



**REGULAR BOARD MEETING**  
**Thursday, February 19, 2026, at 6:00 PM**

**REMOTE ACCESSIBILITY**

This meeting of the Board of Directors of the Helendale Community Services District is Open to the public both in person at the District Office located at 26540 Vista Road, Suite C, Helendale, California, and via teleconference. To join remotely: [www.zoom.com](http://www.zoom.com) or Zoom Ap; click on "Join". Enter **Meeting ID 463 173 8547** and Passcode: **HCS D**. Use your computer audio or join by phone with the directions below. Phone-In Instructions: Call **1-669-900-6833**, enter **Meeting ID 463 173 8547**, Participant ID or press #, and enter Audio Password/Passcode: **872103**.

**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" feature on Zoom.*

**3. Consent Items**

- a. Approval of Minutes: Regular Board Meeting of February 5, 2026
- b. Bills Paid Report for February 19, 2025

**4. Reports**

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

**Regular Business**

5. Discussion and Possible Action Regarding Approval of Directors' Expense Reports
6. Discussion and Possible Action Regarding Approval of the General Liability and Auto Insurance Policies for the Period of April 2026 through March 2027
7. Discussion and Possible Action Regarding a Consumer Price Index Inflationary Increase Related to Staffing Budget Development
8. Discussion Only Regarding Mid-Year Budget Review
9. Discussion and Possible Action Regarding Approval of a Professional Services Agreement for Financial Support Services
10. Discussion Only Regarding Review of Wastewater 5-Year Capital Improvement Plan (CIP)

**Other Business**

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

**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 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

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Date: February 19, 2025  
TO: Board of Directors  
FROM: Kimberly Cox, General Manager  
SUBJECT: Agenda item #3  
Consent Items

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## CONSENT ITEMSs

- a. Approval of Minutes: Regular Meeting February 5, 2026
- b. Bills Paid Report for February 19, 2026



# Helendale Community Services District

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Date: February 19, 2025  
TO: Board of Directors  
FROM: Kimberly Cox, General Manager  
BY: Cheryl Vermette, Clerk of the Board  
SUBJECT: Agenda item #3a  
Minutes from Regular Board meeting 2/5/2026

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**Minutes of the Helendale Community Services District  
REGULAR BOARD OF DIRECTORS MEETING**

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Date: February 5, 2026  
Time: 6:00 PM  
Meeting called to order by: President Ron Clark at 6:00 PM

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**Attendance**

President Ron Clark	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent	<input checked="" type="checkbox"/> In Person	<input type="checkbox"/> Remote
Vice President George Cardenas	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent	<input checked="" type="checkbox"/> In Person	<input type="checkbox"/> Remote
Director Gail Guinn	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent	<input checked="" type="checkbox"/> In Person	<input type="checkbox"/> Remote
Director Artie DeVries	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent	<input checked="" type="checkbox"/> In Person	<input type="checkbox"/> Remote
Director Billy Rosenberg	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent	<input checked="" type="checkbox"/> In Person	<input type="checkbox"/> Remote

**Staff Members Present**

Kimberly Cox, General Manager; Alex Aviles, Wastewater Operations Manager; Craig Carlson, Water Operations Manager; Cheryl Vermette, Administrative Services Manager

**Consultants/Guests**

Steve Kennedy, Legal Counsel

**Members of the public**

There were 8 members of the public in attendance in person and 1 in attendance via Zoom.

**1. APPROVAL OF AGENDA**

**Discussion** General Manager Cox requested to remove the closed session items from the agenda.

**Motion** Director Rosenberg made a motion to approve the agenda as amended.

**Second** Director Guinn

**2. PUBLIC PARTICIPATION**

Rusty Mace, Silver Lakes Association General Manager introduced himself.

**3. Consent Items**

a. Approval of Minutes: Regular Board Meetings of December 18, 2025, and January 15, 2026

b. Bills Paid Report for January 15 and February 5, 2025

c. November Financial Report

**Discussion** None

**Motion** Director Guinn made the motion to approve the consent items.

**Second** Director DeVries

### 3. REPORTS

#### a. Directors' Reports

Director Guinn reported that she attended the basketball opening day. She also reported CERT discussed storing their supplies at the water shop. They also talked about forming a 501 C-3. OES is still working on getting an emergency response trailer and background checks. She also reported that the strategic plan is almost complete. Lastly, she reminded everyone that the SLA election is Saturday.

Director DeVries – Commented that the mixer CERT hosted led to volunteers for search and rescue.

Director Cardenas – Reported that he is looking forward to unveiling the strategic plan to staff. He attended the TAC meeting where they discussed damage from recent storms. He also announced that the groundbreaking ceremony for the Civic Center project in Phelan will be held on Tuesday, Feb 10<sup>th</sup>.

Director Rosenberg – expressed appreciation to staff for their ability to pivot and adapt during the last board meeting.

President Clark – attended the Providence doctor talk where they talked about their trauma center.

#### b. General Managers Report

**Discussion:** Administrative Services Manager Vermette reported that our Rec Lead Calvin Merritt will be leaving, and a special appreciation ceremony will be held at the basketball game on February 28<sup>th</sup> at 10 am.

General Manager Cox reported that the mobile home on the Smithson Rd. was demolished at a cost of \$6,500. The debris filled 5 roll-off dumpsters. She also shared quarterly train data, noting that there were 3,322 trains that were 1 mile or longer, with 510 trains being 2 miles or more, and suggested this data could be useful for future grant applications.

Water Operations Manager Carlson gave the water report. During the month, staff completed the January monthly inspections and the first-quarter water master report. The District received a new Ditch Witch Vactor, and staff completed operational training with the Ditch Witch representative. Staff also repaired a service line leak on Rivers Edge, completed a service line hot tap on Shenandoah, and potholed to confirm pipeline size for engineering of the new pipeline manifold. Additional work included repairing a faulty meter bushing and replacing a broken hydrant on Branding Iron.

The Water Operations Manager met with engineering firms to discuss the water pipeline for blending and the well manifold for treatment. Staff also performed hydrant flushing and valve-turning maintenance as part of routine system operations.

#### Regular Business

#### 4. Discussion and Possible Action Regarding Approval of Director's Expense Reports

**Discussion:** None

**Motion:** Director Guinn made a motion to approve the Director's Expense Reports

**Second:** Director DeVries

**Vote**

Vice President Ron Clark	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Director George Cardenas	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Director Gail Guinn	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Director Artie DeVries	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Director Billy Rosenberg	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain

5. Discussion and Possible Action Regarding Creation of a Board Committee

**Discussion:** This item was brought forward at the request of the Board. The Board has the authority to establish committees, which generally fall into two categories: ad hoc committees and standing committees. At this time, staff is seeking additional direction from the Board regarding how it would like to proceed with the formation or use of these committees. The board discussed forming a finance committee. It was suggested that this would be a temporary committee that would meet quarterly, but some directors expressed concerns about isolating other board members from in-depth financial discussions. They noted that there was no indication that the current staff is incapable of managing the district's finances. The board agreed that they are already transparent with their financial reporting and decided not to create a new committee at this time, though they may consider it in the future. General Manager Cox suggested that the Board members attend mandatory financial awareness training for elected officials and bring this matter back to the board.

6. Discussion Only Regarding Review of Wastewater 5-Year Capital Improvement Plan (CIP)

**Discussion:** Water Operations Manager Carlson reviewed the items on the 5-year water capital improvement plan.

**Motion:** There was no action on this item.

7. Discussion and Possible Action Regarding Review of District Rates and Recommendation for a Water Rater Study

**Discussion:** The District periodically needs to raise rates in order to keep pace with operational costs, comply with regulatory mandates, and maintain fiscal prudence. Rate-setting is governed by Proposition 218, which requires public notification to all affected ratepayers, a public meeting, a public hearing, and a determination of the protest threshold. As part of the evaluation process, a consultant develops rate scenarios for the Board to review, after which the Board determines the rate increase to present to the public. Public information is then prepared explaining the need for the increase and is mailed to all ratepayers with instructions for how to participate.

Since the District's formation 19 years ago, water rate increases occurred in 2012 and 2017. Metrics used to determine whether rates should be increased include regulatory mandates, capital improvement needs, the cost of doing business, the pace of reserve building, and comparisons with similar entities. Current regulatory mandates include PFAS, CARB requirements, and wastewater regulations. Capital improvement needs total \$8.3 million for wastewater and \$8.4 million for water over the next five years. The market CPI has increased approximately 47% over the past ten years. Water reserves improved following the 2017 rate increase, while wastewater reserves have remained static. Comparisons with similar agencies show the District is in the bottom third.

Bartle Wells Associates has conducted all past water and sewer rate increases and completed the engineering study on standby fees. They are familiar with the District and work effectively with management. The District previously paid \$19,000 in 2019 and \$24,000 in 2012 for their services. Their current proposal is \$20,000 for water and \$10,000 for wastewater. The Board was asked whether the wish to include wastewater for the additional \$10,000.

**Motion:** Director Rosenberg made a motion to approve a water rate study at a cost not to exceed \$20,000 for the water rate study and \$10,000 for the wastewater rate study.

**Second:** Director DeVries

**Vote**

Vice President Ron Clark	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Director George Cardenas	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Director Gail Guinn	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Director Artie DeVries	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Director Billy Rosenberg	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain

**Other Business**

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

None

**Closed Session**

*Closed session items were removed from the agenda.*

~~9. Conference with Real Property Negotiators~~

~~{Government Code Section 54956.8}~~

~~Property: 15302 Smithson Road APN: 0466-181-25~~

~~District Negotiator: Kimberly Cox~~

~~Negotiating Parties: Vertical Bridge~~

~~Under Negotiation: Option and Lease Agreement~~

~~10. Conference with Real Property Negotiators~~

~~{Government Code Section 54956.8}~~

~~Property: 27061 Helendale Road, Helendale, California~~

~~APN 0467-013-03 (Vacant Land)~~

~~District Negotiator: Kimberly Cox~~

~~Negotiating Parties: Silver Lakes Association~~

~~Under Negotiation: Well Transfer Agreement~~

~~11. Report of Closed Session Items~~

## 12. Adjournment

President Clark adjourned the meeting at 7:07 pm.

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Ron Clark, President

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Cheryl Vermette, Clerk of the Board

*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

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DATE: February 19, 2026  
TO: Board of Directors  
FROM: Kimberly Cox, General Manager  
BY: Andrea Chavis, Senior Account Technician  
SUBJECT: Agenda item #3b  
Consent Items: Bills Paid and Presented for Approval

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## STAFF RECOMMENDATION

Updated Report Only. Receive and File.

## STAFF REPORT:

Staff issued 24 checks and 29 Bank Drafts totaling \$91,644.76.

Total Cash Available	2/12/26	1/30/26
Cash	\$8,468,701.01	\$8,475,393.20
Checks, DFT's/EFT's Issued	\$91,644.76	\$391,736.00

## INVESTMENT REPORT:

The Investment Report shows the status of the District funds invested as of 1/30/26

	Interest Rate	Interest Income
CA CLASS*	3.7876%	\$98,989.53 Fiscal Year to date
CBB Trust	4.02%	\$64,928.42 Year to date
LAIF	4.096%	\$12,275.61 Fiscal Year to date



