



Helendale Community Services District

26540 Vista Road, Suite C, Helendale, CA 92342

REGULAR BOARD MEETING **Thursday, February 17, 2022 at 6:30 PM**

SPECIAL NOTICE OF TELECONFERENCE ACCESSIBILITY

Pursuant to the provisions of Assembly Bill 361 which amended certain provisions of the Brown Act regarding teleconference meetings during periods of statewide emergencies, and as a precaution to our Board of Directors, District staff, and general public as a result of the ongoing COVID-19 pandemic, Helendale Community Services District will hold this meeting of its Board of Directors both in-person at the District Office located at 26540 Vista Road, Suite C, Helendale, California, and via teleconference. This meeting is open to the public in person or via virtual interface and can be accessed by clicking on the link below:

www.zoom.com Meeting ID 463 173 8547 Passcode: HCSD

(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 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.

3. Consent Items

- a. Approval of Minutes: February 3, 2022, Regular Board Meeting
- b. Bills Paid Report
- c. Directors Compensation and Expenses
- d. COVID-19 Update

4. Reports

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

5. Town Hall Meeting

San Bernardino County Sheriff Shannon Dicus will be here to meet the Community

Regular Business:

6. Discussion and Possible Action Regarding Approval of Professional Services Agreement for Audit Services for FY22 through FY26 with Two-Year Option
7. Discussion and Possible Action Regarding Review of Wastewater Capital Improvement Plan
8. Discussion and Possible Action Regarding Offering Payment Plan Options for Customers
9. Discussion Only Regarding Mid-Year Budget Review

Other Business

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

11. Closed Session

Conference with Legal Counsel – Anticipated Litigation

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

Two Potential Cases

12. Public Employee Performance Evaluation

(Government Code Section 54957)

Title: General Manager

13. Report of Closed Session Items

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



Helendale Community Services District

Date: February 17, 2022
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #3
Consent Items

CONSENT ITEMS

- a. Approval of Minutes: Regular Board Meeting of February 3, 2022
- b. Bills Paid Report
- c. Directors Expenses
- d. COVID Update



Helendale Community Services District

Date: February 17, 2022
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Cheryl Vermette
SUBJECT: Agenda item #3a
Minutes from Board meetings



*Minutes of the Helendale Community Services District
REGULAR BOARD OF DIRECTORS MEETING
February 3, 2022, at 6:30 PM
26540 Vista Road, Suite C, Helendale, CA 92342*

SPECIAL NOTICE OF TELECONFERENCE ACCESSIBILITY

Pursuant to the provisions of Assembly Bill 361 which amended certain provisions of the Brown Act regarding teleconference meetings during periods of statewide emergencies, and as a precaution to our Board of Directors, District staff, and general public as a result of the ongoing COVID-19 pandemic, Helendale Community Services District will hold this meeting of its Board of Directors both in-person at the District Office located at 26540 Vista Road, Suite C, Helendale, California, and via teleconference. This meeting is open to the public in person or via virtual interface and can be accessed by clicking on the link below:

www.zoom.com Meeting ID 463 173 8547 Passcode: HCSD
(Dial-in instructions will be provided after registering at the link above)

Board Members Roll Call:

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

Staff Members Present:

Kimberly Cox, General Manager; Craig Carlson, Water Operations Manager; Cheryl Vermette, Parks, Recreation & Programs Supervisor

Consultants:

Steve Kennedy, Legal Counsel (via Zoom)

Members of the Public:

There were three members of the public present.

Call to Order and Pledge of Allegiance

The meeting was called to order at 6:32 pm by President Smith, after which the Pledge of Allegiance was recited.

1. Approval of Agenda

Discussion: General Manager Cox requested remove the closed session item.

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

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

2. Public Participation

None

3. Consent Items

- a. Approval of Minutes: January 20, 2022, Regular Board Meeting
- b. Bills Paid Report
- c. Directors Compensation and Expenses
- d. Resolution 2022-1B: Discussion and Possible Action Regarding Adoption of Resolution 2022-01A: A Resolution of the Helendale Community Services District Ratifying the Proclamation

of a State of Emergency by Governor Newsom, Declaring the Existence of Local Emergency Conditions, and Authorizing Remote Teleconference Meetings of the Board of Directors and Its Standing Committee for the Period February 3, 2022, to March 3, 2022, Pursuant to Brown Act Provisions

e. COVID-19 Update

Action: Director Clark made the motion to approve the consent items as presented. Director Haas seconded the motion.

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

4. **Reports**

a. Directors' Reports

b. General Manager's Report

Parks, Recreation and Programs Supervisor Vermette reported that the Senior Center is back open after a short hiatus. The CSD will be hosting quarterly lunches at the Senior Center to encourage participation. San Bernardino County Aging and Adult Services will be at the Senior Center on the third Tuesday of every month giving out bus passes, HEAP information and food boxes to those who qualify. The District will be hosting a cornhole league beginning in March. Games will be held on Fridays at 6:00 pm. The cost to participate is \$30 per team and 10 teams have already registered. COVID vaccinations and testing are scheduled at the CSD. On February 9th a COVID vaccination event will be held. On February 15th and 28th COVID testing will be available. Adult co-ed softball will begin in April and will be played for 8 weeks. Two paint parties are coming up on February 11th and March 4th. New dance classes will be held at the CSD through LA FAME studios.

General Manager Cox presented an update on the wastewater and water buildings. She reviewed the costs to date and the estimated costs for the HVAC and interior construction. Cox also announced on April 2nd, there will an open house celebration in honor of the District's 15-year anniversary.

Cox gave the wastewater report. The electrical panel, step down transformer and the 110v panel have all been installed in the shop. APL found a blockage in the main on Riversedge while performing pre-inspections for a gas line replacement. Staff noticed chunks of clay pipe in the flow. A CCTV of the line showed a piece of pipe broken out. A contractor will be onsite Friday to TV the line. Options for repair are to either replace or line the pipe depending on the CCTV footage. Staff is getting a quote from a lining company for 8" main. Staff completed 4th quarter reports including the Monitoring report, Nitrogen Removal Assessment report, Annual Volumetric Water Data report, and uploaded them into GeoTracker. Staff also met with CalRural Water and are working with them on various SOP's for the treatment plant. Staff repaired a broken 4" alfalfa irrigation pump discharge line at the lower fields.

Regular Business:

5. Discussion and Possible Action Regarding Approval of FY23 Budget Calendar

Discussion: Each year the budget development process begins in February and continues through May or June. The target approval is May 19th but no later than June 16th. Staff intends to continue the same budget format adopted three years ago. Budget development takes several months and involves both Staff and the Board. The proposed schedule is February 16th – mid year budget review and wastewater CIP, March 3rd – Park CIP and Cost of Living Adjustment; March 17th – Water CIP and Burrtec annual request; March/April Staff level review; April Board workshop; May 5th – public review of draft budget, and on May 19th – budget adoption. The Board discussed the day and time for a special budget meeting in April and decided on April 14th at 2:00 pm.

Motion: Vice President Spiller made a motion to approve the FY23 Budget Calendar noting there could be changes as necessary. Director Haas seconded the motion.

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

6. Discussion and Possible Action Regarding Adoption of Resolution 2022-04: A Resolution of the Board of Directors of the Helendale Community Services District Establishing Policies for its Compensation, Reimbursement, and Ethics Training

Discussion: Board compensation is governed by law. The board can request a 5% increase each year. The rate modification requires a public process. A day of service is outlined in Government Code 61047(e) and defined in the Resolution in section 1.2, this has been modified from time to time. Exhibit A included in the Resolution, provides examples of a day of service. The current expense approval process is outlined in Section 1.3. The Board governs itself related to expenses. An electronic expense report was developed last year for the board, which is given or sent to Staff for processing. A copy of the expense report is included in the agenda and is approved on consent. Ethics training occurs every other year and will occur this year in December. A new resolution is assigned each year to help track. The Board discussed modifications to the policy. Director Schneider suggested the Board compensation be increased to \$150 per meeting. Legal Counsel outlined the process for increasing Board compensation including scheduling a public hearing and noticing the hearing in a newspaper of general circulation once per week for two weeks prior to the hearing and that the new rate of compensation would not take effect for 60 days following approval. Director Schneider suggested the new rate take effect as of July 1, 2022. This would mean the approval would have to occur in April.

