fees	(2,857)	27,473	90,500	30%	49,560
15 Total Salaries & Benefits	58,401	690,411	723,968	95%	675,175
16 Contractual Services	44,126	283,468	252,360	112%	249,938
17 Insurance	-	54,678	56,000	98%	44,888
18 Utilities	1,277	17,258	26,316	66%	10,947
19 Operations & Maintenance	432	1,448	5,200	28%	5,795
20 Permits & Fees	153	8,272	9,685	85%	10,664
21 Office & Other Expenses	7,379	63,244	54,122	117%	52,051
22 Admin Allocation	(81,918)	(983,022)	(983,022)	100%	(852,255)
23 Total Expenses	29,849	135,757	144,630	94%	197,644
24 Net Income (Loss)	\$ (21,485)	\$ 41,247	\$ 18,000	229%	\$ 24,498

10-Administrative Revenues and Expenses

Line 2 Tower Rent: Tower Rent includes radio tower site rent. YTD ended over budget at 106%.

Line 3 Property Taxes: This account includes current & prior property tax & penalties. YTD ended over budget do to more property tax receipts than anticipated.

Line 4 Solid Waste Billing & Fees: This includes franchise fees & billing for solid waste. YTD ended a little over budget at 102%.

Line 5 Fees & Charges: Fees & charges consists of credit card processing fees & other misc. fees. YTD is over budget due to more credit card processing fee collections than anticipated.

Line 6 Investments: This account includes investment income & unrealized gain/loss on investments.

Line 7 Other Income: Other Income includes recycling revenues & other misc. income. YTD is over budget due to increased recycling revenues.

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

- Radio Tower Site Rent – \$11,027 (line 2)
- Property Taxes - \$1,265 (line 3)
- Solid Waste Franchise Fees - \$5,872 (part of line 4)

Total: \$18,164

Line 12 Salaries: Salaries Expense includes full time, part time & overtime labor. YTD ended over budget due to more part time labor than anticipated in budget.

Line 13 Benefits: Expense in this category include: employee group insurance, workers compensation, payroll taxes, employment expense, education & training, and employee benefit & morale. YTD ended near budget at 97%.

Line 14 Directors' Fees: This category includes directors fees as well as directors training, seminars & mileage expense. YTD ended under budget due to fewer meetings and conference attendance than anticipated.

Line 16 Contractual Services: Contract Services include software support, legal services, & auditing/accounting services. YTD ended over budget due to \$27.8K in software support in July, timing of annual audit expenses, and higher than planned accounting services.

Line 17 Insurance: This account includes both general & vehicle insurance expenses. YTD ended near budget at 98%

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

Line 19 Operations & Maintenance: O&M includes vehicle maintenance, vehicle fuel, mileage & travel reimbursement, uniforms, & equipment maintenance. YTD ended under budget due to less maintenance needed than planned.

Line 20 Permits & Fees: YTD ended below budget at 85% due to less fees than anticipated by the County.

Line 21 Office & Other Expense: Office & Other Expenses include board meeting supplies, public relations, community promotion, bank charges, office supplies, postage and dues & subscription. YTD ended over budget due to increased postage, office supplies, and public noticing costs.

Helendale CSD
Statement of Revenues and Expenses - Mojave Land Trust
As of June 30, 2020
(Unaudited)

PYTD is
FY 18/19

	June 2020	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Rental Income	\$ 500	\$ 6,000	\$ -	0%	\$ 5,600
3 Delinquent Fee	-	-	-	0%	50
4 Total Revenues	500	6,000	-	0%	5,650
5 Expenses					
6 Repairs & Maintenance	-	-	-	0%	3,212
7 Administrative Charges	150	1,800	-	0%	1,800
8 Total Expenses	150	1,800	-	0%	5,012
9 Net Income (Loss)	\$ 350	\$ 4,200	\$ -		\$ 638

50-Mojave Land Trust Revenues and Expenses

Note, this fund is not budgeted for since it is considered a "pass through" fund.

Line 2 Rental Income: Rental income consists of tenant rent; current rents are \$500 per month.

Line 3 Delinquent Fee: This line includes any late fees charged on rent payments.

Line 6 Repairs & Maintenance: Repairs & Maintenance expenses in Fund 50 are recorded against current maintenance deposits.

Line 7 Administrative Charges: Administrative charges includes a \$150 monthly fee recorded as a revenue in fund 10 Admin.



Helendale Community Services District

Date: September 3, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #5
Discussion Only Regarding COVID-19 Update

STAFF RECOMMENDATION:

Receive and file.

STAFF REPORT:

Since the last meeting there have be several modifications to the Stay at home order including, as of Monday 8/31, the re-opening of several business sectors. Barber shops, beauty Salons, nail salons and malls can reopen. Last week, guidance for youth sports was issued that will allow for us to host soccer clinics each Saturday for the month of October to help the participants brush up on skills. Groups must be limited to no more than 14 students. Staff envisions two clinic types based upon attention span and age of child. A one-hour skills camp and a two-hour camp will be offered for a nominal fee of \$10 or \$20 for the month. The anticipation is that the fee will be enough to pay for two skilled instructors to lead the camp with volunteer coaches to assist with the drills. In the event we are able to host a season in the upcoming months the camps could springboard into competitive play.