Helendale CSD

# Bills Paid and Presented for Approval Transaction Detail

Issued Date Range: 02/01/2026 - 02/12/2026

Cleared Date Range: -

Issued Date	Number	Description	Amount	Type	Module
<b>Bank Account: 211102187 - CBB Checking</b>					
02/03/2026	<a href="#">29383</a>	C Wells Pipeline Materials , Inc	-7,079.55	Check	Accounts Payable
02/03/2026	<a href="#">29384</a>	Cal Fire	-1,342.29	Check	Accounts Payable
02/03/2026	<a href="#">29385</a>	Mojave Water Agency	-611.18	Check	Accounts Payable
02/03/2026	<a href="#">29386</a>	Sierra Analytical Labs, Inc	-1,387.00	Check	Accounts Payable
02/03/2026	<a href="#">29387</a>	USPS	-50.00	Check	Accounts Payable
02/09/2026	<a href="#">29388</a>	JASMINE M. SANCHEZ	-300.22	Check	Utility Billing
02/09/2026	<a href="#">29389</a>	KELLI E HAGGERTY	-134.40	Check	Utility Billing
02/09/2026	<a href="#">29390</a>	Burrtec Waste Industries Inc	-308.22	Check	Accounts Payable
02/09/2026	<a href="#">29391</a>	Burrtec Waste Industries Inc	-1,784.93	Check	Accounts Payable
02/09/2026	<a href="#">29392</a>	C. J. Brown & Company, CPAs	-750.00	Check	Accounts Payable
02/09/2026	<a href="#">29393</a>	DOI - Bureau of land Management	-1,260.00	Check	Accounts Payable
02/09/2026	<a href="#">29394</a>	Graham Equipment	-6,460.00	Check	Accounts Payable
02/09/2026	<a href="#">29395</a>	Mobile Occupational Services, Inc.	-60.00	Check	Accounts Payable
02/09/2026	<a href="#">29396</a>	Mojave Desert Land Trust	-5,584.71	Check	Accounts Payable
02/09/2026	<a href="#">29397</a>	Rebecca Gonzalez	-400.00	Check	Accounts Payable
02/09/2026	<a href="#">29398</a>	Richard LaTour	-200.00	Check	Accounts Payable
02/09/2026	<a href="#">29399</a>	Silver Lakes Hardware	-13.35	Check	Accounts Payable
02/09/2026	<a href="#">29400</a>	Silver Lakes Landscaping and Maintenance LLC	-31.28	Check	Accounts Payable
02/09/2026	<a href="#">29401</a>	SWRCB, DWOCP Reversal	125.00	Check Reversal	Accounts Payable
02/09/2026	<a href="#">29401</a>	SWRCB, DWOCP	-125.00	Check	Accounts Payable
02/09/2026	<a href="#">29402</a>	Underground Service Alert of Southern California	-31.50	Check	Accounts Payable
02/09/2026	<a href="#">29403</a>	Silver Lakes Landscaping and Maintenance LLC	-7,000.00	Check	Accounts Payable
02/09/2026	<a href="#">29404</a>	Starting Line Advisory	-6,598.75	Check	Accounts Payable
02/09/2026	<a href="#">29405</a>	SWRCB, DWOCP	-60.00	Check	Accounts Payable
02/09/2026	<a href="#">29406</a>	SWRCB, DWOCP	-65.00	Check	Accounts Payable
02/03/2026	<a href="#">DFT0003065</a>	Frontier Communications	-105.48	Bank Draft	Accounts Payable
02/06/2026	<a href="#">DFT0003114</a>	Frontier Communications	-82.09	Bank Draft	Accounts Payable
02/09/2026	<a href="#">DFT0003115</a>	Frontier Communications	-177.49	Bank Draft	Accounts Payable
02/02/2026	<a href="#">DFT0003116</a>	Southern California Edison	-2,111.07	Bank Draft	Accounts Payable
02/01/2026	<a href="#">DFT0003117</a>	Verizon Wireless	-1,144.23	Bank Draft	Accounts Payable
02/01/2026	<a href="#">DFT0003118</a>	Verizon Wireless	-136.31	Bank Draft	Accounts Payable
02/02/2026	<a href="#">DFT0003139</a>	San Bernardino County Code Enforcement	-90.44	Bank Draft	Accounts Payable
02/03/2026	<a href="#">DFT0003140</a>	Beck Oil Inc	-2,463.38	Bank Draft	Accounts Payable
02/04/2026	<a href="#">DFT0003141</a>	O'Reilly Auto Parts	-678.07	Bank Draft	Accounts Payable
02/12/2026	<a href="#">DFT0003142</a>	Southern California Edison	-273.16	Bank Draft	Accounts Payable
02/12/2026	<a href="#">DFT0003143</a>	Southern California Edison	-106.40	Bank Draft	Accounts Payable
02/05/2026	<a href="#">DFT0003144</a>	Southern California Edison	-22,447.04	Bank Draft	Accounts Payable
02/11/2026	<a href="#">DFT0003145</a>	Southwest Gas Company	-1,525.44	Bank Draft	Accounts Payable
02/11/2026	<a href="#">DFT0003146</a>	Southwest Gas Company	-232.76	Bank Draft	Accounts Payable
02/11/2026	<a href="#">DFT0003147</a>	Southwest Gas Company	-377.67	Bank Draft	Accounts Payable
02/11/2026	<a href="#">DFT0003148</a>	Southwest Gas Company	-11.00	Bank Draft	Accounts Payable
02/03/2026	<a href="#">DFT0003149</a>	Stericycle, Inc	-107.95	Bank Draft	Accounts Payable
02/03/2026	<a href="#">DFT0003150</a>	Ultimate Internet Access, Inc	-819.75	Bank Draft	Accounts Payable
02/02/2026	<a href="#">DFT0003151</a>	EVO Merchant Services	-2,032.97	Bank Draft	Accounts Payable
02/04/2026	<a href="#">DFT0003152</a>	Paymentech, LLC	-560.04	Bank Draft	Accounts Payable
02/04/2026	<a href="#">DFT0003153</a>	Paymentech, LLC	-2,609.79	Bank Draft	Accounts Payable

**Bank Transaction Report**

Issued Date	Number	Description	Amount	Type	Module
02/05/2026	<a href="#">DFT0003154</a>	CA DEPT OF TAX AND FEE ADMINISTRATION	-2,586.81	Bank Draft	Accounts Payable
02/05/2026	<a href="#">DFT0003164</a>	Helendale Community Services District	-275.25	Bank Draft	Accounts Payable
02/05/2026	<a href="#">DFT0003164</a>	Helendale Community Services District Reversal	275.25	Bank Draft Reve	Accounts Payable
02/09/2026	<a href="#">DFT0003167</a>	Sonic Systems, Inc	-2,151.60	Bank Draft	Accounts Payable
02/09/2026	<a href="#">DFT0003169</a>	Business Card	-4,537.62	Bank Draft	Accounts Payable
02/09/2026	<a href="#">DFT0003172</a>	Home Depot Credit Services	-609.46	Bank Draft	Accounts Payable
02/09/2026	<a href="#">DFT0003173</a>	Infosend, Inc	-52.00	Bank Draft	Accounts Payable
02/09/2026	<a href="#">DFT0003174</a>	Infosend, Inc	-2,099.24	Bank Draft	Accounts Payable
02/09/2026	<a href="#">DFT0003175</a>	On Line Information Services, Inc	-3.12	Bank Draft	Accounts Payable
			<b>Bank Account 211102187 Total: (55)</b>		<b>-91,644.76</b>
				<b>Report Total: (55)</b>	<b>-91,644.76</b>

# Summary

**Bank Account**  
[211102187 CBB Checking](#)

Count	Amount
55	-91,644.76
<b>Report Total:</b>	<b>-91,644.76</b>

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

Count	Amount
55	-91,644.76
<b>Report Total:</b>	<b>-91,644.76</b>

Transaction Type	Count	Amount
Bank Draft	29	-50,407.63
Bank Draft Reversal	1	275.25
Check	24	-41,637.38
Check Reversal	1	125.00
<b>Report Total:</b>	<b>55</b>	<b>-91,644.76</b>





# Helendale Community Services District

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DATE: February 19, 2025  
TO: Board of Directors  
FROM: Kimberly Cox, General Manager  
SUBJECT: Agenda item #5  
Discussion and Possible Action Regarding Approval of Directors' Expense Reports

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## **STAFF RECOMMENDATION**

None.

## **STAFF REPORT**

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

**Fiscal Impact:** As outlined on the attached Expense reports

**Possible Motion:** Approve Expense Reports as presented

**Attachments:** Spreadsheet of cumulative meetings  
Director's Expense Reports

**BOARD COMPENSATION REPORT  
ROLLING 12-MONTHS**

Name	Title	Type	1 2025	2 2025	3 2025	4 2025	5 2025	6 2025	7 2025	8 2025	9 2025	10 2025	11 2025	12 2025	01 2025	02 2025	TOTAL
Clark	President	Compensated	2	2	3	5	4	4	6	5	5	2	4	3			45
		Non-Comp	0	0	0	0	0	0	0	0	0	0	0	0	0		
Cardenas	Vice President	Compensated	1	2	0	2	3	2	1	2	2	2					17
		Non-Comp	1	2	2	5	2	2	1	2	2	2	1				
Guinn	Director	Compensated	2	4	4	9	4	4	3	9	7	4	6	4			60
		Non-Comp	3	1	0	5	3	1	0	2	2	2	3	0	0		
Rosenberg	Director	Compensated	7	4	2	7	7	4	4	7	6	2	4	4	1		55
		Non-Comp	0	0	0	0	1	0	0	0	0	0	0	0	0		
DeVries	Director	Compensated	0	4	2	6	3	4	2	6	7	1	4	5	2	2	48
		Non-Comp	0	0	2	2	1	0	1	1	0	1	2	0	0	0	0

## HELENDALE COMMUNITY SERVICES DISTRICT BOARD MEMBER EXPENSE VOUCHER

Name: Artie DeVries Pay Period Ending

Date	Expense Description/Explanation	Miles	Meals	Lodging	Other Expense	Reimburse Y/N	Phone Call Y/N	Expense Category
1-13-26	Event Meet with GM		\$	\$	\$	Y	N	
	Description of Public Benefit							
1/15/26	Event Board Meeting		\$	\$	\$	Y	N	
	Description of Public Benefit							
2/3/26	Event Meet with GM		\$	\$	\$	Y	N	
	Description of Public Benefit							
2/5/26	Event Board Meeting		\$	\$	\$	Y	N	
	Description of Public Benefit							
	Event		\$	\$	\$			
	Description of Public Benefit							
		<b>Total Miles</b>	\$	\$	\$	\$	\$	\$
		<b>Total Meals</b>	\$	\$	\$	\$	\$	\$
		<b>Total Lodging</b>	\$	\$	\$	\$	\$	\$
		<b>Total Other Expense</b>	\$	\$	\$	\$	\$	\$
		<b>Total # of Compensable Meetings</b>	4	4	4	4	4	4
		<b>Meeting Total</b>	\$	\$	\$	\$	\$	\$

Signature: Artie DeVries Date: 02/05/2026

Expense Categories	Total
A: Public Meeting governed by Brown Act	
B: Public Event *	
C: Representation at Public Meeting/Event *	
D: Representation at 501C3 Board *	
E: Conference/seminar/Training Program related to District *	
F: Ad Hoc committee of the Board	
G: Meeting w/GM or Designee regarding District Operations	
H: Meeting w/auditors, attorney or consultant retained by District	
I: Meeting of Local, State or Federal body w/jurisdiction affecting HCSD	
J: Meeting w/organization with interests in matters involving functions or	
K: Meeting pre-approved by the Board of Directors	
* Written or verbal report required to be presented at the next Board meeting	
Mileage 65.5 @	



# Helendale Community Services District

DATE: February 19, 2025  
 TO: Board of Directors  
 FROM: Kimberly Cox, General Manager  
 SUBJECT: Agenda item #6  
 Discussion and Possible Action Regarding Approval of the General Liability and Auto Insurance Policies for the Period of April 2026 through March 2027

**STAFF RECOMMENDATION:**

Staff recommends approval of this item.

**STAFF REPORT:**

Following is a breakdown of the costs from JPRIMA since 2021. In 2021, the policy was for three quarters and for 2022 through current the premiums listed are for a full year. JPRIMA policy coverage is from April of one year through March of the next year which is a quarter off from the fiscal year calendar. Staff is requesting that the Board approve the General Liability and Auto policies for April 2026 through March 2027 to be paid 1/4 in FY26 and 3/4 in FY27 as outlined in the chart below.

**JPRIMA General Liability and Auto Coverage**

	2021	2022	2023	2024	2025	2026	Premium year
Q4		\$ 22,912	\$ 23,893	\$ 27,389	\$ 29,239	\$ 30,409	FY2026
Q1	\$ 28,578	\$ 22,912	\$ 23,893	\$ 27,389	\$ 29,239	\$ 30,409	FY2027
Q2	\$ 28,578	\$ 22,912	\$ 23,893	\$ 27,389	\$ 29,239	\$ 30,409	FY2027
Q3	\$ 28,578	\$ 22,912	\$ 23,893	\$ 27,389	\$ 29,239	\$ 30,409	FY2027
	<b>\$ 85,734</b>	<b>\$ 91,647</b>	<b>\$ 95,570</b>	<b>\$ 109,554</b>	<b>\$ 116,956</b>	<b>\$ 121,636</b>	<b>Sub Total</b>
	\$ 8,573	\$ 9,164	\$ 9,557	\$ 11,055	\$ 11,794	\$ 12,262	Admin Charge
	<b>\$ 94,307</b>	<b>\$ 100,811</b>	<b>\$ 105,127</b>	<b>\$ 120,609</b>	<b>\$ 128,750</b>	<b>\$ 133,898</b>	<b>Total</b>

For the upcoming year, the premium has increased by 3.99%. In 2025 the increase was 6.5% compared to 14.5% in 2024 and 8% in 2023 and 2022. The increase this year is primarily due to adding the wastewater maintenance facility, as well as several vehicles and pieces of equipment that were purchased over the last year and a half and to ensure full replacement value. This resulted in an increase in property values of \$918,733 which will ensure full replacement cost. There are no changes in the coverages or deductibles from last year.

As part of the turn over in leadership, the Allied Broker, Paul Fuller met personally with the management team and reviewed the policy content in great detail so they have a complete understanding of the policy coverage moving into the future.

The typical rate increase for Allied this renewal period was 8%, however, due to the District's excellent record, they were able to provide the policy with a 3.99% increase. Attached for the Board's information is a summary of Marketplace conditions presented by Paul Fuller, CEO of Allied Public Risk. Mr. Fuller will be available virtually during the meeting to answer any questions regarding the District's policy and the general information on insurance coverage in the state. Lastly, included in this year's policy renewal is the \$100 deduction that was requested last year.