Motion: Director Schneider made the motion to adopt resolution 2022-04 and direct Staff to set forth the process to increase the Director's compensation and schedule a public hearing. Director Clark seconded the motion.

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

7. Discussion and Possible Action Regarding Approval of an Increased Budget Allocation for Additional Meters and Radios

Discussion: The District received an award from the Bureau of Reclamation Small Scale Program for Phase III of our meter replacement program. The award amount is \$75,000. The District will have to match \$75,000. The Board previously approved an open purchase order for Aqua Metrics for the purchase of meters. With the purchase of the meters and radios for Phase II of the meter replacement program the PO has been expended. Staff is requesting an approval of an expenditure in the amount of \$82,277.90 to acquire 400 meters and 200 radios for Phase III. The grant will reimburse \$38,180. In FY2023 Staff will be requesting an approval for the purchase of the remaining meters. An overview of the meter and radio costs as well as grant reimbursements was presented.

Motion: Director Clark made the motion to approve \$82,278 for meters and radios. Vice President Spiller seconded the motion.

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

8. Discussion and Possible Action Regarding Adoption of Resolution 2022-05: Discussion and Possible Action Regarding Adoption of Resolution 2022-05: A Resolution of the Helendale Community Services District Board of Directors Approving the Application for Land and Water Conservation Fund Helendale Community Park Project

Discussion: Grants require a resolution approved by the Board. There was a short turnaround time on the grant application. The Park and Rec committee reviewed three projects to include in the grant – an electronic gate (\$25,000); baseball lighting (\$80,000) and a shade cover over the playground (\$40,000). The application was due on 2/1 with a possible award in fall. The District did not match all of the grant criteria. Both the median household income within a half mile radius of the park and the park acreage per 1,000 residents was high. Staff feels the odds of an award for this grant are low.

Motion: Director Haas made a motion to approve adopt Resolution 2022-05 approving an application for the LWCF grant. Director Clark seconded the motion.

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

Other Business

- 9. Requested items for next or future agendas (Directors and Staff only)
Include new home construction and completions in the General Manager report.

The closed session item was removed from the agenda

Closed Session

- 10. Conference with Legal Counsel – Anticipated Litigation
Significant exposure to Litigation
One Potential Case

- 11. Reportable Action from Closed Session Items

- 12. Adjournment
President Smith adjourned the meeting at 7:23 pm

Submitted by:

Approved by:

Tim Smith, President

Sandy Haas, Secretary

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



Helendale Community Services District

Date: February 17, 2022
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 39 checks and 10 EFT's totaling \$164,687.21

Total Cash Available:	<u>2/12/22</u>	<u>1/12/22</u>
Cash	\$5,034,456.24	\$4,905,587.44
Checks/EFT's Issues	\$ 167,687.21	\$ 169,372.18

Investment Report

The Investment Report shows the status of the invested District funds. The current interest rate is 0.02% for LAIF and 0.10% for the CBB Sweep Account for January 2021. Interest earned January 2021 on CBB Sweep Account is \$151.50



Helendale CSD

Bills Paid and Presented for Approval Transaction Detail

Issued Date Range: 02/01/2022 - 02/12/2022

Cleared Date Range: -

Issued Date	Number	Description	Amount	Type	Module
Bank Account: 251229590 - CBB Checking					
02/01/2022	24931	Troy Ebert	-300.00	Check	Accounts Payable
02/01/2022	24932	Eide Bailly LLP	-3,468.65	Check	Accounts Payable
02/01/2022	24933	Sonic Systems, Inc	-1,489.70	Check	Accounts Payable
02/03/2022	24934	Amazon Capitol Services	-49.83	Check	Accounts Payable
02/03/2022	24935	Aqua Metrics Sales Company	-54,418.06	Check	Accounts Payable
02/03/2022	24936	AVCOM Services Inc.	-179.50	Check	Accounts Payable
02/03/2022	24937	Bank of America	-1,769.22	Check	Accounts Payable
02/03/2022	24938	Beck Oil Inc	-4,488.68	Check	Accounts Payable
02/03/2022	24939	Burrtec Waste Industries Inc	-126.50	Check	Accounts Payable
02/03/2022	24940	California Association of Mutual Water Companies	-500.00	Check	Accounts Payable
02/03/2022	24941	Choice Builder	-1,230.01	Check	Accounts Payable
02/03/2022	24942	County of San Bernardino	-600.00	Check	Accounts Payable
02/03/2022	24943	Frontier Communications	-49.56	Check	Accounts Payable
02/03/2022	24944	Frontier Communications	-131.78	Check	Accounts Payable
02/03/2022	24945	G.A. Osborne Pipe & Supply Inc.	-107.25	Check	Accounts Payable
02/03/2022	24946	Hartford Life	-274.77	Check	Accounts Payable
02/03/2022	24947	Inland Water Works Supply Co.	-147.83	Check	Accounts Payable
02/03/2022	24948	James Harvey	-65.00	Check	Accounts Payable
02/03/2022	24949	Mobile Occupational Services, Inc.	-90.00	Check	Accounts Payable
02/03/2022	24950	Online Information Services, Inc	-37.05	Check	Accounts Payable
02/03/2022	24951	Rebecca Gonzalez	-495.00	Check	Accounts Payable
02/03/2022	24952	San Bernardino County Fire Department	-275.00	Check	Accounts Payable
02/03/2022	24953	Stericycle, Inc	-177.60	Check	Accounts Payable
02/03/2022	24954	USA of So. California	-239.35	Check	Accounts Payable
02/03/2022	24955	Victorville Glass Co, Inc	-141.15	Check	Accounts Payable
02/03/2022	24956	Zenith Insurance Company	-5,589.00	Check	Accounts Payable
02/03/2022	24957	California State Disbursement Unit	-230.76	Check	Accounts Payable
02/03/2022	24958	State of California - Franchise Tax Board	-50.00	Check	Accounts Payable
02/03/2022	24959	ELIZABETH ESPERICUETA	-209.00	Check	Utility Billing
02/03/2022	24960	CALIFORNIA BEST TITLE COMPANY, INC.	-359.90	Check	Utility Billing
02/03/2022	24961	CHICAGO TITLE COMPANY	-403.06	Check	Utility Billing
02/03/2022	24962	MARY JANE BROROWSKE	-237.86	Check	Utility Billing
02/03/2022	24963	ARROWHEAD PROPERTIES LTD	-153.43	Check	Utility Billing
02/09/2022	24964	Babcock Laboratories, Inc	-3,435.00	Check	Accounts Payable
02/09/2022	24965	Commonwealth Land Title Company	-4,700.00	Check	Accounts Payable
02/09/2022	24966	Inland Water Works Supply Co.	-20,532.08	Check	Accounts Payable
02/09/2022	24967	James Harvey	-113.75	Check	Accounts Payable
02/09/2022	24968	Pamella Greene	-200.00	Check	Accounts Payable
02/09/2022	24969	Fedak & Brown LLP	-3,100.00	Check	Accounts Payable
02/02/2022	EFT0003994	SCE ACH Community Center 700218740906	-1,251.82	EFT	General Ledger
02/07/2022	EFT0004008	To record CalPERS Health Premium Feb 2022	-19,730.41	EFT	General Ledger
02/01/2022	EFT0004009	CalPERS Classic Pmt PPE 1/2/22	-7,313.72	EFT	General Ledger
02/01/2022	EFT0004010	CalPERS PEPPA Pmt PPE 1/2/22	-1,644.37	EFT	General Ledger
02/04/2022	EFT0004011	CalPERS 457 Pmt PPE 1/30/22	-3,292.30	EFT	General Ledger
02/08/2022	EFT0004014	SCE ACH WWTP & Wells 3,4 & 1 Acct 700547354472	-15,132.70	EFT	General Ledger
02/02/2022	EFT0004024	To record Global Merchant Fees Acct 4367 -	-2,753.43	EFT	General Ledger

Bank Transaction Report

Issued Date	Number	Description	Amount	Type	Module
02/02/2022	EFT0004025	To record Global Merchant Fees Acct 4366 -	-944.39	EFT	General Ledger
02/01/2022	EFT0004026	To record EVO Thrift Store CC Fees 23099	-402.16	EFT	General Ledger
02/09/2022	EFT0004027	To record Sales Tax Pmt # 1- 1st Quarter Jan 2022	-2,056.58	EFT	General Ledger
			Bank Account 251229590 Total: (49)		-164,687.21
			Report Total: (49)		-164,687.21

Summary

Bank Account
[251229590 CBB Checking](#)

Count	Amount
49	-164,687.21
Report Total: 49	-164,687.21

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

Count	Amount
49	-164,687.21
Report Total: 49	-164,687.21

Transaction Type	Count	Amount
Check	39	-110,165.33
EFT	10	-54,521.88
Report Total: 49		-164,687.21



Helendale Community Services District

Date: February 17, 2022
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Cheryl Vermette
SUBJECT: Agenda item #3c
Directors' Compensation and Expenses

STAFF REPORT:

Attached for the Board's consideration is a spreadsheet that outlines Director's expenses paid for the current pay period and/or since the last Board meeting.