Staff continues to monitor the cash flow and the unpaid accounts as the probation for disconnections continues. Following is the most recent information as we transition into a new month with billing being sent out this week. Twelve account own between \$1086 and \$1907 with two of those known to be in foreclosure. There is \$14,496 that is over four months overdue with a total outstanding due from 107 accounts of \$48,551.88.

Current Amount	+ 1 Month	+2 Months	+ 3 Months	+ 4 Months	Balance
\$ 13,695.67	\$13,022.78	\$4,465.37	\$2,871.21	\$14,496.85	\$48,551.88

Lastly, the District continues to exercise precaution in daily operations with protocols in place to protect the staff and the public.

FISCAL IMPACT: As outlined.

POSSIBLE MOTION: None

ATTACHMENTS: None



Helendale Community Services District

Date: September 3, 2020
TO: Board of Directors
BY: Cheryl Vermette, Program Coordinator
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #6
Discussion and Possible Action Regarding Purchase of Modularized Bathroom Structure for the Park

STAFF RECOMMENDATION:

Staff requests direction from the Board regarding this matter.

STAFF REPORT:

One of the projects under the Per Capita Grant Funding is a new restroom near the baseball fields at the park. Staff has received quotes from three companies to construct a restroom building made from a shipping container. The building will consist of two all gender restrooms (8' x 7.5') and a storage area (3' x 7.5'). The restrooms will be drywalled, textured and painted; will include vinyl floors; lights; toilets; sinks; exhaust fan and steel doors.

Company	Quote
GBO Homes	\$27,007.50
Crate	\$31,956.00
Falcon Structures	\$34,847.00

GBO homes, the lowest bidder, can add a covered patio and siding for an additional \$2,492.50 (as shown in the attachment).

None of the quotes include shipping.

The restroom will be located near the volleyball court and easterly baseball field.

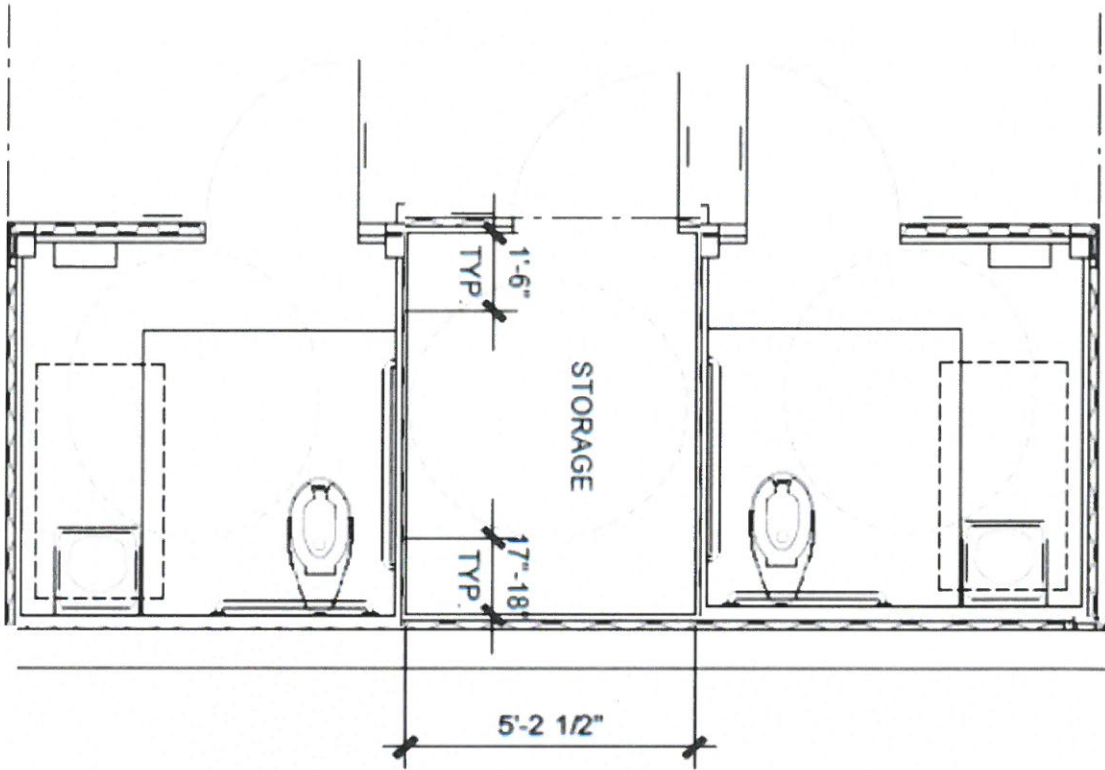
The District will need to complete a concrete handicap accessible ramp with rails. The District will also need to connect the building to water, sewer and electrical services.