**BACKGROUND:**

Six years ago Staff recommended a change from SDRMA to JPRIMA based upon the extraordinary losses that SDRMA paid out which resulted in a significant increase in insurance coverage. District staff received a quote from JPRIMA that showed substantial savings over SDRMA. The Board concurred with the cost savings and the District departed a long-standing relationship with SDRMA. Four years ago the District requested a quote from SDRMA for cost comparison purposes, but SDRMA opted not to respond because they felt they couldn't compete with the coverage the District was currently receiving from JPRIMA. The primary coverages available to a special district like ours is JPRIMA through the CalMutual Association; the ACWA JPIA; and the SDRMA JPA. The District has memberships in CalMutual which provides access to JPRIMA insurance coverage and is a member of CSDA which would provide access to coverage through SDRMA JPA. The District is not a member of ACWA so we currently do not have access to ACWA JPIA. The membership for ACWA would cost the District approximately \$10,000 per year.

The management team will continue to monitor the cost of insurance coverage for the District and provide the most suitable options for the Board as they may arise.

**FISCAL IMPACT:** \$133,898 paid out of Fund 10

**POSSIBLE MOTION:** Approve General Liability and Auto Insurance Coverage for the period of April 2026 to March 2027

**ATTACHMENTS:** Summary of Marketplace Conditions  
Premium Summary



### **Summary of Marketplace:**

JPRIMA's 2026 rate increase for preferred members is 8.0%. You are well below this minimum because of your excellent losses, professional governance, and community goodwill. The California insurance marketplace remains difficult because of wildfire and social inflation. The former was exacerbated by the Los Angeles wildfires last year. Helendale is not designated as a High Wildfire Area, but this event had an indirect impact on the cost of your property insurance.

Social inflation continues to be an issue for all special districts in California. This cost goes beyond shortages in skilled labor, supply chains, automobile parts, and building materials. It also comprises heightened litigation and adverse jury verdicts on matters involving operations, products, and employees. There has also been a collapse of conservative venues in California, including San Bernadino County. The net result is more costly losses to our members.

Inverse condemnation continues to be the most pronounced legal exposure facing public water systems and public owned treatment works. The reasons are varied and include the standard of liability (mostly strict liability) as well as the propensity of water infrastructure (public improvements) to fail and damage private property. You have coverage for inverse condemnation for both physical intrusion to private property and diminution of value. In the even your water or wastewater goes places it shouldn't, inverse condemnation will be the legal cudgel used against you.

In terms of value, JPRIMA and ACWA JPIA continue to represent the majority of water-related entities in California. Both JPAs offer competitive pricing and comprehensive coverage. I am seeing JPRIMA and ACWA JPIA within a few percentage points of each other this year. Sometimes we are lower by 2 or 3%. Sometimes ACWA JPIA is lower by a similar percentage. SDRMA has not been active in recent years. We routinely see their pricing above us and ACWA JPIA. SDRMA is a reputable organization.

I do not anticipate the insurance marketplace getting better in 2027, which is why program stability and confidence in your insurance provider is important. As your broker, I want you and the board to know your options, which is why I am referencing ACWA JPIA as a peer to JPRIMA. Both are safe harbors. With your pending retirement, I will be actively working with the new management team to ensure Helendale CSD continues to receive preferred pricing based on the district's legacy and reputation for excellence.

**Paul Fuller, CEO, CPCU, CPRO-W<sup>2</sup>**



**CALIFORNIA ASSOCIATION OF MUTUAL WATER COMPANIES  
JOINT POWERS RISK AND INSURANCE MANAGEMENT AUTHORITY (JPRIMA)  
PACKAGE/AUTO/EXCESS**

**COVERAGE PROPOSAL FOR:**

**Helendale Community Services District**

**COVERAGE PERIOD:**

**4/1/2026 - 4/1/2027**

**PRESENTED BY:**

**Allied Community Insurance Services**

**PROGRAM MANAGER**

Allied Public Risk, LLC

CA DBA: Allied Community Insurance Services, LLC

CA License No. 0L01269

National Producer No. 17536322

[www.alliedpublicrisk.com](http://www.alliedpublicrisk.com)

(858) 866-8966

## PREMIUM SUMMARY

**NOTE:** This proposal is prepared from information supplied to us on the application submitted by you or your insurance broker. It may or may not contain all terms requested on the application. Please review carefully and let us know if any additional information is required. In addition, this proposal may contain unintentional errors or omissions. We encourage you to bring them to our attention for review. This proposal does not amend, or otherwise affect or alter, the provisions of coverage provided. This proposal does not guarantee coverage for specific claims or losses under the policy. The availability of coverage depends on the JPRIMA Memorandum of Coverage (MOC) and is subject to its terms and conditions, the facts surrounding any potential claims, and relevant legal requirements. A specimen MOC is available for your review, as is the JPRIMA Member Agreement. Enrollment in the JPRIMA requires execution of the JPRIMA Member Agreement as well as membership in the California Association of Mutual Water Companies (Cal Mutuals).

SECTION	COVERAGE		PREMIUM
1	<b>PROPERTY</b> (Including Equipment Breakdown, if granted)	\$	21,413.00
2	<b>INLAND MARINE</b>	\$	2,320.00
3	<b>COMMERCIAL CRIME</b> (Including Faithful Performance, if granted)	\$	1,423.00
4	<b>COMMERCIAL GENERAL LIABILITY</b>	\$	44,086.00
5	<b>PUBLIC OFFICIALS &amp; MANAGEMENT LIABILITY</b> (Including Wrongful Acts, Employment Practices, or Employee Benefits, if granted)	\$	10,401.00
6	<b>BUSINESS AUTO</b>	\$	20,668.00
7	<b>COMMERCIAL EXCESS LIABILITY</b> (Including Commercial General Liability, Wrongful Acts, Employment Practices, Employee Benefits, Business Auto, and Employers Liability, if granted)	\$	21,324.00
	<b>MEMBER CONTRIBUTION</b> (excludes state-imposed taxes, surcharges, and fees)	\$	121,635.00
	<b>JPRIMA ADMINISTRATION FEES</b>	\$	12,262.00
	<b>TOTAL AMOUNT DUE*</b>	\$	133,897.00

\*Payment is due within 30 days of the effective date.

### NOTES:

The JPRIMA MOC has a common anniversary date of April 1.  
Terrorism Coverage is automatically included for Property, General Liability and Excess in most regions of CA.  
General Liability premium has been reduced by \$100 to reflect reduction agreed upon between Paul Fuller and Helendale's board during meeting in 2025.



# Helendale Community Services District

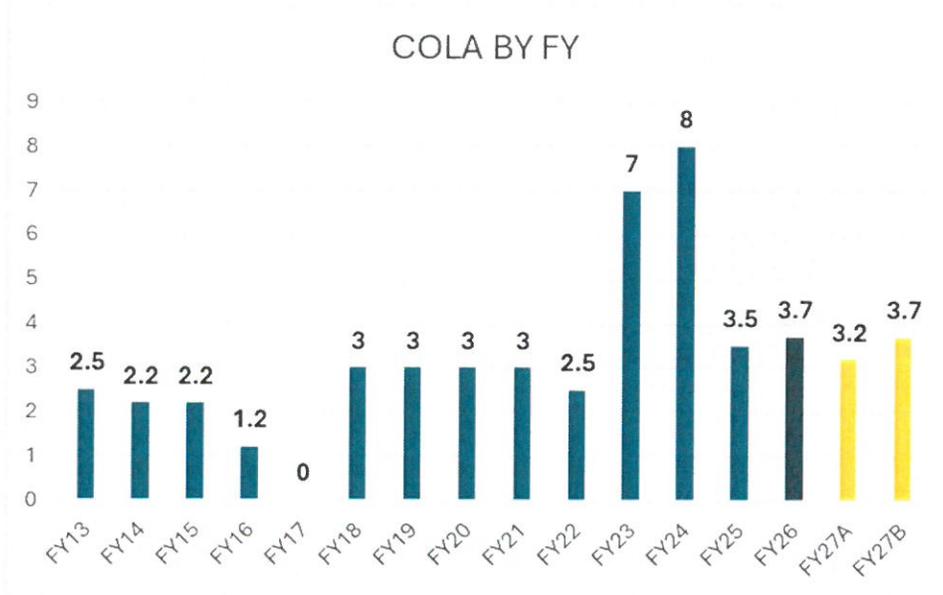
Date: February 19, 2026  
TO: Board of Directors  
FROM: Kimberly Cox, General Manager  
SUBJECT: Agenda item #7  
Discussion and Possible Action Regarding a Consumer Price Index Inflationary Increase Related to Staffing Budget Development

## STAFF RECOMMENDATION:

Consideration of a Cost-Of-Living Adjustment (COLA) is at the sole discretion of the Board.

## STAFF REPORT:

The CPI is provided to the Board as a factor in your consideration of an annual Cost of Living Increase for staff wages. The CPI increase for all items for January 2025 compared to January 2026 shows an increase of 3.2%. For all items less food and energy the index rose by 3.7%. The Board has used either of these numbers in the past to provide guidance for determining a Cost of Living Adjustment (COLA) percentage that is then factored into the budget. Last year the Board selected 3.7% as the COLA. The chart below shows the Board approved COLA over time.



**BACKGROUND:** This item comes to the Board each year to determine, in its sole discretion, what percentage adjustment is to be applied to the salary schedule. The attached information is from the Bureau of Labor Statistics (BLS) January 2026 data (released on February 13, 2026), that shows the various expenditure categories and related inflationary increases that drive the Consumer

Price Index increase. The Board had previously selected the January index as the appropriate index to review for the purpose of determining the annual Cost of Living Adjustment (COLA) for all Staff, including the new management team.

In an effort to keep the District's salaries on par with the labor market a COLA adjustment is considered each year. The Board can approve a COLA of any amount and Staff will incorporate that into the budget accordingly. There is no requirement that the Board grant a CPI increase, however, it is important to note that the CPI represents inflationary factors that impact the value of employee compensation. The annual consideration of a Cost of Living Adjustment is intended to mitigate the lost buying power of the dollar from one year to the next. It is not a windfall for employees but rather provides a mechanism whereby an employee's salary is somewhat neutralized against the effects of price inflation. Further, in an effort to maintain competitive wages and retain staff, a COLA is one mechanism to help ensure that wages at least stay up with the cost of living. The Board's previous consideration of COLA adjustments has served the District well, in that we have maintained salary competitiveness with most other local agencies.

**BACKGROUND ON MARKET INDEX:**

Beginning with the 2014 budget, the Board directed that all future Cost of Living Adjustments (COLA) be brought to the Board during the budget process for inclusion in the new budget year. The timeframe selected was January over January of each year. This data is available mid-February which is timely for the budget development process.

Previously the District had used the Los Angeles-Riverside-Orange County area index, however, in 2019, a new index was developed specifically for the Riverside-San Bernardino area. This index is available every other month and is more applicable to the costs in our area than the former benchmark index. The District has used the new market index since 2020.

**FISCAL IMPACT:** To Be Determined by the Board

**POSSIBLE MOTION:** To adopt a COLA for Fiscal Year 2027 of \_\_\_\_% (3.2%; 3.7%)

**ATTACHMENTS:** Bureau of Labor Statistics Consumer Price Index (CPI) for Riverside-San Bernardino-Ontario market for January 2026 (released February 13, 2026).

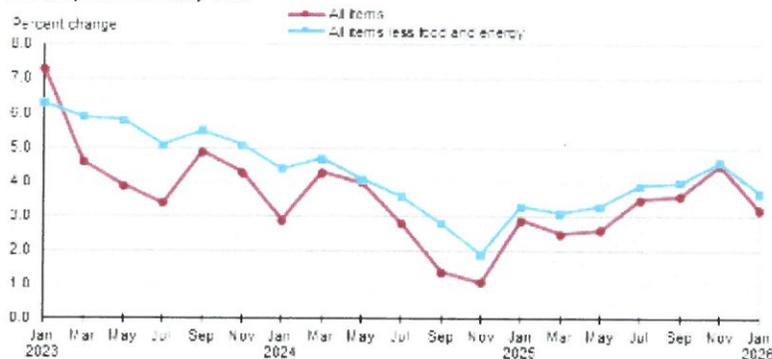
## Consumer Price Index, Riverside Area — January 2026

Area prices were up 0.5 percent over the past two months, up 3.2 percent from a year ago

The Consumer Price Index for All Urban Consumers (CPI-U) for Riverside-San Bernardino-Ontario advanced 0.5 percent for the two months ending in January 2026, the U.S. Bureau of Labor Statistics (BLS) reported today. Regional Commissioner Chris Rosenlund noted that prices for all items less food and energy increased 1.0 percent during the two-month period. The food index rose 0.8 percent, while the energy index decreased 5.3 percent. (Data in this report are not seasonally adjusted. Accordingly, bi-monthly changes may reflect seasonal influences.)

The Riverside area all items CPI-U advanced 3.2 percent for the 12 months ending in January. The index for all items less food and energy increased 3.7 percent over the year. Food prices increased 1.8 percent. Energy prices advanced 1.5 percent.

Chart 1. Over-the-year percent change in CPI-U, Riverside-San Bernardino-Ontario, CA, January 2023-January 2026



Source: U.S. Bureau of Labor Statistics.

[View Chart Data](#)

### Food

Food prices advanced 0.8 percent for the two months ending in January. Prices for food at home (grocery store purchases) advanced 1.5 percent, and prices for food away from home (restaurant, cafeteria, and vending purchases) were unchanged for the same period.

Food prices increased 1.8 percent over the year. Prices for food at home increased 0.3 percent, and prices for food away from home increased 3.6 percent.