HELENDALE COMMUNITY SERVICES DISTRICT BOARD MEMBER EXPENSE VOUCHER

Name: Tim Smith

January 30, 2022

Date	Expense Description/Explanation	Miles	Meals	Lodging	Other	Exp Category
01/11/2022	Special board meeting					A: Public Meeting governed by Brown Act
01/18/2022	meeting with GM					G: Meeting w/GM re District Operations
01/20/2022	Regular board mtg					A: Public Meeting governed by Brown Act
01/21/2022	VWaste Water natural gas celebration					B: Public Event*
24-Jan	ASBCSD mtg	128.0				I: Meeting of Local, State or Federal body
						B: Public Event*
						A: Public Meeting governed by Brown Act
Notes/Comments:		Totals		128.0	-	
		Totals:		Mileage	74.24	74.24
				Meals		
				Lodging		
				Other	687.50	687.50
				Grand Total	761.74	761.74
Appropriate Approval _____		Submitted By: Tim Smith		Date _____		

- Expense Categories
- G: Meeting w/GM re 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

Handwritten initials/signature.

HELENDALE COMMUNITY SERVICES DISTRICT BOARD MEMBER EXPENSE VOUCHER

Name: **HENRY SPILLER**

Date	Event	Expense Description/Explanation	Miles	Meals	Lodging	Other	Exp Category
1/5/22	Public Benefit	Farmer Market					S/C
1/10/22	Event	Rep @ Public Event					A
1/12	Public Benefit	Special Board Meeting					S/C
1/12	Event	Open Board Meeting					S/C
1/12	Public Benefit	Farmer Market					S/C
1/12	Event	Rep @ Public Event					S/C
1/12	Public Benefit	Farmer Market					S/C
1/12	Event	Rep @ Public Event					S/C
1/18	Public Benefit	Meetings with GM					G
1/19	Event	District OPS Meeting					S/C
1/20	Public Benefit	Farmer Market					A
1/20	Event	Rep @ Public Event					S/C
1/20	Public Benefit	Board Meeting					A
1/20	Event	Open Board Meeting					S/C
1/20	Public Benefit	Farmer Market					S/C
1/20	Event	Rep @ Public Event					S/C
	Public Benefit						
	Event						
	Public Benefit						
	Event						
	Public Benefit						
	Event						
	Public Benefit						

Notes/Comments:

Totals

Mileage	-
Meals	-
Lodging	-
Other	-
Grand Total	962.150

Submitted By: *[Signature]*

Appropriate Approval _____ Date _____

Expense Categories

- G: Meeting w/GM re 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

A: Public Meeting governed by Brown Act
 B: Public Event*
 C: Representation at Public Meeting/Event*
 D: Representation on a 501C3 Board*
 E: Conference/seminar/Training Program related to District*
 F: Ad Hoc committee of the Board

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



Helendale Community Services District

DATE: February 17, 2022
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #3e
Discussion Only Regarding COVID-19 Pandemic Update

STAFF RECOMMENDATION:

Receive and file.

STAFF REPORT:

Staff continues to monitor the regulations and any changes made by the CDC, CDPH and CalOSHA. COVID related issues amongst staff and families seems to have subsided. The passage of the COVID leave recently by the state legislature will be made available to staff.

On February 15, the mask mandate in San Bernardino County is set to expire. Some counties, such as Los Angeles will keep the mask requirement in place.

Currently, there is \$85,618 in past due accounts. This represents 53,036 from January bills and \$16,324 from Decembers bills are still unpaid. Approximately \$16,000 is greater than 60-days past due. The District has implemented the SB998 procedures related to disconnections, that were in placed prior to COVID.

FISCAL IMPACT: As outlined



Helendale Community Services District

DATE: February 17, 2022
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #6
Discussion and Possible Action Regarding Approval of Professional Services Agreement for Audit Services for FY22 through FY24 with Two-Year Option

STAFF RECOMMENDATION:

Staff recommends approval of the proposed PSA

STAFF REPORT:

In 2017 the District circulated a request for proposal for audit services and received four proposals. Of these responses, Fedak and Brown was selected as the District's auditor for three years. In December 2019, the District elected to exercise a two-year extension for audit services which concluded with the completion of the FY21 audit.

Staff requested that Fedak and Brown provided a proposal for continuing audit services for the District. As a professional services contract, this matter does not need to go out to bid. In discussions with Eide Baily, they concurred that the District receives a good value from Fedak and Brown.

Recommended best practice is to rotate the principal member of the audit firm every six years. If the Board elects to retain F&B then Chris Brown can oversee the audit for another year and after that the firm would transition to another managing partner.

District Staff has had a positive relationship with the auditors and with Jeff Palmer who has been the principal auditor during their engagement.

The audit services previously were:

2017 = \$22,200
2018 = \$22,625
2019 = \$23,055
2020 = \$23,490
2021 = \$23,950

FISCAL IMPACT: Current proposal:
2022 = \$23,950
2023 = \$24,405
2024 = \$24,860
Option: 2025 = \$25,315
2026 = \$25,830

POSSIBLE MOTION: Approve a three-year contract with Fedak and Brown for Audit services with a two-year option

ATTACHMENTS: Proposal for audit services

Cost Proposal for Professional Auditing Services



Helendale Community Services District

Prepared by:

Fedak & Brown LLP

Certified Public Accountants
Riverside, California & Cypress, California
(657) 214-2307



Proposal Contact:

Christopher J. Brown, CPA, CGMA, Partner
chris@fedakbrownllp.com



Charles Z. Fedak, CPA, MBA
Christopher J. Brown, CPA, CGMA
Andy Beck, CPA

Fedak & Brown LLP
Certified Public Accountants

Cypress Office:
6081 Orange Avenue
Cypress, California 90630
(657) 214-2307
FAX (714) 527-9154

Riverside Office:
1945 Chicago Avenue, Suite C-1
Riverside, California 92507
(951) 783-9149

February 11, 2022

Ms. Kimberly Cox, General Manager
Helendale Community Services District
26540 Vista Road, Suite B
P.O. Box 359
Helendale, California 92342

Re: Request for Proposal for Professional Auditing Services

Dear Ms. Cox:

Based on our understanding of the Helendale Community Services District (District) requirements, our fee for audit services and preparation of the State Controller's Report at our discounted rates for the fiscal years ending June 30, 2022 through 2024, and optional years 2025 and 2026, will be **\$24,700, \$25,155, \$25,610, \$26,065, and \$26,580**, respectively.

The total all-inclusive maximum price for the fiscal years ending June 30, 2022 through 2024, and optional fiscal years ending June 30, 2025 and 2026, is itemized in the attached Exhibits.

Our not-to-exceed fee proposal is contingent upon our understanding of your requirements and the assistance we require as noted in our original audit technical proposal.

Additional services not included in this proposal will be based on our discounted billing rates based on the level of experience required. We would execute a separate contract for these services, if they are requested by the District.

I am authorized to make representations for Fedak & Brown LLP and am duly authorized to sign a contract with the District.

Christopher J. Brown, CPA CGMA

February 11, 2022

Date

Exhibit I – Proposed Hours and Our Fees

Proposed Hours and Our Fees

We anticipate that, for the fiscal years ending June 30, 2022 through 2024, and optional fiscal years 2025 and 2026, the audit of the District will require approximately 200 audit hours. These hours, by major area, are summarized as follows:

Breakout of Audit Hours					
Audit Steps	Partner	Manager	Supervisor	Staff	Total
Planning	6	4	8	9	27
Controls Testwork	4	8	20	36	68
Substantive Testwork	5	10	20	36	71
Reporting	10	8	12	4	34
	25	30	60	85	200

As shown above, we expect approximately 28% of engagement hours to come from the Partners and Managers assigned to the engagements.