Attachments:

Restroom Design
Quotes

Fiscal Impact: \$27,007.50 plus \$2,492.50 for siding and patio cover.

Restroom Design





Factory Built Housing

GBO Homes LLC
 1804 garnet ave. #330
 San Diego, CA 92109
 (858)-568-8604
www.Greencontainerhomes.com
 instagram: greencontainerhomes

Bid # 81020
 Bid Date: 8-7-20

Cheryl Vermette

Address:

Phone 760.951.0006 ext. 230
 E-mail:

Bathroom UNIT with Utility Closet

Description	Units	Cost Per Unit	Amount
20' High Cube Container "One Trip Container"	1		\$ -
Drywall with insulation, knock down texture included	1		\$ -
Electrical-Subpanel, Outlets, Plug for Extension Chord Hookup	1		\$ -
Vents in Lieu of Mini Split A/C System	1		\$ -
finished ceiling including Knockdown Texture	1		\$ -
LED SURFACE MOUNT LIGHTS	1		\$ -
2 toilets	1		\$ -
2 30" residential Vanity cabinets and sinks included-small backsplash included and Mirror	1		\$ -
Steel Doors---Could be less with Wood or Fiberglass Entry Doors	3		\$ -
Paint Inside and Out			
Vinyl Floor--Existing floor would be new Wood 1 1/4 T&G Plywood	1		\$ -
OPTION TO DO SIDING OR SAINED WOOD FACADE NOT INCLUDED-EXT to be painted	1		
	1		
	1		
The Container will be converted into 3 areas, with each bath being approximately 8'x7.5'			
The center utility room would be approx 3'x7.5'			
The unit would be "plug and Play" connected with Hose or PVC for water and extension chord for Power			
SHIPPING TO LOCATION NOT INCLUDED IN BID			\$26,000
Unit is moveable, and will weigh approximately 11,000 lbs			

Invoice Subtotal	\$	26,000.00
LABOR		13,000
Tax Rate		7.75%
Sales Tax		\$1,007.50
Other		
50% Draw Received		\$0.00
25% Draw received		\$0.00

**no permitting included
 ***no architectural drawings included
 ****no contracting services included. Bid is solely for commodity containers with modifications as described
 Draw to be 50%, 25%, 25% Due in Full prior to shipping
 4 week build out schedule from time of order

Total Remaining Balance due: \$ 27,007.50

Make all checks payable to GBO HOMES, LLC
 Total due in 15 days. Overdue accounts subject to a service charge of 2% per month.

Thank you for your business!

Line Item	APPROX. SF	QTY	Total SF	Unit Price	Total Price
Design					
Design & Permitting of Modular Building	160	1	160	\$ 3,500	\$ 3,500
Subtotal					\$ 3,500
Restroom					
160 SF Restroom	160	1	160	\$ 27,601	\$ 27,601
Sales Tax * Structures subject to 40% of tax rate. No tax on design		3.10%			\$ 856
Subtotal			160		\$ 28,456
Grand Total			160		\$ 31,956

Estimated delivery: \$1400. Delivery is managed and coordinated by CRATE and paid direct to logistics company by owner.



7717 Gilbert Road
 Manor, TX 78653
 Phone: 512-231-1010
 Email: sales@falconstructures.com
 Website: www.falconstructures.com

Think Inside the Box®

Proposal: Q-02911

Date: 8/11/2020 9:55 AM
Expires On: 9/10/2020

PREPARED FOR:
 Cheryl Vermette
 cvermette@helendalecsd.org

PREPARED BY:
 Brandon Jones

Helendale CSD
 26540 Vista Rd
 Helendale, California 92342
 United States

20' Restroom/Storage

NAME	QTY	PART #	DESCRIPTION	TOTAL
20ft High Cube Container - One Trip Only	1.00	FS-C-20HC-OT	A one trip 20-foot long shipping container with an extra foot of height; the base of your structure	\$4,600.00
20' Base Build Out Container	1.00	FS-M-BASE-BUILD-OUT-20'	An insulated 20-foot long container that includes electrical, lighting, and 1/4" wall paneling.	\$6,000.00
Security Light	3.00	FS-M-SECURITY LIGHT	An exterior light for added security and safety	\$375.00
Accessible Half Bathroom on End Wall	2.00	FS-M-BATH-HALF-END-ADA	An accessible half bathroom at the end of the structure that is ADA compliant.	\$11,800.00
Vinyl Plank Flooring - 40ft	1.00	FS-M-FLOOR-VINYL PLANK-40'	Vinyl plank flooring for up to 320 square-feet of space ideal for creating a polished look in work and living spaces	\$3,000.00
PTAC A/C Unit	2.00	FS-M-PTAC-15K	A standard climate control unit with AC and heating to keep people comfortable	\$3,350.00
Medium-Duty Birch Plywood Partition Wall	1.00	FS-M-PWALL-1/2" PLY	An interior partition wall with painted medium-duty Birch plywood	\$927.00

**** For flatbed truck deliveries, customer must have a crane or forklift to unload the unit. ****

All sales subject to State and local sales tax for Texas
<https://www.falconstructures.com/standard-terms-and-conditions>

THANK YOU FOR YOUR BUSINESS!