### Energy

The energy index declined 5.3 percent for the two months ending in January. Gasoline prices fell 10.3 percent.

Energy prices advanced 1.5 percent over the year. Gasoline prices declined 3.9 percent.

### All items less food and energy

The index for all items less food and energy increased 1.0 percent during the two-month period. Among the index's components, prices were higher for medical care (+1.9 percent) and shelter (+1.3 percent). In contrast, prices were lower for used cars and trucks (-4.4 percent).

The index for all items less food and energy increased 3.7 percent over the year. Components contributing to the increase included apparel (+15.8 percent) and shelter (+3.7 percent). In contrast, prices were lower for education and communication (-4.2 percent) and used cars and trucks (-2.4 percent).

Table A. Riverside-San Bernardino-Ontario, CA, CPI-U 2-month and 12-month percent changes, all items index, not seasonally adjusted

Month	2022		2023		2024		2025		2026	
	2-month	12-month								
January	1.5	8.6	1.3	7.3	0.0	2.9	1.8	2.9	0.5	3.2
March	2.7	10.0	0.0	4.6	1.4	4.3	1.0	2.5		
May	1.4	9.4	0.8	3.9	0.6	4.0	0.7	2.6		
July	1.1	9.2	0.6	3.4	-0.6	2.8	0.2	3.6		
September	0.0	8.4	1.4	4.9	0.0	1.4	0.2	3.6		
November	0.6	7.5	0.0	4.3	-0.2	1.1	0.6	4.5		

The March 2026 Consumer Price Index for the Riverside area is scheduled to be released on April 10, 2026.

### News Release Information

26-237-SAN  
Friday, February 13, 2026

### Contacts

#### Technical information:

(415) 625-2270  
[BL\\_SinfoSF@bls.gov](mailto:BL_SinfoSF@bls.gov)  
[www.bls.gov/regions/west](http://www.bls.gov/regions/west)

#### Media contact:

(415) 625-2270

## Technical Note

The [Consumer Price Index](#) (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Consumer Price Index for Rivers is published bi-monthly. The set of components and sub-aggregates published for regional and metropolitan indexes is more limited than at the U.S. city average level; these indexes are byproducts of the national CPI program. Each local index has a much smaller sample size than the national or regional indexes and is, therefore, subject to substantially more sampling and other measurement error. As a result, local-area indexes are more volatile than the national or regional indexes. In addition, local indexes are not adjusted for seasonal influences. **NOTE: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The Riverside-San Bernardino-Ontario, CA Core Based Statistical Area includes Riverside and San Bernardino Counties in California.

Refer to the national [CPI news release technical note](#) or the [Handbook of Methods](#) for more information.

If you are deaf, hard of hearing, or have a speech disability, please dial 7-1-1 to access telecommunications relay services.

**Table 1. Riverside-San Bernardino-Ontario, CA, CPI-U by expenditure category for January 2026, not seasonally adjusted (December 2017=100 unless otherwise noted)**

Expenditure category	Index				Percent change from -		
	Historical data	Nov. 2025	Dec. 2025	Jan. 2026	Jan. 2025	Nov. 2025	Dec. 2025
All Items	☒	138.851	-	139.602	3.2	0.5	-
Food and beverages	☒	140.782	-	141.845	1.8	0.8	-
Food	☒	141.967	-	143.137	1.8	0.8	-
Food at home	☒	133.512	133.614	135.477	0.3	1.5	1.4
Cereal and bakery products	☒	155.914	158.021	-	-	-	-
Meats, poultry, fish, and eggs	☒	-	-	147.397	-1.9	-	-
Dairy and related products	☒	112.753	113.618	114.605	-1.9	1.6	0.9
Fruits and vegetables	☒	122.213	122.187	124.380	-5.1	1.8	1.8
Nonalcoholic beverages and beverage materials	☒	140.951	139.704	143.229	9.5	1.6	2.5
Other food at home	☒	124.589	128.323	123.709	0.0	-0.7	-3.6
Food away from home	☒	154.218	-	154.160	3.6	0.0	-
Alcoholic beverages	☒	-	-	-	-	-	-
Housing	☒	147.554	-	149.662	4.6	1.4	-
Shelter	☒	146.967	148.413	148.925	3.7	1.3	0.3
Rent of primary residence	☒	153.118	153.416	154.024	3.9	0.6	0.4
Owners' equiv. rent of residences	☒	147.384	147.382	148.039	3.7	0.4	0.4
Owners' equiv. rent of primary residence	☒	147.384	147.382	148.039	3.7	0.4	0.4
Household furnishings and operations	☒	127.853	-	129.625	8.3	1.4	-
Apparel	☒	120.204	-	124.823	15.8	3.8	-
Transportation	☒	146.076	-	141.826	1.4	-2.9	-
Private transportation	☒	149.578	-	144.565	1.2	-3.4	-
New and used motor vehicles	☒	116.034	-	115.264	-2.3	-0.7	-
New vehicles	☒	113.562	-	114.151	-1.1	0.5	-
Used cars and trucks	☒	135.383	-	129.454	-2.4	-4.4	-
Motor fuel	☒	153.708	142.480	138.035	-3.9	-10.2	-3.1
Gasoline (all types)	☒	153.655	142.413	137.868	-3.9	-10.3	-3.2
Unleaded regular <sup>(1)</sup>	☒	153.916	142.373	137.824	-3.9	-10.5	-3.2
Unleaded midgrade <sup>(1)</sup>	☒	154.386	143.698	138.898	-3.9	-10.0	-3.3
Unleaded premium <sup>(1)</sup>	☒	151.839	141.714	137.222	-3.6	-9.6	-3.2
Medical Care	☒	135.943	-	138.488	5.2	1.9	-
Recreation	☒	113.218	-	114.513	1.2	1.1	-
Education and communication	☒	101.621	-	102.427	-4.2	0.8	-
Tuition, other school fees, and child care	☒	122.290	-	123.819	-6.9	1.3	-
Other goods and services	☒	-	-	128.755	2.7	-	-
<b>Footnotes</b>							
(1) Special index based on a substantially smaller sample.							
- Data not available.							
NOTE: Index applies to a month as a whole, not to any specific date. Data not seasonally adjusted.							

Table 2. Riverside-San Bernardino-Ontario, CA, CPI-U by special aggregate index for January 2026, not seasonally adjusted (December 2017=100 unless otherwise noted)

Special aggregate index	Indexes				Percent change from -		
	Historical data	Nov. 2025	Dec. 2025	Jan. 2026	Jan. 2026	Nov. 2025	Dec. 2025
All Items	<a href="#">↗</a>	138.851	-	139.602	3.2	0.5	-
Food	<a href="#">↗</a>	141.967	-	143.137	1.8	0.8	-
Energy	<a href="#">↗</a>	165.067	157.617	156.376	1.5	-5.3	-0.8
All items less food and energy	<a href="#">↗</a>	135.649	-	137.058	3.7	1.0	-
All items less energy	<a href="#">↗</a>	136.484	-	137.857	3.4	1.0	-
All items less medical care	<a href="#">↗</a>	139.076	-	139.695	3.1	0.4	-
All items less shelter	<a href="#">↗</a>	134.657	-	134.808	3.0	0.1	-
Commodities	<a href="#">↗</a>	128.157	-	127.853	1.6	-0.2	-
Commodities less food	<a href="#">↗</a>	121.038	-	119.980	1.6	-0.9	-
Commodities less food & beverages	<a href="#">↗</a>	121.164	-	120.056	1.5	-0.9	-
Durables	<a href="#">↗</a>	111.171	-	111.846	1.3	0.6	-
Nondurables	<a href="#">↗</a>	136.249	-	135.437	1.8	-0.6	-
Nondurables less food & beverages	<a href="#">↗</a>	131.344	-	128.178	1.7	-2.4	-
Nondurables less food	<a href="#">↗</a>	130.546	-	127.661	1.8	-2.2	-
Services	<a href="#">↗</a>	146.353	-	147.887	4.3	1.0	-
Services less rent of shelter	<a href="#">↗</a>	145.356	-	146.216	5.2	0.6	-
Services less medical care services	<a href="#">↗</a>	147.103	-	148.555	4.0	1.0	-

- Data not available.  
NOTE: Index applies to a month as a whole, not to any specific date.

Last Modified Date: Friday, February 13, 2026

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Suite 14-100

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# Helendale Community Services District

Date: February 19, 2026  
TO: Board of Directors  
FROM: Kimberly Cox, General Manager  
SUBJECT: Agenda item #8  
Discussion Only Regarding Mid-Year Budget Review

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## **STAFF RECOMMENDATION:**

Receive and File.

## **STAFF REPORT:**

Attached for the Board's review and consideration is the midyear financial statement prepared by Starting Line Advisory. December financials represent the halfway 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, if necessary. Further, it provides information to assist in the development of the FY27 budget as we can see any increases in the cost of goods or services. Following are the highlights of each fund:

### **Water:**

The operating revenues are above projection by 4%, primarily due to an increase in water sales which indicates residents are using more water than last year at this time. Other Operating Revenue is on track at 50% of annual budget due primarily due to new construction. Salaries and benefits are below mid-point at 44%. Total expenses are at 48% including debt service and the Admin allocation. After capital expenditures including a \$2M water rights purchase the Water fund is at a negative \$1,447,038 at mid-year. The fund will continue to show as a deficit in the monthly financial reports for the balance of the year until expenses in excess of revenue are settled out of reserve funds as a matter of year-end closing.

Of note, water sales are trending higher for the third year in a row at 63% of budget. Last year it increased at mid-year by 73% and prior year by 56%. Staff will continue to budget conservatively as water usage can be influenced significantly by drought messaging. Power costs continue to trend higher at 68% of budget despite increasing last year's budget by 6% for anticipated SCE increases. Operations & Maintenance expenses are significantly lower at 26% currently. Contractual Services are at 66% of budget.

### **Wastewater:**

The Wastewater Operating Revenue is at 50% of budget. Of note, Fees and Charges are at 57% of budgeted amount due primarily to delinquent fees and penalties. Total expenses are at 45% of projected at mid-year. Salaries are at 37% of budget. Power costs are slightly above the mark of 52% at mid-year. Operations & Maintenance expenditures are at 44% of the budgeted amount. Permits paid to other organizations is at 82% due to these expenses being paid early in the fiscal

year. The net income for Wastewater at mid-year before capital is \$190,571. Over \$175,000 has been spend on Capital Expenses leaving a Net Income of \$18,908

**Recycling Center:**

The recycling center revenue is currently at 59% of budget showing a slightly positive trend with \$22,480 more revenue this year than the same time last year. Salaries are at 49% of budget. Operations and Maintenance is at 93% of budget due in part to needed repairs to the forklift. Utilities are at 63% of the budget but should see a reduction once the solar system in finally put online. Office and other expenditures in at 69% of budget due in part to new poly boxes for the donation bin at a cost of \$1300 and an overall increase in the cost of supplies. Total expenses are at 52% of budget with net revenue at \$22,240. 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 at \$61,415 or 42% of budget. Utilities are at 45% of budget. A portion of the solar project was funded from this account reflecting total expenses of \$32,091 for a net Income of -\$10,148.

**Park & Rec:**

Revenues are slightly above target at 56% due to consistent participation in the youth sports program and the addition of cheer leading this past year. Expenses are below target at 42% of budget. Capital expenditures are at \$40,271 which includes a portion of the solar system at the Community Center at \$39,545 and partial repayment to Wastewater of \$29,821. Of note, program fees are at 88% of budget and rental income for facility use is at 80% of budget. Board discretionary revenue at target of 50%. Salaries are at 19% of budget due to restructuring the needs and including a part-time maintenance person. Program expenses are up, however sufficient fees are collected to cover the expenses. Parks is funded primarily from Board discretionary revenue and Recycling Center revenue.

**Solid Waste:**

This fund is at 51% of revenue. Expenditures are at 32% due to timing of monthly payments to Burrtec. Salaries are at 46% of budget Operations is at 320% or \$9,915, due to the purchase of two disposal bins for the green waste program that were covered under a grant award.

**Administration Fund:**

This fund is a pass through with expenses paid by Water, Wastewater and Solid Waste to zero out expenses.