Working on the premise that we will be provided with all the documents listed per our audit requirements (will be provided prior to commencement of fieldwork), we expect to perform the audit of the District at fees as stated in the attached Schedule of Professional Fees on Page 3 for the fiscal years ending June 30, 2022 through 2024, and optional fiscal years 2025 and 2026, respectively.

Our fees are based on the product of the time spent on the engagement and the billing rates of the individuals assigned, plus out-of-pocket costs (such as report reproductions, typing, postage, travel, copies, telephone, etc.). We will obtain the assistance of District’s personnel to the extent possible and otherwise endeavor to keep these charges to a minimum. We will submit progress billings monthly to your office as our work progresses, which will be due and payable thirty days from the date of the invoice.

Based upon the present size and scope of the activities of the District, we expect to perform the services enumerated above at our standard hourly rates. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to the audit.

In accordance with your request for proposal and the Office of Management and Budget Circular A-128, we will maintain our work papers for a minimum of seven years and make them available to the District, state agencies, the General Accounting Office, and other parties upon the direction of the District. We have provided a breakdown of our current hourly rates, which would apply to this engagement on the attached Schedule of Professional Fees by Hours on Pages 4 through 5 of this cost proposal.

We want the Board to understand that we will provide any assistance and answer any questions that the District’s staff or members of the Boards may have when they arise for the entire duration of our contract. We find it important to stay abreast of the District’s activities and issues during the entire engagement.

We would like to thank you and the Board for the opportunity to submit a proposal for the auditing services of the District. Because of our experience in special districts and agencies, we will provide you with accounting updates (GASB) to assist in your operations as well as meet the audit needs of the organization. We will also continually make recommendations on these and other matters that come to our attention. We are proud of the professional services we provide and encourage you to make inquiries to any of our clients about their satisfaction with our services and the quality of our staff.

Exhibit II – Schedule of Professional Fees

Helendale Community Services District

Engagement Fees By Fiscal Year	Audit Service Fees*	Not-to-Exceed Estimate of Out of Pocket Costs**	Total Audit	State Controller's Report	Total
Fiscal Year 2022	\$ 22,950	1,000	23,950	750	24,700
Fiscal Year 2023	23,405	1,000	24,405	750	25,155
Fiscal Year 2024	23,860	1,000	24,860	750	25,610
Total Three Year Contract Price	<u>\$ 70,215</u>	<u>3,000</u>	<u>73,215</u>	<u>2250</u>	<u>75,465</u>
Optional Years					
Fiscal Year 2025	<u>\$ 24,315</u>	<u>1,000</u>	<u>25,315</u>	<u>750</u>	<u>26,065</u>
Fiscal Year 2026	<u>\$ 24,830</u>	<u>1,000</u>	<u>25,830</u>	<u>750</u>	<u>26,580</u>

* Professional audit services fees – labor only.

** Estimate of out-of-pocket costs consist of: travel, mileage, postage and printing costs.
Out-of-pocket costs may not be fully utilized.

Exhibit III – Schedule of Professional Fees by Hours

Helendale Community Services District Fiscal Year 2022

Breakdown of Fees by Hours

	Hours	Hourly Rates	Total
Fiscal Year 2022 Audit of:			
District's Basic Financial Statements			
Partner - Engagement & Technical	25	\$ 158	\$ 3,950
Manager	30	144	4,320
Supervisor	60	120	7,200
Staff	85	88	7,480
Total Financial Statement Audit for 2022	200		22,950
Out-of-Pocket Expenses (Travel, Postage & Printing Costs)			1,000
Total Audit Fees for 2022			23,950
Additional Items Asked to be Priced by the District			
	Hours	Rates	Total
Preparation of the District's Annual State Controller's Report	6	\$ 125	\$ 750
Total Maximum for 2022			\$ 24,700

Helendale Community Services District Fiscal Year 2023

Breakdown of Fees by Hours

	Hours	Hourly Rates	Total
Fiscal Year 2023 Audit of:			
District's Basic Financial Statements			
Partner - Engagement & Technical	25	\$ 161	\$ 4,025
Manager	30	147	4,410
Supervisor	60	122	7,320
Staff	85	90	7,650
Total Financial Statement Audit for 2023	200		23,405
Out-of-Pocket Expenses (Travel, Postage & Printing Costs)			1,000
Total Audit Fees for 2023			24,405
Additional Items Asked to be Priced by the District			
	Hours	Rates	Total
Preparation of the District's Annual State Controller's Report	6	\$ 125	\$ 750
Total Maximum for 2023			\$ 25,155

Helendale Community Services District Fiscal Year 2024

Breakdown of Fees by Hours

	Hours	Hourly Rates	Total
Fiscal Year 2024 Audit of:			
District's Basic Financial Statements			
Partner - Engagement & Technical	25	\$ 164	\$ 4,100
Manager	30	150	4,500
Supervisor	60	124	7,440
Staff	85	92	7,820
Total Financial Statement Audit for 2024	200		23,860
Out-of-Pocket Expenses (Travel, Postage & Printing Costs)			1,000
Total Audit Fees for 2024			24,860
Additional Items Asked to be Priced by the District			
	Hours	Rates	Total
Preparation of the District's Annual State Controller's Report	6	\$ 125	\$ 750
Total Maximum for 2024			\$ 25,610

Exhibit III – Schedule of Professional Fees by Hours

Helendale Community Services District OPTIONAL YEAR 1 - Fiscal Year 2025

Breakdown of Fees by Hours

	Hours		Hourly Rates		Total
Fiscal Year 2025 Audit of:					
District's Basic Financial Statements					
Partner - Engagement & Technical	25	\$	167	\$	4,175
Manager	30		153		4,590
Supervisor	60		126		7,560
Staff	85		94		7,990
Total Financial Statement Audit for 2025	200				24,315
Out-of-Pocket Expenses (Travel, Postage & Printing Costs)					1,000
Total Audit Fees for 2025					25,315
Additional Items Asked to be Priced by the District					
	Hours		Rates		Total
Preparation of the District's Annual State Controller's Report	6	\$	125	\$	750
Total Maximum for 2025				\$	26,065

Helendale Community Services District OPTIONAL YEAR 2 - Fiscal Year 2026

Breakdown of Fees by Hours

	Hours		Hourly Rates		Total
Fiscal Year 2026 Audit of:					
District's Basic Financial Statements					
Partner - Engagement & Technical	25	\$	170	\$	4,250
Manager	30		156		4,680
Supervisor	60		129		7,740
Staff	85		96		8,160
Total Financial Statement Audit for 2026	200				24,830
Out-of-Pocket Expenses (Travel, Postage & Printing Costs)					1,000
Total Audit Fees for 2026					25,830
Additional Items Asked to be Priced by the District					
	Hours		Rates		Total
Preparation of the District's Annual State Controller's Report	6	\$	125	\$	750
Total Maximum for 2026				\$	26,580



Helendale Community Services District

DATE: February 17, 2022
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #7
Discussion Only Regarding Wastewater Capital Improvement Plan

STAFF RECOMMENDATION:

Staff seeks input from the Board.

STAFF REPORT:

Each year as part of the budget development process the capital improvement plans (CIP) for each of the divisions is reviewed. This plan outlines proposed capital expenditures which includes both equipment and infrastructure.

Attached for the Board's review is the FY2021 Capital Improvement Plan for Wastewater with an additional column added for FY26. This will be the starting point for a more comprehensive discussion on the foreseen needs of the wastewater operation.