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 Email: sales@falconstructures.com
 Website: www.falconstructures.com

Think Inside the Box®

NAME	QTY	PART #	DESCRIPTION	TOTAL
Operable Cargo Doors	1.00	FS-M-OPERABLE-CARGO-DOORS	Operable Cargo Doors at the end of the Container. However storage are will have no build out so Operable cargo doors are no additional cost.	\$0.00
Premium Exterior Door - 3ft / LH Inswing	2.00	FS-M-DOOR-PREM-3068 LH INSWING	A premium exterior left-hand in-swing personnel door for secure and convenient access, ideal for adding a door lite.	\$3,770.00
Exterior Paint - 20ft	1.00	FS-M-PAINT-ST1-20'	Exterior paint in a neutral color for a 20-foot long shipping container	\$525.00
20' Restroom/Storage TOTAL:				\$34,347.00

Terms & Delivery

NAME	QTY	PART #	DESCRIPTION	TOTAL
Terms Deposit	1.00	Terms Deposit	This quote assumes 50% payment upon project start and 50% payment within 5 days of project completion.	\$500.00
Terms & Delivery TOTAL:				\$500.00

TOTAL: \$34,847.00				
			Total:	\$34,847.00

**** For flatbed truck deliveries, customer must have a crane or forklift to unload the unit. ****
 All sales subject to State and local sales tax for Texas
<https://www.falconstructures.com/standard-terms-and-conditions>

THANK YOU FOR YOUR BUSINESS!



Helendale Community Services District

Date: September 3, 2020
TO: Board of Directors
BY: Cheryl Vermette, Program Coordinator
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #7
Discussion and Possible Action Regarding Park Concept and Rendering

STAFF RECOMMENDATION:

Staff requests direction from the Board regarding this matter.

STAFF REPORT:

The District will be submitting a grant request under the California Statewide Parks Program – Round 4. Part of the application will include a conceptual drawing for the park. Staff has developed several concepts for the Boards review and requests the Board to select a single concept to move forward.

Staff has received a quote for professional design services to render a concept drawing for public meetings, discussion purposes, and to include in the grant request. The price for the concept drawing is \$6,600.00.

Attachments:

Draft Concept drawings 1 -9
Quote

Fiscal Impact: \$6,600.00

Concept 1



Concept 2



Concept 3



Concept 4



Vista Rd

Vista Rd

Concept 5



Concept 6



Concept 7



Concept 8



Concept 9





Stantec Consulting Services Inc.
38 Technology Drive Suite 100, Irvine CA 92618-5312

July 23, 2020
File: 2042514900

Attention: Kimberly Cox
City of Helendale CSD
Helendale Community Services District
26540 Vista Rd., Suite B - P.O. Box 359
Helendale CA
92342
United States of America

Dear Kimberly Cox,

Reference: Change Order Request - Helendale Community Park Concept Plan (Alternate Site)

Attached please find our change order request for landscape architecture design services for the contract for the Helendale Community Park Concept Plan. The proposal was based on the information that Cheryl Vermette provided, as well as the graphics that we have sent in previous email messages to verify the limits of the project (see figure 1). I will continue to serve as the Project Manager for this project.

If you have any questions, please do not hesitate to contact us. We thank you for the opportunity to propose on this project. We are hopeful to continue our successful working relationship with you and the Helendale Community Service District.

Regards,

Approved and Accepted By:

Stantec Consulting Services Inc.

Helendale Community Services District

Steve Cook
Project Manager, Landscape Architecture
Phone: (949) 923-6144
Fax: (949) 923-6121
steve.cook@stantec.com

Kimberly Cox
General Manager
Office: 760-951-0006
Cell: 760-217-2221
KCox@helendalecsd.org

Attachment: Proposal, fee schedule and a graphic representing the limit of work.

c. Cheryl Vermette

Design with community in mind



July 23, 2020
Kimberly Cox
Page 2 of 3

Reference: Change Order Request - Helendale Community Park Concept Plan (Alternate Site)

LANDSCAPE SCOPE AND FEE

LANDSCAPE IRRIGATION PLAN SCOPE:

Task 1: Management, Coordination & Meetings

Provide internal management; coordinate with the Client and CSD staff to aid in the successful execution of the associated tasks. Meet with the Client and Client representatives either at the Stantec Irvine office or over the phone (or web). A T&M budget of 4 hours has been set and will not be exceed without Client approval.

Task 2: Concept Plan

Stantec will generate a 1"=20' concept plan for the area depicted in the Limits of Work attachment. It will be a simple graphic that is only intended to communicate the park program to the stake holders and funding agencies. It is not intended to use to determine the actual viability of the intended program elements. That will be determined during the design development process. A T&M budget of 4 hours has been set and will not be exceed without Client approval.