**FISCAL IMPACT:** NA

**POSSIBLE MOTION:** No Motion necessary

**ATTACHMENTS:** December Financials for FY2026

# December 2025 Financial Reporting



**Preliminary Results – Subject to Change**  
**(Unaudited)**

*Prepared by*



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



**Helendale CSD**  
**Statement of Revenues & Expenses - Water**  
**December 2025**

	December			50% of	
	2025	YTD Actual	Budget	Budget	PYTD
<b>1 Operating Revenues</b>					
2 Meter Charges	\$ 135,599	\$ 814,015	\$ 1,632,679	50%	\$ 800,114
3 Water Sales	51,265	526,062	840,792	63%	376,534
4 Standby Charges	7,156	12,241	26,220	47%	12,887
5 Other Operating Revenue	6,617	59,034	117,710	50%	50,923
<b>6 Total Operating Revenues</b>	<b>200,637</b>	<b>1,411,352</b>	<b>2,617,401</b>	<b>54%</b>	<b>1,240,457</b>
<b>7 Non-Operating Revenues</b>					
8 Grant Revenue	-	-	-	0%	-
9 Miscellaneous Income (Expense)	-	542,934	-	0%	-
<b>10 Total Non-Operating Revenues</b>	<b>-</b>	<b>542,934</b>	<b>-</b>	<b>0%</b>	<b>-</b>
<b>11 Total Revenues</b>	<b>200,637</b>	<b>1,954,286</b>	<b>2,617,401</b>	<b>75%</b>	<b>1,240,457</b>
<b>12 Expenses</b>					
<b>13 Salaries &amp; Benefits</b>					
14 Salaries	38,235	223,593	511,480	44%	223,048
15 Benefits	14,557	87,143	202,810	43%	78,611
<b>16 Total Salaries &amp; Benefits</b>	<b>52,792</b>	<b>310,735</b>	<b>714,290</b>	<b>44%</b>	<b>301,659</b>
<b>17 Transmission &amp; Distribution</b>					
18 Contractual Services	1,098	38,394	57,975	66%	29,484
19 Power	18,389	152,576	224,405	68%	104,821
20 Operations & Maintenance	2,520	47,164	182,500	26%	78,968
21 Rent/Lease Expense	800	4,800	12,200	39%	6,798
22 Permits & Fees	52,346	25,744	40,225	64%	21,010
<b>23 Total Transmission &amp; Distribution</b>	<b>75,153</b>	<b>268,678</b>	<b>517,305</b>	<b>52%</b>	<b>241,082</b>
<b>24 General &amp; Administrative</b>					
25 Utilities	464	2,769	6,150	45%	1,952
26 Office & Other Expenses	42	799	4,193	19%	3,347
27 Admin Allocation	69,003	414,018	828,036	50%	341,912
<b>28 Total General &amp; Administrative</b>	<b>69,509</b>	<b>417,586</b>	<b>838,379</b>	<b>50%</b>	<b>347,212</b>
29 Debt Service	23,707	173,155	346,309	50%	176,474
<b>30 Total Expenses</b>	<b>221,161</b>	<b>1,170,154</b>	<b>2,416,283</b>	<b>48%</b>	<b>1,066,426</b>
<b>31 Net Income (Loss) Before Other Items</b>	<b>(20,525)</b>	<b>784,132</b>	<b>201,118</b>		<b>174,032</b>
32 Sale or Lease of Water Rights	-	77,976	300,000	26%	149,940
33 Capital Expenses	-	(2,309,146)	(1,621,000)	142%	-
<b>34 Net Income (Loss)</b>	<b>\$ (20,525)</b>	<b>\$ (1,447,038)</b>	<b>\$ (1,119,882)</b>		<b>\$ 323,972</b>



## Helendale CSD Financial Statement Analysis December 2025 – 50% of Fiscal Year

### Fund 01-Water Revenues and Expenses

**Line 2 Meter Charges:** Includes fixed monthly charge for water service. YTD is trending in line with target budget.

**Line 3 Water Sales:** Includes water consumption charges. YTD is trending over target budget due to higher consumption in the summer months.

**Line 4 Standby Charges:** Includes special assessment standby charges for the current & prior years and delinquent standby penalties. Most of these revenues are received in November, December, and April. YTD can trend over or under budget depending on timing of property tax receipts.

**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.

**Line 8 Grant Revenue:** Includes any grant funding received during the fiscal year.

**Line 9 Miscellaneous Income (Expense):** Includes gain or loss on sale of assets and other miscellaneous income. YTD activity includes receipt of PFAS settlement received in August for \$172.2K and in October for \$368.2K.

**Line 14 Salaries:** Includes salaries for water employees.

**Line 15 Benefits:** Includes health insurance, CalPERS retirement, worker's compensation insurance, payroll taxes, and employee education and training.

**Line 18 Contractual Services:** Includes lab testing, engineering, geographic information system (GIS) support & other contract services. YTD is trending over target budget due to timing of annual Aqua Metrics renewal.

**Line 19 Power:** Includes electricity usage for transmission & distribution. YTD is trending over target budget due to higher consumption and rate increases.

**Line 20 Operations & Maintenance:** Includes operations & maintenance expenses, uniforms, vehicle maintenance and vehicle fuel. YTD can trend over/under budget due to need and the timing of services.

**Line 21 Rent/Lease Expense:** Includes rental costs for the water shop and Bureau of Land Management (BLM) tank sites.



## Helendale CSD Financial Statement Analysis December 2025 – 50% of Fiscal Year

**Line 22 Permits & Fees:** Includes all water permits, miscellaneous fees, and Watermaster fees. YTD can trend over/under budget due to the timing of permits and fee payments. Water System annual fees were paid in December.

**Line 25 Utilities (G&A):** Includes gas and telephone expenses. YTD is trending in line with target budget.

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

**Line 27 Admin Allocation:** This is the monthly distribution of the budgeted Administration Fund (Fund 10) expenses to the enterprise funds, of which water receives 50%.

**Line 29 Debt Service:** Includes interest & principal payments on outstanding debt. YTD can trend over/under budget due to the timing of payments. Payments on the CNB loan are made in December and June, while payments on the MFC loan are made in February and August. Payments for CNB loan were paid in December.

**Line 32 Sale or Lease of Water Rights:** Includes water rights leases to the City of Victorville and Silver Lakes Association.

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

- \$8.7K – Interior Ops Building
- \$2.3K – AMI Meters
- \$2.3M - Water Rights Purchase
- \$32.1K – Solar Roof Project



**Helendale CSD**  
**Statement of Revenues & Expenses - Sewer**  
**December 2025**

		December		50% of		
		2025	YTD Actual	Budget	Budget	PYTD
1	<b>Operating Revenues</b>					
2	Sewer Charges	\$ 164,357	\$ 980,466	\$ 1,961,647	50%	\$ 945,686
3	Standby Charges	5,195	10,177	24,510	42%	11,915
4	Other Fees & Charges	2,588	26,367	46,479	57%	17,953
5	Interfund Transfer In/(Out)	5,964	35,786	71,571	50%	-
6	Other Income/(Expense)	-	6,500	-	0%	-
7	<b>Total Revenues</b>	<b>178,104</b>	<b>1,059,296</b>	<b>2,104,208</b>	<b>50%</b>	<b>975,554</b>
8	<b>Expenses</b>					
9	<b>Salaries &amp; Benefits</b>					
10	Salaries	31,259	167,176	446,410	37%	191,914
11	Benefits	12,396	61,458	156,051	39%	63,548
12	<b>Total Salaries &amp; Benefits</b>	<b>43,655</b>	<b>228,634</b>	<b>602,461</b>	<b>38%</b>	<b>255,462</b>
13	<b>Sewer Operations</b>					
14	Contractual Services	16,000	34,147	135,335	25%	58,714
15	Power	11,557	75,395	144,150	52%	66,648
16	Operations & Maintenance	3,119	29,661	66,900	44%	32,887
17	Permits & Fees	-	36,389	44,300	82%	21,641
18	<b>Total Sewer Operations</b>	<b>30,676</b>	<b>175,592</b>	<b>390,685</b>	<b>45%</b>	<b>179,890</b>
19	<b>General &amp; Administrative</b>					
20	Utilities	558	2,681	5,350	50%	2,674
21	Office & Other Expenses	653	5,018	15,960	31%	10,726
22	Admin Allocation	67,623	405,738	811,475	50%	335,074
23	<b>Total General &amp; Administrative</b>	<b>68,834</b>	<b>413,436</b>	<b>832,785</b>	<b>50%</b>	<b>348,474</b>
24	Debt Service	51,061	51,061	102,123	50%	51,041
25	<b>Total Expenses</b>	<b>194,226</b>	<b>868,725</b>	<b>1,928,054</b>	<b>45%</b>	<b>834,868</b>
26	<b>Net Income (Loss) Before Other Items</b>	<b>(16,121)</b>	<b>190,571</b>	<b>176,153</b>		<b>140,687</b>
27	Capital Expenses	(43,663)	(171,664)	(1,100,000)	16%	-
28	<b>Net Income (Loss)</b>	<b>\$ (59,784)</b>	<b>\$ 18,908</b>	<b>\$ (923,847)</b>		<b>\$ 140,687</b>



## Helendale CSD Financial Statement Analysis December 2025 – 50% of Fiscal Year

### Fund 02-Sewer Revenues and Expenses

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

**Line 3 Standby Charges:** Includes special assessment standby charges for the current & prior years and delinquent standby penalties. Most of these revenues are received in November, December, and April.

**Line 4 Other Fees & Charges:** Includes permit & inspection charges, connection fees, other fees, and charges. YTD is trending slightly over target budget due to unpredictable nature of these fees.

**Line 5 Interfund Transfer In/(Out):** This line includes the monthly repayment of the interfund loan from Sewer to Parks. YTD is trending in line with target budget.

**Line 6 Other Income/(Expense):** Includes gain or loss on sale of assets and other miscellaneous income. YTD activity includes the sale of a Dodge truck in July.

**Line 10 Salaries:** Includes salaries for all sewer employees.

**Line 11 Benefits:** Includes employee insurance, PERS retirement, workers compensation, payroll taxes, and education & training.

**Line 14 Contractual Services:** Includes lab testing, engineering, GIS support & other contractual services.

**Line 15 Power:** Includes electricity used for Sewer. YTD is trending in line with target budget.

**Line 16 Operations & Maintenance:** Includes compost disposal, vehicle maintenance, vehicle fuel, uniforms, and small tools.

**Line 17 Permits and Fees:** Includes all annual permits and fees paid to the state.

**Line 20 Utilities (G&A):** Includes gas, water, and telephone expenses. YTD is trending in line with target budget.

**Line 21 Office & Other Expenses:** Includes mileage/travel reimbursements, office supplies, water conservation program, and dues & subscriptions. These expenses are on an as-needed basis and can trend over/under budget.

**Line 22 Admin Allocation:** This is the monthly distribution of the budgeted Administration Fund (Fund 10) expenses to the enterprise funds of which wastewater receives 49%.



## Helendale CSD Financial Statement Analysis December 2025 – 50% of Fiscal Year

**Line 24 Debt Service:** Includes interest & principal payments on outstanding debt. YTD can trend over/under budget due to the timing of payments. Payments on the CNB loan occur bi-annually in December and June.

**Line 27 Capital Expenses:** YTD balance in capital expenses includes the following:

- \$4.1K – BioFilter Rebuild TF#1 & TF#2
- \$3.6K – Fine Bar Screen Replacement
- \$109.2K – Tertiary Engineering
- \$32.1K – Solar Roof Project
- \$12.0K – Wastewater Treatment Plant Lighting
- \$10.6K – Smithson Lift Station Pump #3



**Helendale CSD**  
**Statement of Revenues & Expenses - Recycling Center**  
**December 2025**

	December 2025	YTD Actual	Budget	50% of Budget	PYTD
<b>1 Operating Revenues</b>					
2 Retail Sales	\$ 28,904	\$ 172,420	\$ 300,000	57%	\$ 149,940
3 Donations	-	-	-	0%	-
4 Board Discretionary Revenue	-	-	(9,000)	0%	-
5 Miscellaneous Income (Expense)	-	-	-	0%	-
<b>6 Total Revenues</b>	<b>28,904</b>	<b>172,420</b>	<b>291,000</b>	<b>59%</b>	<b>149,940</b>
<b>7 Expenses</b>					
<b>8 Salaries &amp; Benefits</b>					
9 Salaries	17,829	104,408	206,964	50%	95,692
10 Benefits	3,268	19,509	45,104	43%	17,660
<b>11 Total Salaries &amp; Benefits</b>	<b>21,097</b>	<b>123,917</b>	<b>252,068</b>	<b>49%</b>	<b>113,352</b>
<b>12 Recycling Center Operations</b>					
13 Contractual Services	-	-	2,500	0%	1,250
14 Operations & Maintenance	1,176	9,867	10,600	93%	4,877
<b>15 Total Recycling Center Operations</b>	<b>1,176</b>	<b>9,867</b>	<b>13,100</b>	<b>75%</b>	<b>6,126</b>
<b>16 General &amp; Administrative</b>					
17 Utilities	1,106	9,164	14,500	63%	6,397
18 Office & Other Expenses	2,150	7,262	10,500	69%	4,498
<b>19 Total General &amp; Administrative</b>	<b>3,255</b>	<b>16,426</b>	<b>25,000</b>	<b>66%</b>	<b>10,896</b>
<b>20 Total Expenses</b>	<b>25,528</b>	<b>150,211</b>	<b>290,168</b>	<b>52%</b>	<b>130,374</b>
<b>21 Net Income (Loss) Before Other Items</b>	<b>3,376</b>	<b>22,210</b>	<b>832</b>		<b>19,566</b>
22 Capital Expenses	-	-	-		-
<b>23 Net Income (Loss)</b>	<b>\$ 3,376</b>	<b>\$ 22,210</b>	<b>\$ 832</b>		<b>\$ 19,566</b>



## Helendale CSD Financial Statement Analysis December 2025 – 50% of Fiscal Year

### Fund 03-Recycling Center Revenues and Expenses

**Line 2 Retail Sales:** Includes sales revenues from the Thrift Store. YTD is trending over target budget due to increased sales.