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

FISCAL IMPACT: NA

POSSIBLE MOTION: None

ATTACHMENTS: DRAFT Wastewater CIP

Capital Budget FY 2023 - FY2027

WASTEWATER

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Changes
Rehab Digester	-		\$ 175,000				
Generator replacement wiring & conduit				\$ 125,000			Moved from FY23 to FY25
Plant & Lift Station #1 SCADA		\$ 100,000					Moved from FY22 to FY23
Plant Sludge Lines (Replacement)		\$ 320,000					Moved from FY22 to FY23
Secondary Clarifier Rehabilitation				\$ 240,000			Moved from FY23 to FY25
Schooner Pump Station Coating & new pump			\$ 65,000				Moved from FY23 to FY24
Parkway Pump Station Coating & new pump			\$ 65,000				Moved from FY23 to FY24
Coating Parshall Flume, grit chamber and Concrete					\$ 240,000.00		Moved from FY24 to FY26
Repair & Replacement. New grating				\$ 75,000			Moved from FY23 and increased by \$25k
BioFilter Rebuild TF#1 & TF#2							Increased FY22 to \$60k
Collection System Lining - Various areas	\$ 60,000	\$ 25,000					
Fine Bar Screen		\$ 130,000					
New Trickling Filter Pump (2)		\$ 70,000					
Pump Room Valve Replacements (18)			\$ 15,000				
Lift Station-Sump Pump (Smithson)		\$ 15,000					
Leader					\$ 150,000.00		
Sump Pumps (5)			\$ 20,000				
Service Truck		\$ 30,000					
WOM Vehicle	\$ 25,000						Purchased for \$16,500
Backhoe					\$ 120,000.00		
Sludge Compressors (2)		\$ 20,000					Moved from FY22 to FY23
Diaphragm Sludge Pumps			\$ 40,000				Moved from FY22 to FY24
Effluent Chamber diffuser system (w/ blower line)				\$ 100,000	\$ 15,000.00		Moved from FY25 to FY26
Headworks Fence Repair & Modification	\$ 50,000		\$ 50,000				Moved from FY22 to FY24
Headworks Electrical Repair/Replacement				\$ 115,000			Moved from FY24 to FY25
Coarse Barscreen Replacement						\$ 200,000.00	Moved from FY26 to FY27
Primary Clarifier Coating		\$ 150,000					
New Filtrate Pumps, Electrical Panel & Sonic Meter			\$ 60,000				
Interfer Completion of Maintenance Building	\$ 230,000						Done
Solar Field						\$ 120,000.00	New
Collection System Lining - Vista to Sunshine				\$ 350,000			Moved from FY24 to FY25
Plant and Process Camera System		\$ 30,000					Moved from FY22 to FY23
Electrical Replacement Primary, Secondary, Digester					\$ 150,000.00	\$ 150,000.00	Moved from FY 26 to FY27
Fencing at the Manifold between Fields and TP	\$ 40,000						Done
VFD for TF feed pumps		\$ 60,000					Moved from FY22 to FY23
	\$ 110,000	\$ 935,000	\$ 490,000	\$ 1,005,000	\$ 525,000	\$ 470,000	\$ 3,535,000



Helendale Community Services District

DATE: February 17, 2022
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #8
Discussion and Possible Action Regarding Offering Payment Plan Options for Customers

STAFF RECOMMENDATION:

Staff seeks input from the Board regarding this option.

STAFF REPORT:

With the expiration of the disconnection prohibition that had been in place since March 2020, staff has followed the protocol issued by the State Water Resources Control Board for easing into the disconnections. The District issued two letters offering payment plans for those who were subject to disconnection under SB998. A majority of those customers either paid off the outstanding balance or entered into a payment plan.

In an effort to encourage customers to work with the District now that we can disconnect again, Staff wanted to seek the Board's thoughts on offering a payment plan option to all customers through June as a soft landing approach. Currently, the only customers under SB998 who are afforded a payment plan must meet three specific criteria. We are still hearing of people impacted by the events of the last two years.

Staff would work with Counsel to develop a process to allow payment plan process.

FISCAL IMPACT: Unknown

POSSIBLE MOTION: Provide input for Staff

ATTACHMENTS: NA



Helendale Community Services District

DATE: February 17, 2022
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #9
Discussion Only Regarding Mid-Year Budget Review

STAFF RECOMMENDATION:

Receive and File.

STAFF REPORT:

Attached for the Board's review and consideration is the mid-year financials prepared by Eide Bailey. December financials represent the mid-way point in the fiscal year and provides a good indicator of how the funds are performing in relation to the budget. This review allows the opportunity to make mid-course corrections on the budget, acknowledge trends and provides information to assist in the development of the FY23 budget.

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

Water:

The operating revenues are above projection by 5% with expenses slightly below the mid-point at 48%. However, as with all funds, the capital projects in water, (which included the Well 13 expenses, water rights, maintenance building and truck) has the fund currently running at a deficit of **-\$676,885**. Any deficit in a fund would reduce that fund's reserve balance and is not necessarily an indication of a more serious shortfall in revenue over expenses. Absent the capital expenditure in this fund there would be a net positive income of \$600,638. The water fund is healthy with no anticipated rate increases in the near future.

Wastewater:

The Wastewater fund has revenues on target at 51% of projected with expenses coming in at 54% of projected. The fund balance of **-\$5,346** less the capital expenses to date puts this fund at a **-\$505,868**. Capital projects this fiscal year include \$447,977 for maintenance building project; mini-lift station for \$36,044 and \$16,500 for new vehicle.

Recycling Center:

The recycling center continues to perform well, coming off of a record-breaking year. Revenue is currently at 93% of budget and expenses at 53% of budget with a current positive balance of \$70,437. Any excess revenue is transferred to the Park fund to pay for maintenance at the Community Center and Helendale Community Park.

Property Rental:

Revenue is on track at 50% with expenses at 31% with a positive position of \$28,043 at mid year. Moving through the next few months the revenue in the fund will reduce based upon the reduction in rent.

Park & Rec:

Revenues are below target at 43% with expenditures at 33% of budget. Capital expenses this fiscal year include \$241,605 for the asphalt parking lots (\$241,605), expanded community center fencing (\$29,970), light poles for football (\$5,298), nature play sand and rocks (\$2,522) and supplies or the lighting at community center parking lot (\$2,187).

Solid Waste:

Staff continues to closely monitor this fund which is currently at 50% of revenue and 53% of expenditures with a net loss of **-\$29,103**. With the expansion of the Recycling Center lot, the bulky items picked upon weekly by staff are now being disposed of through the dumpsters at the Community Center along with the trash cans. The fee added to the trash bill last year will help make the green waste drop off program feasible as it helps to offset a small portion of the costs.

FISCAL IMPACT: As outlined.

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

ATTACHMENTS: December Financial Statement



Helendale CSD
Statement of Revenues and Expenses - Water
As of December 31, 2021
(Unaudited)

	Dec. 2021	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Meter Charges	\$ 132,376	\$ 803,527	\$ 1,593,041	50%	\$ 802,149
3 Water Sales	69,534	564,861	952,614	59%	572,937
4 Standby Charges	4,863	32,886	23,300	141%	10,013
5 Other Operating Revenue	15,238	62,596	104,300	60%	40,634
6 Total Operating Revenues	222,011	1,463,871	2,673,255	55%	1,425,733
7 Non-Operating Revenues					
8 Grant Revenue	-	-	305,000	0%	15,990
9 Miscellaneous Income (Expense)	-	5,361	-	0%	-
10 Total Non-Operating Revenues	-	5,361	305,000	2%	15,990
11 Total Revenues	222,011	1,469,232	2,978,255	49%	1,441,724
12 Expenses					
13 Salaries & Benefits					
14 Salaries	39,883	188,859	326,871	58%	149,456
15 Benefits	9,722	67,787	123,472	55%	54,195
16 Total Salaries & Benefits	49,605	256,646	450,343	57%	203,650
17 Transmission & Distribution					
18 Contractual Services	5,697	44,054	62,492	70%	30,018
19 Power	11,446	101,913	207,247	49%	70,559
20 Operations & Maintenance	14,125	90,734	136,950	66%	39,033
21 Rent/Lease Expense	800	6,690	10,860	62%	6,690
22 Permits & Fees	1,709	5,535	30,700	18%	7,038
23 Total T&D	33,776	248,926	448,249	56%	153,339
24 General & Administrative					
25 Utilities	374	1,931	6,500	30%	2,610
26 Office & Other Expenses	22	460	5,783	8%	8,015
27 Admin Allocation	48,066	288,398	576,797	50%	279,104
28 Total G&A	48,462	290,789	589,080	49%	289,729
29 Debt Service	-	173,155	531,309	33%	194,367
30 Total Expenses	131,843	969,516	2,018,982	48%	841,085
31 Net Income (Loss) Before Capital	90,168	499,716	959,274	52%	600,638
32 Sale or Lease of Water Rights	-	31,954	-	0%	-
33 Capital Expenses	(113,440)	(1,208,556)	(783,000)	154%	(1,196,908)
34 Net Income (Loss) After Capital	\$ (23,272)	\$ (676,885)	\$ 176,274		\$ (596,270)

Helendale CSD
Financial Statement Analysis
For the Month Ended December 31, 2021 – 50% 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 is currently at 59% of budget due to higher consumption in the first half of the fiscal year.