FEES:

Task 1: Management, Coordination & Meetings	T&M	\$600.00
Task 2: Southernmost Area Irrigation Plan	T&M	\$6,000.00
Total		\$6,600.00

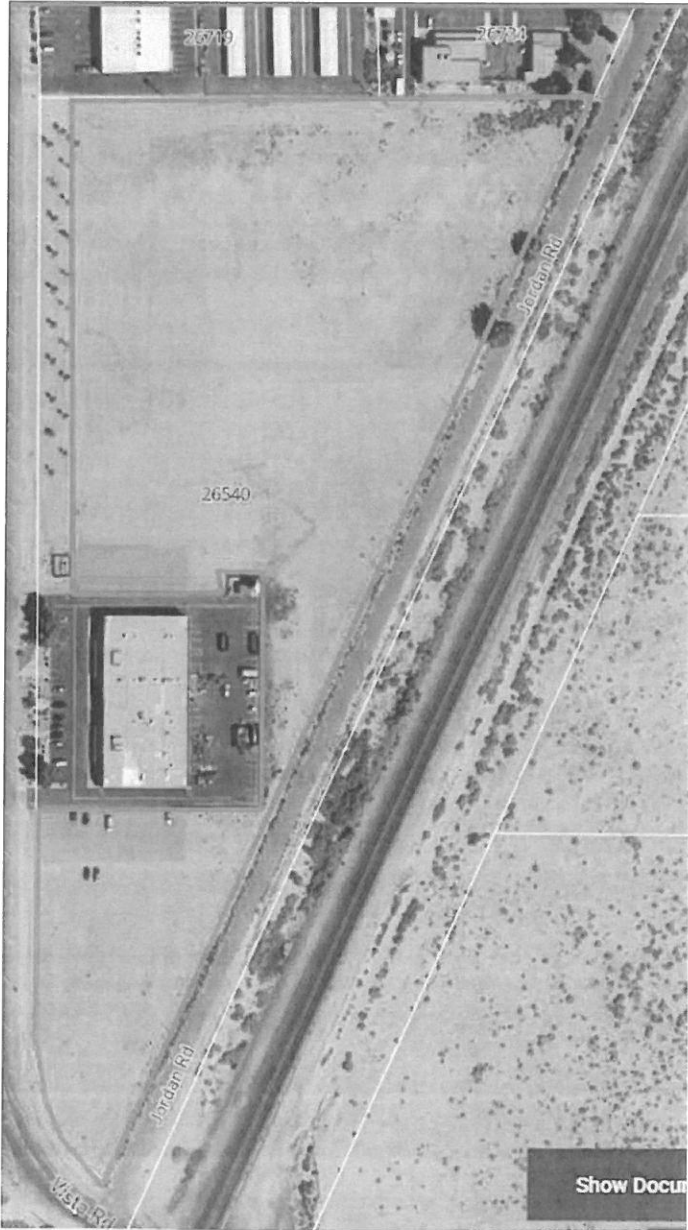
Design with community in mind



July 23, 2020
Kimberly Cox
Page 3 of 3

Reference: Change Order Request - Helendale Community Park Concept Plan (Alternate Site)

ATTACHMENT: LIMITS OF WORK



Design with community in mind



Helendale Community Services District

Date: September 3, 2020
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #8
Discussion and Possible Action Regarding District Investments and Adoption of Resolution 2020-12 A Resolution of the Helendale Community Services District Establishing the Statement of Investment Policy for Fiscal Year 2020-2021

Staff Recommendation

Staff seeks approval of the Resolution 2020-12 and input regarding investments.

Staff Report

Investment Policy:

Based upon the District's adopted investment strategy the three guiding principles are safety, liquidity and yield. Annually the District Investment policy is reviewed by Staff and any changes necessary to the policy are suggested to the Board. After review, Staff sees no need to modify the Investment Policy. However, the Statement of Investment Policy is required to be adopted by resolution on an annual basis, regardless of any change or not. Attached for your consideration and adoption is Resolution 2020-12 affirming the District's investment policy for the current fiscal year.

Investments:

Staff has outlined three options for the Board to consider that would diversify District investments. There is significant capital that will be expended this year among which are new well project, paving and two maintenance buildings. During this very uncertain time, the District has all funds in local banking institutions awaiting direction from the Board on diversification. This was previously discussed in April. At that time, the Board asked to have this brought back at a future meeting in hopes that the COVID Pandemic would have subsided. Staff has closely monitored funds and the economic climate during the last few months. The market volatility can be modestly mitigated through diversification of investments and consideration of low risk options. Currently the District has \$6.02 million in local banks.

Potential options for the Board to consider include:

- Payoff debt
- Open a pension Trust Fund to pay unfunded liability
- Place fund with LAIF or similar investment

Payoff off debt:

The District currently has a 2008 loan at 5.25 % interest. By paying off this loan and avoiding interest, the savings would equate to approximately \$225,000 over the next 12 years. Interest savings is far greater than the interest expense of the loan's remaining life. In the event that the District needed to borrow in the future for a major project, reducing debt would improve our financial status.