**Line 3 Donations:** Donations are not budgeted due to the unexpected nature of these revenues.

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

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

**Line 9 Salaries:** Salaries for all part-time recycling center employees and full-time supervisor. YTD is trending in line with target budget.

**Line 10 Benefits:** Includes employee insurance, workers compensation, payroll taxes, and education & training. YTD is trending in line with target budget.

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

**Line 14 Operations & Maintenance:** Includes vehicle maintenance, vehicle fuel, operating supplies, and uniforms. YTD is trending over target budget due to purchase of thrift store signs (\$2K) and poly box trucks (\$1.4K) in July. Multiple thrift store supply purchases (\$1.6K) were made in October.

**Line 17 Utilities (G&A):** Includes electricity and telephone expenses. YTD is trending over budget due to higher electricity and telephone expenses than anticipated in budget.

**Line 18 Office & Other Expenses:** Includes advertising, bank charges and other miscellaneous expenses. YTD is trending over budget due credit card fees in November and December.

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

**Line 22 Capital Expenses:** There is no activity YTD.



**Helendale CSD**  
**Statement of Revenues & Expenses - Property Rental**  
**December 2025**

	December 2025	YTD Actual	Budget	50% of Budget	PYTD
<b>1 Operating Revenues</b>					
2 Property Rental Revenues	\$ 12,199	\$ 61,415	\$ 146,388	42%	\$ 73,165
3 Other Income	-	49	-	0%	-
4 Board Discretionary Revenue	-	-	-	0%	-
<b>5 Total Revenues</b>	<b>12,199</b>	<b>61,464</b>	<b>146,388</b>	<b>42%</b>	<b>73,165</b>
<b>6 Expenses</b>					
7 Contractual Services	-	-	10,000	0%	4,998
8 Utilities	885	8,470	19,023	45%	8,598
9 Operations & Maintenance	29	4,508	8,400	54%	6,701
10 Debt Service	26,544	26,544	53,088	50%	26,534
11 Capital Expenses	-	32,091	-	0%	-
<b>12 Total Expenses</b>	<b>27,457</b>	<b>71,612</b>	<b>90,511</b>	<b>79%</b>	<b>46,831</b>
<b>13 Net Income (Loss)</b>	<b>\$ (15,258)</b>	<b>\$ (10,148)</b>	<b>\$ 55,877</b>		<b>\$ 26,333</b>



## Helendale CSD Financial Statement Analysis December 2025 – 50% of Fiscal Year

### Fund 04-Property Rental Revenues and Expenses

**Line 2 Property Rental Revenues:** Includes revenue for 15302 Smithson and 15425 Wild Road properties. YTD is trending slightly under target budget.

**Line 3 Other Income:** Includes penalties and other miscellaneous 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 (Fund 04) to Parks & Recreation Fund (Fund 05) at year-end.

**Line 7 Contractual Services:** Includes contractor and handyman expenses for installation of appliances, drywall repair, roofing, or plumbing repairs. Services are on an as-needed basis. YTD can trend over/under budget due to the timing of services needed.

**Line 8 Utilities:** Includes electric & gas expenses for the rental properties. YTD is trending in line with target budget.

**Line 9 Operations & Maintenance:** Includes maintenance and other costs relating to the rental properties.

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

**Line 11 Capital Expenses:** YTD balance in capital expenses includes the following:

- \$32.1K – Solar Roof Project



**Helendale CSD**  
**Statement of Revenues & Expenses - Parks & Recreation**  
**December 2025**

	December 2025	YTD Actual	Budget	50% of Budget	PYTD
<b>1 Operating Revenues</b>					
2 Program Fees	\$ 7,455	\$ 33,427	\$ 37,900	88%	\$ 18,993
3 Property Taxes	1,822	10,789	23,000	47%	11,495
4 Donations & Sponsorships	-	7,315	-	0%	-
5 Rental Income	2,889	18,892	23,575	80%	12,033
6 Developer Impact Fees	-	5,160	10,320	50%	3,439
7 Grants	-	-	-	0%	-
8 Interfund Transfer In/(Out)	(5,964)	(35,786)	(71,571)	50%	(35,771)
9 Board Discretionary Revenue	80,257	221,865	443,382	50%	229,817
10 Miscellaneous Income (Expense)	-	-	-	0%	-
<b>11 Total Revenues</b>	<b>86,458</b>	<b>261,663</b>	<b>466,606</b>	<b>56%</b>	<b>240,005</b>
<b>12 Expenses</b>					
<b>13 Salaries &amp; Benefits</b>					
14 Salaries	1,598	7,904	38,246	21%	16,106
15 Benefits	122	594	5,925	10%	1,980
<b>16 Total Salaries &amp; Benefits</b>	<b>1,720</b>	<b>8,498</b>	<b>44,171</b>	<b>19%</b>	<b>18,087</b>
17 Program Expense	2,623	48,018	75,475	64%	37,867
18 Contractual Services	7,447	45,285	107,960	42%	51,867
19 Utilities	3,553	29,873	70,488	42%	34,782
20 Operations & Maintenance	103	4,309	27,650	16%	14,888
21 Permits & Fees	-	-	1,733	0%	866
22 Other Expenses	483	483	900	54%	450
<b>23 Total Expenses</b>	<b>15,930</b>	<b>136,467</b>	<b>328,377</b>	<b>42%</b>	<b>158,807</b>
<b>24 Net Income (Loss) Before Other Items</b>	<b>70,529</b>	<b>125,197</b>	<b>138,229</b>		<b>81,198</b>
25 Capital Expenses	-	(40,271)	(119,000)	34%	-
<b>26 Net Income (Loss)</b>	<b>\$ 70,529</b>	<b>\$ 84,925</b>	<b>\$ 19,229</b>		<b>\$ 81,198</b>



## Helendale CSD Financial Statement Analysis December 2025 – 50% of Fiscal Year

### Fund 05-Parks & Recreation Revenues and Expenses

**Line 2 Program Fees:** Includes recreation program fees, basketball league fees, youth soccer league fees, concert in the park vendor fees and farmer's market revenue. YTD is trending over target budget due to timing of basketball league fees paid in December.

**Line 3 Property Taxes:** Includes the transfer of property taxes for streetlight utility expenses. YTD is trending in line with target budget.

**Line 4 Donations & Sponsorships:** Includes concert in the park sponsorships, event sponsorships and other donations/sponsorships.

**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 is trending over target budget due to timing of annual field rental receipt from school district.

**Line 6 Developer Impact Fees:** Includes park development impact fees charged to new developments. This account is budgeted based on known development. As such, this account will go over budget if more development takes place. YTD is trending in line with target budget.

**Line 7 Grant Revenue:** There is no activity YTD.

**Line 8 Interfund Transfer Out/(In):** This line shows the year end transfer of cash balance from the Recycling Center (Fund 03) 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 December includes the following:

- Radio Tower Site Rent – \$11,595
- Property Taxes – \$62,675
- Solid Waste Franchise Fees – \$7,809
- Transfer Property Tax Revenue for Street Light Utilities – \$(1,822)

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

**Line 14 Salaries:** Includes part-time Parks and Recreation employees. YTD is trending below target budget.

**Line 15 Benefits:** Includes health insurance, CalPERS retirement, worker's compensation insurance, payroll taxes, and employee education & training. YTD is trending below target budget in line with decreased salaries.



## Helendale CSD Financial Statement Analysis December 2025 – 50% of Fiscal Year

**Line 17 Program Expense:** Includes supplies and expenses for the youth soccer league, park, community center, Farmer’s Market, and other programs. YTD is trending over target budget due to timing of camps, program supplies, and concert expenses.

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

**Line 19 Utilities:** Includes gas and electric for parks and the community center, along with telephone & electricity for street lighting.

**Line 20 Operations & Maintenance:** Includes vehicle maintenance, small tools, vehicle fuel and building repair for the park and community center. YTD can trend over/under budget due to need and the timing of services.

**Line 21 Permits & Fees:** Includes permit and inspection fees, along with San Bernardino County fees.

**Line 22 Other Expenses:** Includes uniforms, printing costs, dues & subscriptions, and bank charges.

**Line 25 Capital Expenses:** YTD balance in capital expenses includes the following:

- \$39.6K – Solar Roof Project
- \$0.7K – Driver Box for RC Track



**Helendale CSD**  
**Statement of Revenues & Expenses - Solid Waste Disposal**  
**December 2025**

	December 2025	YTD Actual	Budget	50% of Budget	PYTD
<b>1 Operating Revenues</b>					
2 Charges for Services	\$ 63,507	\$ 374,453	\$ 754,050	50%	\$ 354,239
3 Assessments & Fees	103,956	132,476	247,000	54%	122,500
4 Other Charges	2,190	15,647	31,549	50%	12,725
5 Grant Revenue	-	7,328	-	0%	-
6 Board Discretionary Revenue	-	-	-	0%	-
7 Miscellaneous Income (Expense)	-	-	-	0%	-
<b>8 Total Revenues</b>	<b>169,653</b>	<b>529,904</b>	<b>1,032,599</b>	<b>51%</b>	<b>489,464</b>
<b>9 Expenses</b>					
<b>10 Salaries &amp; Benefits</b>					
11 Salaries	4,118	24,778	54,850	45%	25,782
12 Benefits	2,142	12,191	26,286	46%	10,152
<b>13 Total Salaries &amp; Benefits</b>	<b>6,261</b>	<b>36,970</b>	<b>81,136</b>	<b>46%</b>	<b>35,934</b>
14 Contractual Services	-	187,009	717,673	26%	347,237
15 Disposal Fees	16,720	76,555	188,000	41%	86,465
16 Operations & Maintenance	211	9,915	3,100	320%	1,324
17 Other Operating Expenses	524	866	5,490	16%	2,544
18 Admin Allocation	1,380	8,280	16,561	50%	6,838
<b>19 Total Expenses</b>	<b>25,096</b>	<b>319,595</b>	<b>1,011,960</b>	<b>32%</b>	<b>480,343</b>
<b>20 Net Income (Loss) Before Other Items</b>	<b>144,557</b>	<b>210,308</b>	<b>20,639</b>		<b>9,120</b>
21 Capital Expenses	-	-	-	0%	-
<b>22 Net Income (Loss)</b>	<b>\$ 144,557</b>	<b>\$ 210,308</b>	<b>\$ 20,639</b>		<b>\$ 9,120</b>



## Helendale CSD Financial Statement Analysis December 2025 – 50% of Fiscal Year

### Fund 06-Solid Waste Disposal Revenues and Expenses

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

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

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

**Line 5 Grant Revenue:** YTD balance consists of remaining CalRecycle grant proceeds used for dump hopper purchases.

**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 FY.

**Line 7 Miscellaneous Income (Expense):** Includes gain or loss on sale of assets and other miscellaneous income.

**Line 11 Salaries:** Includes salaries for solid waste employees. YTD is trending in line with target budget.

**Line 12 Benefits:** Includes employee insurance, CalPERS retirement, workers compensation, payroll taxes, and education & training. YTD is trending in line with target budget.

**Line 14 Contractual Services:** Includes Burrtec fees and other miscellaneous contract services. YTD can trend over/under budget due to need and the timing of services and fees.

**Line 15 Disposal Fees:** Includes San Bernardino County disposal fees and green waste disposal fees.

**Line 16 Operations & Maintenance:** Includes vehicle maintenance, vehicle fuel, operating supplies, and uniforms. YTD can trend over/under budget due to need and the timing of services. YTD is over budget due to dump hopper purchases which were funded by remaining CalRecycle grant proceeds.

**Line 17 Other Operating Expenses:** Includes rent for park storage, telephone, postage, event expenses, public outreach, printing, small tools, and bad debt expenses.

**Line 18 Admin Allocation:** This is the monthly distribution of the budgeted Administration Fund (Fund 10) expenses to the enterprise funds, of which solid waste receives 1%.



**Helendale CSD**  
**Statement of Revenues & Expenses - Administration**  
**December 2025**

	December 2025	YTD Actual	Budget	50% of Budget	PYTD
<b>1 Operating Revenues</b>					
2 Tower Rent	\$ 11,595	\$ 84,235	\$ 188,563	45%	\$ 99,415
3 Property Taxes	62,675	86,915	140,647	62%	62,837
4 Solid Waste Billing & Fees	15,443	106,938	215,712	50%	95,352
5 Fees & Charges	3,665	21,733	38,500	56%	14,244
6 Investment income	18,819	144,023	-	0%	39,984
7 Other Income	7,018	14,525	200	7263%	100
8 Board Discretionary Revenue	(82,079)	(232,654)	(434,382)	54%	(211,824)
<b>9 Total Revenues</b>	<b>37,136</b>	<b>225,714</b>	<b>149,240</b>	<b>151%</b>	<b>100,108</b>
<b>10 Expenses</b>					
<b>11 Salaries &amp; Benefits</b>					
12 Salaries	74,888	345,903	700,027	49%	334,764
13 Benefits	27,202	216,309	372,016	58%	171,127
14 Directors' Fees	1,253	16,124	37,500	43%	23,741
<b>15 Total Salaries &amp; Benefits</b>	<b>103,343</b>	<b>578,336</b>	<b>1,109,543</b>	<b>52%</b>	<b>529,631</b>
16 Contractual Services	40,315	179,186	281,540	64%	145,187
17 Insurance	-	87,718	153,079	57%	120,862
18 Utilities	1,532	12,430	21,360	58%	11,066
19 Operations & Maintenance	305	2,042	4,850	42%	2,574
20 Permits & Fees	-	10,209	11,000	93%	7,422
21 Office & Other Expenses	4,709	41,222	74,700	55%	48,411
22 Election Expense	-	-	-	0%	1,749
23 Administrative Allocation	(138,006)	(828,036)	(1,656,072)	50%	(683,824)
<b>24 Total Expenses</b>	<b>12,197</b>	<b>83,106</b>	<b>-</b>	<b>0%</b>	<b>183,077</b>
<b>25 Net Income (Loss) Before Capital</b>	<b>24,939</b>	<b>142,608</b>	<b>149,240</b>		<b>(82,969)</b>
26 Capital Expenses	-	(32,091)	-	0%	-
<b>27 Net Income (Loss) After Capital</b>	<b>\$ 24,939</b>	<b>\$ 110,517</b>	<b>\$ 149,240</b>		<b>\$ (82,969)</b>



## Helendale CSD Financial Statement Analysis December 2025 – 50% of Fiscal Year

### Fund 10-Administrative Revenues and Expenses

**Line 2 Tower Rent:** Includes radio tower site rental fees. YTD is trending under target budget due to timing of annual Metro PCS tower lease payment, anticipated in January.