Line 4 Standby Charges: Includes special assessment standby charges for the current & prior years, and delinquent standby penalties. YTD is over budget due to more penalties on delinquent taxes than anticipated.

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 currently at 60% of budget due to timing of water supply fees received.

Line 8 Grant Revenue: Budget for this account consists of \$305,000 for grant reimbursement from the Bureau of Reclamation and the DWR. YTD has no activity.

Line 9 Miscellaneous Income (Expense): Includes gain or loss on sale of assets, the Enel X Demand Response Program and other miscellaneous income. YTD activity includes \$2.5K from Graham Equipment and \$2.8K from the Enel X Demand Response Program.

Line 14 Salaries: Includes salaries for water employees and portion of mechanic's salary. YTD is currently at 58% of budget due to more overtime and mechanic labor than anticipated.

Line 15 Benefits: Includes health insurance, CalPERS retirement, worker's compensation insurance, payroll taxes, and employee education and trainings. YTD is currently at 55% of budget due to the timing of the annual workers compensation payment.

Line 18 Contractual Services: Includes lab testing, engineering, GIS support & other contract services. YTD is currently at 70% of budget due to the \$28.5k annual software support fee paid in July.

Line 19 Power: Includes electricity used for transmission & distribution. YTD is currently at 49% of budget.

Line 20 Operations & Maintenance: Includes operations & maintenance expense, vehicle maintenance and vehicle fuel. YTD is currently at 66% of budget due to a \$22K purchase of single and dual Meter Transceiver ports in November.

Line 21 Rent/Lease Expense: Includes rental costs for the water shop and Bureau of Land Management tank sites. YTD is currently at 62% of budget due to timing of payments.

Line 22 Permits & Fees: Includes all water permits, miscellaneous fees, and Watermaster fees. YTD can trend over/under budget due to timing of permits and fee payments. YTD is currently at 18% of budget.

Line 25 Utilities (G&A): Includes gas and telephone expenses. YTD is currently at 30% of budget due to gas bills being lower during summer months.

Line 26 Office & Other Expenses: Includes mileage/travel reimbursements, office supplies, water conservation program, and dues & subscriptions. These expenses are an as needed basis and can trend over/under budget. YTD is currently at 8% of budget.

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

Line 29 Debt Service: Includes interest & principal payments on outstanding debt. YTD can trend over/ under budget due to timing of payments. Payments occur on a quarterly basis in July, October, January, and April.

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

- \$484,274 - New Well
- \$358,563 - Corporate Yard Enclosure
- \$194,050 - New Well Pipeline
- \$61,195 - Well House for Well 13
- \$32,003 - Service Truck
- \$31,840 - Concrete, fencing, camera, internet for Well 13
- \$24,463 - Water Rights
- \$16,900 - Temporary Flush line for New Well
- \$5,269 - Electrical Well 13



Helendale CSD
Statement of Revenues and Expenses - Sewer
As of December 31, 2021
(Unaudited)

	Dec. 2021	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Sewer Charges	\$ 107,528	\$ 642,416	\$ 1,280,348	50%	\$ 641,238
3 Standby Charges	4,127	19,527	18,000	108%	8,120
4 Other Fees & Charges	5,122	19,642	29,320	67%	11,784
5 Other Income/(Expense)	-	-	1,000	0%	-
6 Total Revenues	116,776	681,585	1,328,668	51%	661,142
7 Expenses					
8 Salaries & Benefits					
9 Salaries	28,777	138,654	267,911	52%	124,224
10 Benefits	9,062	53,928	94,821	57%	45,398
11 Total Salaries & Benefits	37,838	192,582	362,732	53%	169,622
12 Sewer Operations					
13 Contractual Services	-	25,222	76,500	33%	17,223
14 Power	6,566	48,829	89,613	54%	34,268
15 Operations & Maintenance	4,184	46,558	58,930	79%	20,453
16 Permits & Fees	27,109	31,268	35,000	89%	27,186
17 Total Sewer Operations	37,859	151,877	260,043	58%	99,130
18 General & Administrative					
19 Utilities	991	3,919	5,916	66%	1,955
20 Office & Other Expenses	222	4,862	14,760	33%	5,647
21 Admin Allocation	47,105	282,630	565,261	50%	273,522
22 Total G&A	48,318	291,411	585,937	50%	281,124
23 Debt Service	-	51,061	72,377	71%	25,420
24 Total Expenses	124,015	686,931	1,281,089	54%	575,296
25 Net Income (Loss) Before Capital	(7,238)	(5,346)	47,579		85,846
26 Capital Expenses	(52,544)	(500,521)	(940,000)	53%	(94,866)
27 Net Income (Loss) After Capital	\$ (59,782)	\$ (505,868)	\$ (892,421)	57%	\$ (9,020)

Fund 02 - Sewer Revenues and Expenses

Line 2 Sewer Charges: Includes the monthly charge for sewer services. YTD is currently at 50% of budget.

Line 3 Standby Charges: Includes special assessment standby charges for the current & prior years, and delinquent standby penalties. YTD is over budget because the District received higher than anticipated prior year delinquent standby charges.

Line 4 Other Fees & Charges: Includes permit & inspection charges, connection fees, other fees, and charges. YTD is currently at 67% of budget because of conservative budgeting on these accounts due to the unexpected nature of these fees and delinquent charges.

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

Line 9 Salaries: Includes salaries for all sewer employees. YTD is currently at 52% of budget.

Line 10 Benefits: Includes employee insurance, PERS retirement, workers compensation, payroll taxes, and education & training. YTD is currently at 57% of budget due to the timing of the annual workers compensation payment.

Line 13 Contractual Services: Includes lab testing, engineering, GIS support & other contractual services. YTD is currently at 33% of budget due to services being on an as needed basis.

Line 14 Power: Includes electricity used for Sewer. YTD is currently at 54% of budget due higher than anticipated electricity usage.

Line 15 Operations & Maintenance: Includes compost disposal, vehicle maintenance, vehicle fuel, uniforms, small tools, and salaries for mechanics. YTD is currently at 79% of budget due to maintenance on backhoe loader and fence improvement at the wastewater treatment plant.

Line 16 Permits and Fees: Includes all annual permits and fees paid to the state. YTD can trend over/under budget due to timing of permits and fee payments. YTD is currently at 89% of budget due to the timing of SWRCB annual permit fees.

Line 19 Utilities (G&A): Includes gas, water, and telephone expenses. YTD is currently at 66% of budget due to higher than anticipated water usage for the wastewater treatment plant.

Line 20 Office & Other Expenses: Includes mileage/travel reimbursements, office supplies, water conservation program, and dues & subscriptions. These expenses are an as needed basis and can trend over/under budget. YTD is currently at 33% of budget.

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 timing of payments. Payments occur bi-annually in December and June. YTD is currently at 71% of budget.

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

- \$447,977 – Storage Building/Office/Lab
- \$36,044 – Mini-Lift Station Project
- \$16,500 – Wastewater Operations Manager Vehicle



Helendale CSD
Statement of Revenues and Expenses - Recycling Center
As of December 31, 2021
(Unaudited)

	Dec. 2021	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Retail Sales	\$ 28,675	\$ 161,939	\$ 300,000	54%	\$ 146,935
3 Donations	-	-	-	0%	-
4 Board Discretionary Revenue	-	-	(126,740)	0%	-
5 Total Revenues	28,675	161,939	173,260	93%	146,935
6 Expenses					
7 Salaries & Benefits					
8 Salaries	18,430	68,815	126,472	54%	48,956
9 Benefits	3,112	9,333	18,266	51%	7,746
10 Total Salaries & Benefits	21,542	78,148	144,738	54%	56,702
11 Recycling Center Operations					
12 Contractual Services	-	-	2,500	0%	-
13 Operations & Maintenance	798	6,299	12,900	49%	5,253
14 Total Recycling Center Operations	798	6,299	15,400	41%	5,253
15 General & Administrative					
16 Utilities	470	4,777	8,622	55%	3,381
17 Office & Other Expenses	405	2,278	4,500	51%	1,810
18 Total G&A	874	7,055	13,122	54%	5,192
19 Total Expenses	23,215	91,502	173,260	53%	67,146
20 Net Income (Loss) Before Capital	5,460	70,437	-		79,789
21 Capital Expenses	-	-	-	0%	-
22 Net Income (Loss) After Capital	\$ 5,460	\$ 70,437	\$ -		\$ 79,789

03-Recycling Center Revenues and Expenses

Line 2 Retail Sales: Includes sales revenues from the Thrift Store. YTD is currently at 54% of budget.