Pension Trust Fund:

Since the concern over unfunded pension liability emerged as a growing concern amongst municipalities, there have been Pension Trusts that have been created that allow for the investment of funds to cover unfunded liability. The District has an unfunded liability of approximately \$411,000. This is a comparatively low amount due in part to the number of employees who fall under the new PEPRA retirement plan that was mandated by the legislature. Investment in a pension trust would yield interest on the investment that would grow the fund over time. The Board could also elect to pay off the liability amount in a lump sum instead of the Fund.

LAIF or Similar Investment Fund:

The Local Agency Investment Fund is controlled by the State and allows for modest interest earnings with no loss of principle. This is a safer investment than CalTrust where principle can be at risk. The District has had a minimal amount invested in LAIF previously due to the minimal return on investment.

Other Alternatives:

If the Board prefers, Staff can seek out additional investment alternatives and present them to the Board at a future meeting.

FISCAL IMPACT: To be determined

POSSIBLE MOTION: Approve Resolution 2020-12

Attachments:

Resolution 2020-12
District Investment Policy for FY 2021



RESOLUTION NO. 2020-12

A RESOLUTION OF THE HELENDALE COMMUNITY SERVICES DISTRICT ESTABLISHING THE STATEMENT OF INVESTMENT POLICY FOR FISCAL YEAR 2019-20

**THE BOARD OF DIRECTORS OF THE HELENDALE COMMUNITY SERVICES DISTRICT
DOES HEREBY RESOLVE AS FOLLOWS:**

WHEREAS, the Helendale Community Services District, under Government Code Section 53646.2 must provide to its governing Board a Statement of Investment Policy; and

WHEREAS, the Statement of Investment Policy has been modeled after similar agency policies and in conformity with the California Government Code Sections 53600 and 53635, et seq.; and

WHEREAS, the Statement of Investment Policy provides District Staff with a management tool to implement future investment decisions by the District.

NOW, THEREFORE, BE IT RESOLVED, ORDERED AND DETERMINED BY THE BOARD OF DIRECTORS OF THE HELENDALE COMMUNITY SERVICES DISTRICT THAT the District, as set forth in the attached Statement of Investment Policy, does hereby adopt as the Investment Policy for public funds held by and entrusted to the Helendale Community Services District through its elected Board of Directors and employees.

APPROVED AND ADOPTED this 3rd day of September 2020 by the following vote:

Ayes: _____
Noes: _____
ABSENT: _____
ABSTAIN: _____

Ron Clark, President

ATTEST:

Sandy Haas, Secretary

Helendale Community Services District
Statement of Investment Policy and Procedures
Adopted September 3, 2020

I. PURPOSE

It is the policy of the Helendale Community Services District to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all state and local statutes governing the investment of public funds.

II. OBJECTIVE

The objective of the investment policy is to provide guidelines for insuring the safety of funds invested while maximizing investment interest income to the District.

III. INVESTMENT POLICY

1. **RESPONSIBILITY.** The General Manager, or authorized designee, is responsible for investing the cash balances in all District funds in accordance with the California Government Code, Sections 53600 et seq. and 53635 et seq. This policy does not include Long Term Debt Reserve Funds and Deferred Compensation Funds, which are exceptions covered by other more specific Government Code sections and the legal documents unique to each debt transaction.
2. **PRUDENT INVESTOR STANDARD.** The standard of prudence to be used by the General Manager and other individuals assigned to manage the investment portfolio shall be the "prudent investor" standard which states, in essence, that "in investing... property for the benefit of another, a trustee shall exercise the judgment and care, under the circumstances then prevailing, which men of prudence, discretion and intelligence exercise in the management of their own affairs..." (Civil Code Sect. 2261, et seq.) This standard shall be applied in the context of managing an overall portfolio. These individuals acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.
3. **INVESTMENT INTENT.** It is the District's full intent, at the time of purchase, to hold all investments until maturity in order to ensure the return of all invested principal. However, it is realistically anticipated that market prices of securities purchased as investments will vary depending on economic conditions, interest rate fluctuations, or individual security credit factors. In a well-diversified investment portfolio, such temporary variations in market value will inevitably result in measurable losses at any specific point in time. From time to time, changes in economic or market conditions may dictate that it is in the District's best interest to sell a security prior to maturity.

Helendale Community Services District
Statement of Investment Policy and Procedures

4. **PRINCIPAL INVESTMENT FACTORS.** The three principle investment factors of **Safety, Liquidity and Yield** are to be taken into consideration, in the specific order listed, when making any and all investment decisions.

A. **Safety** of principal is the foremost factor to be considered during each investment transaction. Safety in investing refers to minimizing the potential for loss of principal, interest or a combination of the two, due to the two types of risk, Credit Risk and Market Risk.

- a. Credit Risk, defined as the risk of loss due to failure of the issuer of a security, shall be mitigated by only investing in very safe, or "investment grade" securities and diversifying where feasible.
- b. Market Risk, defined as market value fluctuations due to overall changes in interest rates shall be mitigated by limiting the average maturity of the investment portfolio to less than 3 years, with a maximum maturity of any one security of 5 years without prior Board approval. Also, the portfolio will be structured based on liquidity needs so as to avoid the need to sell securities prior to maturity.