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

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

**Line 5 Fees & Charges:** Includes credit card processing fees and other miscellaneous fees. YTD is trending over target budget due to credit card processing fees.

**Line 6 Investment Income:** Includes investment income and unrealized gain or loss on investments.

**Line 7 Other Income:** Other Income includes recycling revenues and other miscellaneous income. Recycling Revenue was received in December.

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

- Radio Tower Site Rent – \$11,595
- Property Taxes - \$62,675
- Solid Waste Franchise Fees – \$7,809

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

**Line 13 Benefits:** Includes employee insurance, CalPERS retirement, workers compensation, payroll taxes, employee benefit & morale and education & training. YTD is trending over target budget due to timing of annual PERS UAL payment made in July.

**Line 14 Directors' Fees:** Includes directors fees as well as directors training, seminars, and mileage expense. YTD is trending in line with target budget.

**Line 16 Contractual Services:** Includes software support, legal services, and auditing & accounting services. YTD is trending over target budget due to timing of FSA and Sonic Systems renewal fees.

**Line 17 Insurance:** Includes both general liability and vehicle insurance expenses. YTD is trending over target budget at 57% due to the timing of annual insurance policy renewals.



## Helendale CSD Financial Statement Analysis December 2025 – 50% of Fiscal Year

**Line 18 Utilities:** Includes telephone and electricity expenses. YTD is trending over target budget due to increased electricity rates.

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

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

**Line 21 Office & Other Expense:** Includes board meeting supplies, public relations, community promotion, bank charges, office supplies, postage, and dues & subscription. YTD is trending in line with target budget.

**Line 22 Election Expense:** Includes the cost of elections.

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

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

- \$32.1K – Solar Roof Project



# Helendale Community Services District

Date: February 19, 2026  
TO: Board of Directors  
FROM: Kimberly Cox, General Manager  
SUBJECT: Agenda item #9  
Discussion and Possible Action Regarding Approval of a Professional Services Agreement for Financial Support Services

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## **STAFF RECOMMENDATION:**

Staff recommends approval of a Professional Services Agreement with Starting Line Advisory for accounting support services for a 3-year period beginning July 1, 2026 through June 30, 2029.

## **STAFF REPORT:**

As the District's General Manager prepares for retirement the project of extending important contracts has been a high priority. Based upon the excellent working relationship with Starting Line and the valuable services they offer the District, Management strongly recommends the continued partnership. If the District were to hire comparable staff to handle the accounting back end, it would be at more than twice the annual rate for contract services plus the benefit package. As a small district, whenever possible it is recommended to contract out for such specialized services.

In 2019 through March of 2025, the District contracted with Platinum Consulting owned by Cindy Byerrum and later Eide Bailly. Last year due to Cindy's retirement, and many of her team leaving the firm, Staff recommended contracting with Starting Line Advisory which consisted of two former employees from Cindy's team. Scott Nelson had been the District's primary engagement partner with Eide Bailly and Ian Berg, a CPA, is the other partner in Starting Line. For the past year, the change has proven to be a beneficial move for the District and Scott has an excellent rapport with District staff. The contract with Starting Line was at a cost reduction from Eide Bailly of \$14,000. The current average costs per month on the time and material basis based upon the approved contract is \$4,129/month. However, the average paid per month from 7/1/2026 to 2/1/2026 is \$4,933 due to the extraordinary work that needs to be completed at year end in preparation for the audit. The estimated amount for FY26 as approved by the Board was \$49,553. The proposed annual amount for FY27-FY29 is \$51,600, an increase of \$170/month. The proposed rate for the three-year term is a monthly retainer amount of \$4300 per month.

The benefit of the three-year retainer contract is stabilization of the costs for the District and assurance that consistent support will be available for Staff. There is no annual CPI-related increase for the three years of the proposed contract.

Counsel may have some modifications to the draft Professional Services Agreement.

**FISCAL IMPACT:** \$51,600 per year for FY27-FY29

**POSSIBLE MOTION:** Approve Professional Services Agreement with Starting Line Advisory

**ATTACHMENTS:** Draft PSA

**AGREEMENT FOR SERVICES  
BETWEEN  
HELENDALE COMMUNITY SERVICES DISTRICT  
AND  
STARTING LINE ADVISORY**

THIS AGREEMENT is made this 19th day of February, 2026 (hereinafter referred to as the "Effective Date"), by and between the HELENDALE COMMUNITY SERVICES DISTRICT, a public agency organized and operating pursuant to California Government Code Section 61000 et seq. (hereinafter referred to as the "DISTRICT"), and Starting Line Advisory (hereinafter referred to as "CONSULTANT"). DISTRICT and CONSULTANT may individually be referred to as "Party" or collectively as "Parties" in this Agreement.

**RECITALS**

WHEREAS, the DISTRICT desires to contract with CONSULTANT to provide financial and accounting consulting services for the DISTRICT (hereinafter referred to as "Project"); and

WHEREAS, CONSULTANT is willing to contract with the DISTRICT to provide such services for the Project; and

WHEREAS, CONSULTANT holds itself as duly licensed, qualified, and capable of performing said services for the Project, and CONSULTANT is customarily engaged in an independently established trade, occupation, and/or business of the same nature as the work to be performed herein; and

WHEREAS, this Agreement establishes the terms and conditions for the DISTRICT to retain CONSULTANT to provide the services described herein for the Project.

**COVENANTS**

NOW, THEREFORE, in consideration of the faithful performance of the terms and conditions set forth herein, the Parties hereto agree as follows:

**ARTICLE I  
ENGAGEMENT OF CONSULTANT  
AND AUTHORIZATION TO PROCEED**

1.1 **ENGAGEMENT:** The DISTRICT hereby engages CONSULTANT, and CONSULTANT hereby accepts the engagement, to perform the Project services described in Section 2.1 of this Agreement for the term set forth in Section 5.1 of this Agreement.

1.2 **AUTHORIZATION TO PROCEED:** Authorization for CONSULTANT to proceed with all or a portion of the Project services described in Section 2.1 of this Agreement will be granted in writing by the DISTRICT as soon as both Parties sign the Agreement and all

applicable insurance documents required pursuant to Section 6.3 of this Agreement are received and approved by the DISTRICT. CONSULTANT shall not proceed with said Project services until so authorized by the DISTRICT, and shall commence work promptly upon receipt of the Notice to Proceed.

1.3 NO EMPLOYEE RELATIONSHIP: The Project services to be provided by CONSULTANT are outside the usual course of the DISTRICT's business. CONSULTANT shall perform the Project services provided for herein as an independent contractor, and not as an employee of the DISTRICT. CONSULTANT is not to be considered an agent or employee of the DISTRICT for any purpose, and shall not be entitled to participate in any pension plans, insurance coverage, bonus, stock, or similar benefits that the DISTRICT provides for its employees. CONSULTANT shall indemnify the DISTRICT for any tax, retirement contribution, social security, overtime payment, or workers' compensation payment which the DISTRICT may be required to make on behalf of CONSULTANT or any agent or employee of CONSULTANT for work performed under this Agreement.

## **ARTICLE II SERVICES OF CONSULTANT**

2.1 SCOPE OF SERVICES: The Project services to be performed by the CONSULTANT under this Agreement are described in the Scope of Work attached hereto as Exhibit "A" and incorporated herein by this reference (hereinafter referred to as the "Scope of Work"), and shall, where not specifically addressed, include all related services ordinarily provided by the CONSULTANT under same or similar circumstances and/or otherwise necessary to satisfy the requirements of Section 3.3 of this Agreement. In case of conflict between the terms of this Agreement and the provisions of the Scope of Work, this Agreement shall govern.

2.2 [Intentionally omitted]

2.3 HOURS AND WORKING CONDITIONS: The DISTRICT is a public entity in the State of California and is subject to the provisions of the Government Code and the Labor Code of the State. It is stipulated and agreed that all provisions of law applicable to public contracts are a part of this Agreement to the same extent as though set forth herein and will be complied with by CONSULTANT; provided that the Parties acknowledge that this Agreement does not relate to a public works construction project. CONSULTANT shall comply with all applicable provisions of the California Labor Code relating to working hours.

## **ARTICLE III RESPONSIBILITIES OF THE DISTRICT AND OF CONSULTANT**

3.1 DUTIES OF THE DISTRICT: The DISTRICT, without cost to CONSULTANT, will provide all pertinent information necessary for CONSULTANT's performance of its obligations under this Agreement that is reasonably available to the DISTRICT unless otherwise specified in the Scope of Work, in which case the CONSULTANT is to acquire such information. The DISTRICT does not guarantee or ensure the accuracy of any reports,

information, and/or data so provided, although DISTRICT reasonably believes any financial information to be provided to CONSULTANT in connection with the services to be provided in connection with the Project is accurate. To the extent that any reports, information, and/or other data so provided was supplied to the DISTRICT by persons who are not employees of the DISTRICT, any liability resulting from inaccuracies and/or omissions contained in said information shall be limited to liability on behalf of the party who prepared the information for the DISTRICT.

3.2 REPRESENTATIVE OF DISTRICT: The DISTRICT designates Cheryl Vermette as the person to act as the DISTRICT's representative with respect to the work to be performed under this Agreement. Such person will have complete authority to receive information and interpret and define the DISTRICT's policies pertinent to the work, although such person will not control or direct CONSULTANT's work. In the event the DISTRICT wishes to make a change in the DISTRICT's representative, the DISTRICT shall notify the CONSULTANT of the change in writing.

3.3 DUTIES OF CONSULTANT: CONSULTANT shall perform the Project work in such a manner as to fully comply with all applicable professional standards of care, including professional quality, technical accuracy, and timely completion, which standards shall also apply to all other services furnished and/or work undertaken by CONSULTANT pursuant to this Agreement. The CONSULTANT shall cause all work and deliverables to conform to all applicable federal, state, and local laws and regulations.

3.4 APPROVAL OF WORK: The DISTRICT's approval of work or materials furnished hereunder shall not in any way relieve CONSULTANT of responsibility for the technical adequacy of its work. Neither the DISTRICT's review, approval or acceptance of, nor payment for, any of the services shall be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement. Where approval by the DISTRICT is indicated in this Agreement, it is understood to be conceptual approval only and does not relieve the CONSULTANT of responsibility for complying with all laws, codes, industry standards, and liability for damages caused by negligent acts, errors, omissions, noncompliance with industry standards, or the willful misconduct of the CONSULTANT or its subcontractors. CONSULTANT's obligation to defend, indemnify, and hold harmless the DISTRICT, and its directors, officers, employees and agents as set forth in Section 6.9 of this Agreement also applies to the actions or omissions of the CONSULTANT or its subcontractors as set forth above in this paragraph.

#### **ARTICLE IV PAYMENTS TO CONSULTANT**

4.1 PAYMENT: During the Term of this Agreement, the DISTRICT will pay CONSULTANT for services performed in accordance with the retainer set forth in the Scope of Work. The amounts set forth in the Scope of Work constitute the maximum compensation to which CONSULTANT may be entitled for the performance of services for the Project, unless this Agreement and/or the Scope of Work are changed in writing by the DISTRICT in advance

of the services to be performed hereunder. Adjustments in the payment amount shall only be allowed pursuant to Section 6.4 of this Agreement.

4.2 **PAYMENT TO CONSULTANT:** Payment will be made by the DISTRICT within thirty (30) calendar days after receipt of an invoice from CONSULTANT, provided that all invoices are complete and CONSULTANT's work product and services are provided and performed in compliance with the terms and conditions of this Agreement. CONSULTANT shall invoice DISTRICT monthly for services performed under this Agreement. In the event that a payment dispute arises between the Parties, CONSULTANT shall provide to the DISTRICT full and complete access to CONSULTANT's labor cost records and other direct cost data, and copies thereof if requested by the DISTRICT.

4.3 **COST FOR REWORK:** CONSULTANT shall, at no cost to the DISTRICT, prepare any necessary rework occasioned by CONSULTANT's negligent act or omission or otherwise due substantially to CONSULTANT's fault.