Line 3 Donations: Donations are not budgeted for due to the unexpected nature of these revenues. YTD has no activity thus far.

Line 4 Board Discretionary Revenue: This line shows the transfer of net cash from the Recycling Center (fund 03) to the Parks & Recreation Fund (fund 05). This transfer is done at year end for the audit.

Line 8 Salaries: Salaries for all recycling center employees, which are all part-time. YTD is currently at 54% of budget.

Line 9 Benefits: Includes employee insurance, workers compensation, payroll taxes, and education & training. YTD is currently at 51% of budget.

Line 12 Contractual Services: Includes software support and other contract services. Services are on an as needed basis, no activity through December.

Line 13 Operations & Maintenance: Includes vehicle maintenance, vehicle fuel, operating supplies, and uniforms. YTD is currently at 49% of budget.

Line 16 Utilities (G&A): Includes electric and telephone expenses. YTD is currently at 55% of budget due to higher electricity usage in the first half of the fiscal year.

Line 17 Office & Other Expenses: Includes advertising, bank charges and other miscellaneous expenses. YTD is currently at 51% of budget.

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



Helendale CSD
Statement of Revenues and Expenses - Property Rental
As of December 31, 2021
(Unaudited)

	Dec. 2021	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Property Rental Revenues	\$ 10,690	\$ 64,579	\$ 128,280	50%	\$ 63,722
3 Other Income	-	-	-	0%	575
4 Board Discretionary Revenue	-	-	-	0%	-
5 Total Revenues	10,690	64,579	128,280	50%	64,297
6 Expenses					
7 Contractual Services	-	-	5,000	0%	-
8 Utilities	1,034	5,068	13,795	37%	5,691
9 Operations & Maintenance	18	4,925	16,367	30%	8,475
10 Debt Service	-	26,544	82,833	32%	55,042
11 Total Expenses	1,052	36,536	117,995	31%	69,208
12 Net Income (Loss)	\$ 9,638	\$ 28,043	\$ 10,285	273%	\$ (4,911)

04-Property Rental Revenues and Expenses

Line 2 Property Rental Revenues: Includes revenue for 15302 Smithson and 15425 Wild Road properties. YTD is currently at 50% of budget.

Line 3 Other Income: Includes penalties and other miscellaneous Income; due to the unexpected nature of these revenues these accounts are budgeted conservatively. YTD has no activity.

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

Line 7 Contractual Services: Includes contractor and handyman expenses for installation of appliances, drywall repair, roofing, or plumbing repairs. No services have been needed through December.

Line 8 Utilities: Includes electric & gas expense for the rental properties. YTD is currently at 37% due to the timing of utility bills.

Line 9 Operations & Maintenance: Includes maintenance and other costs relating to the rental properties. YTD is currently at 30% of budget.

Line 10 Debt Service: Includes interest and principal payments on outstanding debt. YTD can trend over/ under budget due to timing of payments. Payments occur bi-annually in December and June. YTD is currently at 32% of budget.

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



Helendale CSD
Statement of Revenues and Expenses - Parks & Recreation
As of December 31, 2021
(Unaudited)

	Dec. 2021	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Program Fees	\$ 4,280	\$ 28,909	\$ 22,600	128%	\$ 4,731
3 Property Taxes	1,868	11,149	18,000	62%	9,417
4 Donations & Sponsorships	-	100	5,500	2%	6,918
5 Rental Income	1,262	16,154	26,075	62%	7,800
6 Developer Impact Fees	1,720	5,160	6,880	75%	1,720
7 Grants	-	-	-	0%	370
8 Interfund Transfer Out/(In)	(3,508)	(21,050)	(42,100)	50%	(21,050)
9 Board Discretionary Revenue	63,967	175,173	461,446	38%	170,115
10 Total Revenues	69,588	215,595	498,401	43%	180,020
11 Expenses					
12 Salaries & Benefits					
13 Salaries	9,909	40,072	78,878	51%	41,845
14 Benefits	4,190	18,474	42,974	43%	16,241
15 Total Salaries & Benefits	14,100	58,547	121,852	48%	58,086
16 Program Expense	4,654	34,597	64,725	53%	15,828
17 Contractual Services	-	6,523	9,560	68%	8,630
18 Utilities	3,632	29,657	64,387	46%	25,092
19 Operations & Maintenance	847	16,917	22,926	74%	17,056
20 Permits & Fees	-	437	1,863	23%	-
21 Grant Expense	-	-	-	0%	-
22 Other Expenses	-	156	1,955	8%	7,876
23 Debt Service	-	-	-	0%	20,340
24 Total Expenses	23,232	146,833	287,268	51%	152,907
25 Net Income (Loss) Before Capital	46,356	68,762	211,133	33%	27,113
26 Capital Expenses	(4,980)	(281,582)	(272,500)	103%	(11,777)
27 Net Income (Loss) After Capital	\$ 41,376	\$ (212,820)	\$ (61,367)	347%	\$ 15,336

05-Parks & Recreation Revenues and Expenses

Line 2 Program Fees: Includes recreation program fees, basketball league fees, youth soccer league fees and farmers market revenue. YTD is over budget due to more recreation program and youth soccer league fees than anticipated.

Line 3 Property Taxes: Includes the transfer of property taxes for streetlight utility expenses. YTD is currently at 62% of budget due to timing of property tax receipts.

Line 4 Donations & Sponsorships: Includes concert in the park sponsorships, event sponsorships and other donations/sponsorships. YTD is currently at 2% of budget.

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 currently at 62% of budget.

Line 6 Developer Impact Fees: Includes developer Impact Fees. YTD is currently at 75% of budget due to this account being budgeted conservatively due to the unexpected nature of these revenues.

Line 7 Grants: This accounts for grants and is not budgeted for until a grant is awarded. YTD has no activity thus far.

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 October includes the following:

- Radio Tower Site Rent – \$12,194
- Property Taxes - \$45,615
- Solid Waste Franchise Fees - \$7,892
- Transfer Property Tax Revenue for Street Light Utilities – \$(1,868)

Line 13 Salaries: Includes full and part-time Parks and Recreation employees. YTD is currently at 51% of budget.

Line 14 Benefits: Includes health insurance, CalPERS retirement, worker's compensation insurance, payroll taxes, and employee education & trainings. YTD is currently at 43% of budget due to workers compensation coming in lower than anticipated.

Line 16 Program Expense: Includes supplies and expenses for the youth soccer league, park, community center, farmers market and other programs. YTD is currently at 53% of budget.

Line 17 Contractual Services: Includes software support and other contract services. YTD is currently at 68% of budget due to security guard services required at the Community Center not budgeted for.

Line 18 Utilities: Includes gas and electric for parks and the community center, along with telephone & electricity for street lighting. YTD is currently at 46% of budget.

Line 19 Operations & Maintenance: Includes vehicle maintenance, small tools, vehicle fuel and building repair for the park and community center. YTD is currently at 74% of budget due to \$2.8k sports annual insurance in July, \$2.3k down payment for repair work in unit D in August; and \$848 floor paint work in community center suite D in September.

Line 20 Permits & Fees: Includes permit and inspection fees, along with San Bernardino county fees. YTD can trend over/under budget due to timing of permits and fee payments. YTD is currently at 23% of budget.

Line 22 Other Expenses: Includes uniforms, printing costs, dues & subscriptions, and bank charges. YTD is currently at 8% of budget due to timing of expenses.

Line 23 Debt Service: Includes interest & principal payments on outstanding debt. No debt is budgeted for FY 21/22.