B. **Liquidity** refers to the ability to convert an investment to cash promptly with minimum risk of losing some portion of principal or interest. The investment portfolio will be structured based on historic cash flow analysis in order to provide the necessary liquidity as investments routinely mature. A portion of the portfolio will be maintained in liquid short-term securities which can be converted to cash if necessary to meet unforeseen disbursement requirements.

C. **Yield** is the average annual return on an investment based on the interest rate, price, and length of time to maturity. The District attempts to obtain the highest yield possible, provided that the basic criteria of safety and liquidity have been met.

5. **AUTHORIZED INVESTMENT INSTRUMENTS.** The District is subject to California Government Code, Section 53601 et seq. Within the context of the governing language, the General Manager or designee is authorized to invest in the following types of securities. (The percentage noted in this section is the maximum percentage the investment is allowed in regards to the portfolio.)

A. **United States Treasury Bills, Notes, and Bonds – Maximum of 100%.** Maximum term of investment 5 years. There is no limitation as to the percentage of the portfolio, which can be invested.

Helendale Community Services District
Statement of Investment Policy and Procedures

B. Obligations issued by the Federal Government – Maximum of 100%. Obligations issued by the Government National Mortgage Association (GNMA), the Federal Farm Credit Bank System (FFCB), the Federal Home Loan Bank (FHLB), the Federal Home Loan Mortgage Corporation (FHLMC), the Federal National Mortgage Association (FNMA), and the Student Loan Marketing Association (SLMA). Although there is no percentage limitation on “governmental agency” issues, the prudent person rule shall apply for a single agency name.

C. Banker’s Acceptances – Maximum of 25%

Time drafts drawn on and accepted by a commercial bank, otherwise known as Banker’s Acceptances. Banker’s Acceptances purchased shall not exceed 270 days to maturity, or 25% of the market value of the portfolio. No more than 5% of the market value of the portfolio may be invested in Banker Acceptances issued by any one commercial bank.

D. Commercial Paper – Maximum of 15%

Commercial Paper rated “P1” by Moody’s Investor Services and A1 by Standard and Poor’s and issued by a United States corporation having assets exceeding \$500,000 and having an “A” or better rating on its long-term debentures as rated by Moody’s and Standard and Poor. Commercial Paper purchases cannot exceed 15% of the market value of the portfolio (30% if the dollar weighted average maturity of all commercial paper does not exceed 31 days). Purchase of commercial paper may not exceed 10% of outstanding paper of an issuing corporation.

E. Negotiable Certificates of Deposit - Maximum of 25%

Negotiable Certificates of Deposit (NCD) issued by a nationally or state chartered bank or state or federal savings and loan association. To be eligible for purchase by the District the NCD must be issued by:

1. A California bank rated “BB” or better by Standard and Poor’s; or
2. A major national regional bank outside California rated “BBB” or better by Standard and Poor’s; or
3. A savings and loan association operating in California rated “BBB” or better by Standard and Poor’s.

Purchases of negotiable certificates of deposits may not exceed 25% of the market value of the portfolio. A maturity limitation of five (5) years is applicable on NCDs.

F. Repurchase Agreements – Maximum of 20%

The District may invest in Repurchase Agreements with banks and dealers with which the District has entered into a Master Repurchase Agreement which specifies terms and conditions of Repurchase Agreements. A signed copy of the Master Repurchase Agreement shall be required from the authorized financial dealer prior

Helendale Community Services District
Statement of Investment Policy and Procedures

to the execution of any applicable transaction. The maturity of Repurchase Agreements shall not exceed one year. The market value of securities used as collateral for Repurchase Agreements shall be monitored daily and will not be allowed to fall below 102% of the value of the Repurchase agreement as set forth in California Government Code Section 53601 (i) (2).

G. Local Agency Investment Fund – Maximum of \$40 million per account

The District may invest in the Local Agency Investment Fund (LAIF) established by the State Treasurer for the benefit of local agencies up to the maximum permitted by State law.

H. Medium-Term Notes – Maximum 30%

Medium-Term Notes with a maximum of five years maturity issued by corporations organized and operating within the United States or any state and operating within the United States. Notes eligible for investment shall be rated in a rating category of "A" or its equivalent or better by nationally recognized rating service. No more than 30% of the market value of the portfolio may be invested in Medium-Term Notes.

I. Money Market Mutual Funds – Maximum of 20%

Shares of beneficial interest issued by diversified management companies that are money market mutual funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940, as defined in Section 53601(k)(2) of the California Government Code. To invest in securities and obligations, which comply, with the investment restrictions pursuant to Section 53601(k)(2), companies shall either:

1. Attain the highest ranking or the highest letter and numerical ranking provided by not less than two out of the three rating services: Moody's Investor Service, Standard and Poor's, or Fitch Investor's Service, Inc.
2. Retain an investment advisor registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of five hundred million dollars (\$500,000,000). The purchase price of shares of beneficial interest purchased pursuant to this section shall not include any commission that these companies may charge and shall not exceed 20% of the District's surplus money that may be invested in money market mutual funds. Further, the District may invest only in money market mutual funds, which have an average maturity of 90 days or less per Securities and Exchange Commission regulations.
3. All positions in government-sponsored investment pools and permitted

Helendale Community Services District
Statement of Investment Policy and Procedures

money market mutual funds (per Sections G and I, above) shall be subject to periodic review by the General Manager or designee, in order to ensure that the monies in question are managed in a manner consistent with the standards and objectives set forth elsewhere in this policy.

J. Collateralized Bank Deposits – Maximum of 10%

The Agency may invest in notes, bonds or other obligations, which are at all times secured by a valid first priority security interest. The securities serving as collateral shall be placed by delivery or book entry into the custody of a trust company or the trust department of a bank which is not affiliated with the issuer of the secured obligation, and the security interest shall be perfected in accordance with the requirements of the Uniform Commercial Code or Federal regulations applicable to the types of securities in which the security interest is placed. For the purposes of Time Deposits issued by financial institutions, the District may not invest more than 10% of the market value of the portfolio in this category.

K. Investment Pools – Maximum of \$10 Million

The District may invest in Pools and other investment structures rated AA or higher, incorporating investments permitted in California Government Code Sections 53601, 53635, and 5922(d) to a maximum of \$10 million per account and each account shall not exceed 40% of total available funds to be invested.

Summary of Maximum % Limitations of Investments by Investment Type:

The following summary of maximum percentage limits by investment type established for the District's total pooled investment portfolio:

<u>Investment Type</u>	<u>Limit</u>	<u>Period</u>
US Treasury Bills Notes & Bonds	0 to 100%	No Limit
Obligations Issued by the US Government	0 to 100%	No Limit
Banker's Acceptances	0 to 25%	270 Days
Commercial Paper	0 to 15%	45 Days
Negotiable Certificates of Deposit	0 to 25%	5 Years
Repurchase Agreements	0 to 20%	1 Year
Local Agency Investment Fund	\$40 million/Acct	No Limit
Medium-Term Notes	0 to 30%	5 Years
Money Market Mutual Funds	0 to 20%	90 Days
Collateralized Bank Deposits	0 to 10%	No Limit
Investment Pools	\$10 million/Acct Up to 40%	No Limit

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- 6. PROHIBITED INVESTMENTS.** In accordance with California Government Code Section 53601.6, the District will not invest any funds in inverse floaters, range notes, or interest only strips that are derived from a pool of mortgages. The District may hold previously permitted but currently prohibited investments until their maturity dates.
- 7. SAFEKEEPING.** All investments of the District shall have the Helendale Community Services District as registered owner and shall be held in safekeeping by a third-party bank trust department, acting as agent for the District under the terms of a custody agreement.
- 8. MAXIMUM MATURITIES.** The District will match its investments with anticipated cash flow requirements. Per California Government Code Sections 53601 et seq., maximum maturities shall not exceed five (5) years. The average maturity of funds should not exceed 1,275 days (3.5 years), and the cash flow requirements shall prevail at all times.
- 9. DIVERSIFICATION.** Investments shall be diversified among institutions, types of securities and maturities to maximize safety and yield with changing market conditions. Local financial institutions will be given preferential consideration for investment of District funds consistent with the District's objective of attaining market rates of return, and consistent with constraints imposed by its safety objectives, cash flow considerations and State laws.
- 10. LEGISLATIVE CHANGES.** Any State of California legislative actions that further restricts allowable maturities, investment type, or percentage allocations will be incorporated into the Helendale Community Services District Investment Policy and supersede any and all previous applicable language.
- 11. DELEGATION AND GRANTS OF AUTHORITY.** Management responsibility for the investment program is delegated to the General Manager, who shall establish written procedures and policies for the operation of the investment program with this Investment Policy. The General Manager may delegate the responsibility for investment to other management employees as necessary and approved by the Board of Directors.
- 12. ETHICS & CONFLICT OF INTEREST.** The General Manager and all personnel authorized to invest District monies shall refrain from personal business activity which would create a conflict with the proper execution of the investment program, or the execution of impartial investment decisions. A State of California Form 721, Statement of Economic Interests Disclosure shall be completed by the General Manager and other management personnel that invest District monies.

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13. INVESTMENT REPORTS. The General Manager shall submit a quarterly investment report to the District Board in accordance with Government Code Section 16481.2 containing the following information for each individual investment:

- Financial institution
- Type of investment
- Purchase Price of investment
- Rate of interest
- Purchase date
- Maturity date
- Current market value for securities
- Other data as required by the District

In addition, the report shall include a statement of compliance of the portfolio with the Board approved Investment Policy and a statement indicating the ability of the District to meet its expenditure requirements for the next six months.

9. INVESTMENT POLICY REVIEW

This investment policy and guidelines shall be adopted by resolution of the District Board on an annual basis after being reviewed to ensure its consistency with the overall objectives of preservation of principal, liquidity, and yield, and its relevance to current law and financial and economic trends.