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

- \$241,605 - Additional Asphalt Parking Area - Community Center
- \$29,970 - Community Center Fencing
- \$5,298 - Lighting for Baseball and Sports field
- \$2,522 - Nature Play
- \$2,187 - Community Center Parking Lot Lights (New area)



Helendale CSD
Statement of Revenues and Expenses - Solid Waste Disposal
As of December 31, 2021
(Unaudited)

	Dec. 2021	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Charges for Services	\$ 48,399	\$ 286,517	\$ 578,519	50%	\$ 273,014
3 Assessments & Fees	89,604	128,950	236,954	54%	124,548
4 Other Charges	1,937	13,856	16,360	85%	4,817
5 Board Discretionary Revenue	-	-	20,000	0%	-
6 Total Revenues	139,939	429,323	852,833	50%	402,379
7 Expenses					
8 Salaries & Benefits					
9 Salaries	12,249	47,454	85,426	56%	40,949
10 Benefits	3,628	21,005	41,861	50%	16,873
11 Total Salaries & Benefits	15,877	68,459	127,287	54%	57,822
12 Contractual Services	96,748	286,751	565,926	51%	229,217
13 Disposal Fees	14,198	91,991	158,052	58%	89,525
14 Operations & Maintenance	1,425	2,898	4,531	64%	2,259
15 Other Operating Expenses	22	2,558	3,997	64%	4,280
16 Admin Allocation	961	5,768	11,536	50%	5,582
17 Total Expenses	129,231	458,426	871,330	53%	388,686
18 Net Income (Loss)	\$ 10,709	\$ (29,103)	\$ (18,497)		\$ 13,693

06-Solid Waste Disposal Revenues and Expenses

Line 2 Charges for Services – Solid Waste: Includes regular pick up of solid waste. YTD is currently at 50% of 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 timing of receipts which are usually received in April and December. YTD is currently at 54% of budget.

Line 4 Other Charges: Includes delinquent fees and penalties on delinquent taxes. YTD is currently at 85% of budget due to receipt of green waste hauling fees not budgeted for and increased penalties on delinquent taxes.

Line 5 Board Discretionary Revenue: This is the amount that would be transferred in from discretionary funds if this fund operates at a deficit for the fiscal year.

Line 9 Salaries: Includes salaries for solid waste employees. YTD is currently at 56% of budget.

Line 10 Benefits: Includes employee insurance, CalPERS retirement, workers compensation, payroll taxes, and education & training. YTD is currently at 50% of budget.

Line 12 Contractual Services: Includes Burrtec fees and other miscellaneous contract services. YTD can trend over/under budget due to need and timing of services and fees. YTD is currently at 51% of budget.

Line 13 Disposal Fees: Includes San Bernardino County disposal fees and green waste disposal fees. YTD can trend over/under budget due to need and timing of fees. YTD is currently at 58% of budget.

Line 14 Operations & Maintenance: Includes vehicle maintenance, vehicle fuel, operating supplies, and uniforms. YTD is currently at 64% of budget due to increased fuel costs.

Line 15 Other Operating Expenses: Includes rent for park storage, telephone, postage, event expenses, public outreach, printing, small tools, and bad debt expenses. YTD is currently at 64% of budget due to \$2.4K tax lien write offs in September that were not anticipated on budget.

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



Helendale CSD
Statement of Revenues and Expenses - Administration
As of December 31, 2021
(Unaudited)

	Dec. 2021	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Tower Rent	\$ 12,194	\$ 71,755	\$ 158,511	45%	\$ 69,163
3 Property Taxes	45,749	68,824	107,345	64%	62,360
4 Solid Waste Billing & Fees	13,779	80,730	162,151	50%	80,751
5 Fees & Charges	2,188	13,252	17,000	78%	10,417
6 Investments	-	950	30,000	3%	4,663
7 Other Income	-	518	200	259%	2,752
8 Board Discretionary Revenue	(65,835)	(186,321)	(354,706)	53%	(179,532)
9 Total Revenues	8,074	49,708	120,501	41%	50,574
10 Expenses					
11 Salaries & Benefits					
12 Salaries	59,801	279,816	534,599	52%	246,806
13 Benefits	13,899	153,040	238,381	64%	108,630
14 Directors' Fees	4,312	39,700	89,000	45%	29,046
15 Total Salaries & Benefits	78,013	472,556	861,980	55%	385,745
16 Contractual Services	17,482	139,561	220,836	63%	135,820
17 Insurance	-	42,320	92,924	46%	64,791
18 Utilities	2,123	10,869	21,504	51%	9,541
19 Operations & Maintenance	207	804	3,516	23%	504
20 Permits & Fees	113	14,383	16,700	86%	13,651
21 Office & Other Expenses	3,861	41,581	56,635	73%	36,162
22 Election Expense	-	-	-	0%	-
23 Admin Allocation	(96,133)	(576,797)	(1,153,594)	50%	(558,207)
24 Total Expenses	5,665	145,277	120,501	121%	88,006
25 Net Income (Loss)	\$ 2,409	\$ (95,569)	\$ -		\$ (37,432)

10-Administrative Revenues and Expenses

Line 2 Tower Rent: Includes radio tower site rental fees. YTD is currently at 45% of budget.

Line 3 Property Taxes: Includes current & prior property tax and penalties. YTD can trend over/under budget due to timing of property tax collections, with a majority being received in December and April. YTD is currently at 64% of budget.

Line 4 Solid Waste Billing & Fees: Includes franchise fees and billing for solid waste. YTD is currently at 50% of budget.

Line 5 Fees & Charges: Includes credit card processing fees and other miscellaneous fees. YTD is currently at 78% of budget 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 currently at 3% of budget due to a decline in interest rates and timing of receipts.

Line 7 Other Income: Other Income includes recycling revenues and other miscellaneous income. YTD is over budget due mattress recycling proceeds in September that were not budgeted for.

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

- Radio Tower Site Rent – \$12,194
- Property Taxes - \$45,615
- Solid Waste Franchise Fees – \$7,892

Line 12 Salaries: Includes full time, part time & overtime for administrative employees. YTD is currently at 52% of budget.

Line 13 Benefits: Includes employee insurance, CalPERS retirement, workers compensation, payroll taxes, employee benefit & morale and education & training. YTD is currently at 64% of budget due to higher than anticipated workers compensation annual premium and annual payment of PERS Unfunded liability.

Line 14 Directors' Fees: Includes directors fees as well as directors training, seminars, and mileage expense. YTD is currently at 45% of budget.

Line 16 Contractual Services: Includes software support, legal services, and auditing & accounting services. YTD is currently at 63% of budget due to annual software maintenance and audit services being paid at the beginning of the fiscal year.

Line 17 Insurance: Includes both general liability and vehicle insurance expenses. YTD is currently at 46% of budget.

Line 18 Utilities: Includes telephone and electricity expenses. YTD is currently at 51% of budget.

Line 19 Operations & Maintenance: Includes vehicle maintenance, vehicle fuel, mileage & travel reimbursement, uniforms, and equipment maintenance. YTD is currently at 23% of budget due to timing of maintenance.

Line 20 Permits & Fees: Includes the annual LAFCO fees, the GFOA application fee for the budget award, and San Bernardino County fees. YTD is currently at 86% of budget due to annual fees being paid at the beginning of the fiscal year.

Line 21 Office & Other Expense: Includes board meeting supplies, public relations, community promotion, bank charges, office supplies, postage, and dues & subscription. YTD is currently at 73% of budget due to higher volume of public notices than anticipated and annual dues and subscriptions paid at the beginning of the fiscal year.

Line 22 Election Expense: Includes costs relating to board member election. YTD has no activity thus far.

Line 23 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 - Mojave Land Trust
As of December 31, 2021
(Unaudited)

	<u>Dec. 2021</u>	<u>YTD Actual</u>	<u>PYTD</u>
1 Operating Revenues			
2 Rental Income	\$ 500	\$ 3,000	\$ 3,000
3 Delinquent Fee	-	-	-
4 Total Revenues	<u>500</u>	<u>3,000</u>	<u>3,000</u>
5 Expenses			
6 Repairs & Maintenance	127	127	-
7 Administrative Charges	150	900	900
8 Total Expenses	<u>277</u>	<u>1,027</u>	<u>900</u>
9 Net Income (Loss)	<u>\$ 224</u>	<u>\$ 1,974</u>	<u>\$ 2,100</u>

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 rental. Current rental rate is \$500 per month.

Line 3 Delinquent Fee: Includes any late fees charged on rent payments.

Line 6 Repairs & Maintenance: Repairs & Maintenance expense in Mojave Land Trust (fund 50) are recorded against current maintenance deposits.

Line 7 Administrative Charges: Includes the \$150 monthly fee recorded as a revenue in Administrative fund (fund 10).