## **ARTICLE V COMPLETION SCHEDULE**

5.1 **TERM:** The Term of this Agreement shall begin on July 1, 2026, and shall continue until June 30, 2029, unless this Agreement is earlier terminated pursuant to the provisions of Section 6.7 below. Notwithstanding the above, the provisions of Sections 1.3, 2.3, 3.3 and 3.4 and Articles IV, V, and VI herein shall survive the expiration and/or termination of this Agreement.

5.2 **TIME OF ESSENCE:** CONSULTANT shall perform all services required by this Agreement in a prompt, timely, and professional manner. Time is of the essence in this Agreement.

## **ARTICLE VI GENERAL PROVISIONS**

6.1 **COMPLIANCE WITH FEDERAL, STATE, AND LOCAL LAWS:** CONSULTANT shall at all times observe all applicable provisions of Federal, State, and Local laws and regulations including, but not limited to, those related to Equal Opportunity Employment.

6.2 **SUBCONTRACTORS AND OUTSIDE CONSULTANTS:** No subcontract shall be awarded by CONSULTANT unless prior written approval thereof is obtained from the DISTRICT. CONSULTANT shall be responsible for payment to subcontractors used by them to perform the services under this Agreement. If CONSULTANT subcontracts any of the work to be performed, CONSULTANT shall be as fully responsible to the DISTRICT for the performance of the work, including errors and omissions of CONSULTANT's subcontractors and of the persons employed by the subcontractor, as CONSULTANT is for the acts and omissions of persons directly employed by the CONSULTANT. Nothing contained in this Agreement shall create any contractual relationship between any subcontractor of

CONSULTANT and the DISTRICT. CONSULTANT shall bind every subcontractor and every subcontractor of a subcontractor to the terms of this Agreement that are applicable to CONSULTANT's work unless specifically noted to the contrary in the subcontract in question and approved in writing by the DISTRICT.

6.3 INSURANCE: CONSULTANT shall secure and maintain in full force and effect, until the satisfactory completion and acceptance of the Project by DISTRICT, such insurance as will protect it and the DISTRICT in such a manner and in such amounts as set forth below. The premiums for said insurance coverage shall be paid by the CONSULTANT. The failure to comply with these insurance requirements may constitute a material breach of this Agreement, at the sole discretion of the DISTRICT.

- (a) Certificates of Insurance: Prior to commencing services under this Agreement, and in any event no later than ten (10) calendar days after execution of this Agreement, CONSULTANT shall furnish DISTRICT with Certificates of Insurance and endorsements verifying the insurance coverage required by this Agreement is in full force and effect. The DISTRICT reserves the right to require complete and accurate copies of all insurance policies required under this Agreement.
- (b) Required Provisions: The insurance policies required by this Agreement shall include the following provisions or have them incorporated by endorsement(s):
  - (1) Primary Coverage: The insurance policies provided by CONSULTANT shall be primary insurance and any self-insured retention and/or insurance carried by or available to the DISTRICT or its employees shall be excess and non-contributory coverage so that any self-insured retention and/or insurance carried by or available to the DISTRICT shall not contribute to any loss or expense under CONSULTANT's insurance.
  - (2) Additional Insured: The policies of insurance provided by CONSULTANT, except Workers' Compensation and Professional Liability, shall include as additional insureds: the DISTRICT, its directors, officers, employees, and agents when acting in their capacity as such in conjunction with the performance of this Agreement. Such policies shall contain a "severability of interests" provision, also known as "Cross liability" or "separation of insured".
  - (3) Cancellation: Each certificate of insurance and insurance policy shall provide that the policy may not be non-renewed, canceled (for reasons other than non-payment of premium) or materially changed without first giving thirty (30) days advance written notice to the DISTRICT, or ten (10) days advance written notice in the event of cancellation due to non-payment of premium.
  - (4) Waiver of Subrogation: The insurance policies provided by CONSULTANT shall contain a waiver of subrogation against DISTRICT, its directors, officers, employees and agents for any claims arising out of the services performed under this Agreement by CONSULTANT.
  - (5) Claim Reporting: CONSULTANT shall not fail to comply with the claim reporting provisions or cause any breach of a policy condition or warranty of the insurance policies required by this Agreement that would affect the

- coverage afforded under the policies to the DISTRICT.
- (6) Deductible/Retention: If the insurance policies provided by CONSULTANT contain deductibles or self-insured retentions, CONSULTANT shall be solely responsible for payment of any such deductible or self-insured retention.
  - (7) Sub-Contractors: CONSULTANT shall furnish separate certificates of insurance and policy endorsements for each sub-contractor verifying that the insurance for each sub-contractor complies with the same insurance requirements applicable to CONSULTANT under this Agreement.
- (c) Insurance Company Requirements: CONSULTANT shall provide insurance coverage through insurers that have at least an "A" Financial Strength Rating and a "VII" Financial Size Category in accordance with the current ratings by the A. M. Best Company, Inc. as published in *Best's Key Rating Guide* or on said company's web site. In addition, any and all insurers must be admitted and authorized to conduct business in the State of California and be a participant in the California Insurance Guaranty Association, as evidenced by a listing in the appropriate publication of the California Department of Insurance.
- (d) Policy Requirements: The insurance required under this Agreement shall meet or exceed the minimum requirements as set forth below:
- (1) Workers' Compensation: CONSULTANT shall maintain Workers' Compensation insurance as required by law in the State of California to cover CONSULTANT's obligations as imposed by federal and state law having jurisdiction over CONSULTANT's employees and Employers' Liability insurance, including disease coverage, of not less than \$1,000,000.
  - (2) General Liability: CONSULTANT shall maintain Comprehensive General Liability insurance with a combined single limit of not less than \$1,000,000 per occurrence or claim and \$1,000,000 aggregate. The policy shall include, but not be limited to, coverage for bodily injury, property damage, personal injury, products, completed operations and blanket contractual to cover, but not be limited to, the liability assumed under the indemnification provisions of this Agreement. In the event the Comprehensive General Liability insurance policy is written on a "claims made" basis, coverage shall extend for two years after the satisfactory completion and acceptance of the Project by DISTRICT.
  - (3) Automobile Liability: CONSULTANT shall maintain Commercial Automobile Liability insurance with a combined single limit for bodily injury and property damage of not less than \$1,000,000 each occurrence for any owned, hired, or non-owned vehicles.
  - (4) Professional Liability: CONSULTANT shall maintain Professional Liability insurance covering errors and omissions arising out of the services performed by the CONSULTANT or any person employed by him, with a limit of not less than \$1,000,000 per occurrence or claim and \$1,000,000 aggregate. In the event the insurance policy is written on a "Claims made" basis, coverage shall extend for two years after the satisfactory completion and acceptance of the Project by DISTRICT.

- (5) Property Coverage – Valuable Papers: Property coverage on an all-risk, replacement cost form with Valuable Papers insurance sufficient to assure the restoration of any documents, memoranda, reports, plans or other similar data, whether in hard copy or electronic form, relating to the services provided by CONSULTANT under this Agreement.

6.4 CHANGES: If the DISTRICT requests a change in the Scope of Work, an equitable adjustment shall be made and this Agreement shall be modified in writing accordingly. CONSULTANT must assert any claim for adjustment under this clause in writing within the earlier of (i) thirty (30) calendar days after CONSULTANT becomes aware of the need for a change, or (ii) thirty (30) calendar days from the date of receipt from CONSULTANT of the notification of change, unless the DISTRICT grants a further period of time before the date of final payment under this Agreement.

6.5 NOTICES: All notices to either Party by the other shall be made in writing and delivered or mailed to such Party at their respective addresses as follows, or to other such address as either Party may designate, and said notices shall be deemed to have been made when personally delivered, delivered by nationally recognized overnight courier, or, if mailed, five (5) days after mailing.

To DISTRICT: Helendale Community Services District  
26540 Vista Road, Suite B  
P.O. Box 359  
Helendale, CA 92342  
Attn: General Manager

To CONSULTANT: Starting Line Advisory  
604 El Paseo  
Foothill Ranch, CA 92610  
Attn: Ian Berg, CPA, Owner

6.6 CONSULTANT'S ASSIGNED PERSONNEL: CONSULTANT designates Ian Berg to have immediate responsibility for the performance of the work for the Project and for all matters relating to performance under this Agreement. Substitution of any assigned personnel shall require the prior written approval of the DISTRICT. If the DISTRICT determines that a proposed substitution is not acceptable, then, at the request of the DISTRICT, CONSULTANT shall substitute with a person acceptable to the DISTRICT.

6.7 TERMINATION:

- (a) The DISTRICT may terminate this Agreement or abandon any portion of the Project, with or without cause, upon written notice thereof to CONSULTANT; provided that DISTRICT shall provide CONSULTANT at least seven (7) days' written notice if the termination is without cause and shall provide CONSULTANT with written notice of any alleged breach of this Agreement and seven (7) days in which CONSULTANT may cure that alleged breach. CONSULTANT may terminate its obligation to provide further services under

this Agreement upon thirty (30) calendar days written notice only in the event of substantial failure by the DISTRICT to perform in accordance with the terms of this Agreement through no fault of the CONSULTANT.

- (b) In the event of termination of this Agreement, or abandonment of any portion of the Project by the DISTRICT, the DISTRICT shall be immediately given title to all original drawings and other documents developed for the Project, and the sole right and remedy of CONSULTANT shall be to receive payment for all amounts due and not previously paid to CONSULTANT for services completed or in progress in accordance with the Agreement prior to such date of termination. If termination occurs prior to completion of any task for which payment has not been made, the fee for services performed during such task shall be based on an amount mutually agreed to by the DISTRICT and CONSULTANT based on the work CONSULTANT has completed through the date of termination. Such payments available to the CONSULTANT under this paragraph shall not include costs related to lost profit associated with the expected completion of the work or other such payments relating to the benefit of this Agreement, except to the extent that CONSULTANT's hourly rates include any such profit relative to work completed prior to termination.

6.8 ATTORNEYS' FEES: In the event that either the DISTRICT or CONSULTANT brings an action or proceeding for damages for an alleged breach of any provision of this Agreement, to interpret this Agreement or determine the rights of and duties of either Party in relation thereto, the prevailing Party shall be entitled to recover as part of such action or proceeding all litigation, arbitration, mediation and collection expenses, including witness fees, court costs, and reasonable attorneys' fees. Such fees shall be determined by the Court in such litigation or in a separate action brought for that purpose. Mediation will be attempted if both Parties mutually agree before, during, or after any such action or proceeding has begun.

6.9 INDEMNITY:

- (a) CONSULTANT shall defend, indemnify and hold DISTRICT, including its directors, officers, employees and agents, harmless from and against any and all claims, demands, causes of action, suits, debts, obligations, liabilities, losses, damages, costs, expenses, attorney's fees, awards, fines, settlements, judgments or losses of whatever nature, character, and description, with respect to or arising out of the work to be performed under this Agreement, including without limitation, any and all such claims, demands, causes of action, suits, debts, obligations, liabilities, losses, damages, costs, expenses, attorney's fees, awards, fines, settlements, judgments or losses of whatever nature, character, and description, arising by reason of death or bodily injury to one or more persons, including the employees of CONSULTANT; injury to property of any kind, including loss of use; or economic damages of any kind, caused by, or arising out of, any alleged or actual act or omission, regardless of whether such act or omission is active or passive, by CONSULTANT, any of CONSULTANT's subcontractors or DISTRICT, including their respective directors, officers, employees, agents and assigns, excepting only to the extent such matters arise from the negligence or willful misconduct of the DISTRICT.

- (b) CONSULTANT shall defend, indemnify and hold DISTRICT, including its directors, officers, employees and agents, harmless from and against any and all claims, demands, causes of action, suits, debts, obligations, liabilities, losses, damages, costs, expenses, attorney's fees, awards, fines, settlements, judgments or losses of whatever nature, character, and description, with respect to or arising out of any infringement or alleged infringement of any patent, copyright or trademark and arising out of the use of any equipment or materials furnished under this Agreement by the CONSULTANT or CONSULTANT's subcontractors, including their respective directors, officers, employees, agents and assigns, or out of the processes or actions employed by, or on behalf of, the CONSULTANT or CONSULTANT's subcontractors, including their respective directors, officers, employees, agents and assigns, in connection with the performance of services under this Agreement. CONSULTANT shall have the right, in order to avoid such claims or actions, to substitute at its expense non-infringing equipment, materials or processes, or to modify at its expense such infringing equipment, materials, and processes so they become non-infringing, provided that such substituted and modified equipment, materials, and processes shall meet all the requirements and be subject to all the provisions of this Agreement.
- (c) CONSULTANT shall defend, indemnify and hold DISTRICT, including its directors, officers, employees and agents, harmless from and against any and all claims, demands, causes of action, suits, debts, obligations, liabilities, losses, damages, costs, expenses, attorney's fees, awards, fines, settlements, judgments or losses of whatever nature, character, and description, with respect to or arising out of any breach by CONSULTANT or CONSULTANT's subcontractors, including their respective directors, officers, employees, agents and assigns, of the aforesaid obligations and covenants, and any other provision or covenant of this Agreement.
- (d) It is the intent of the Parties to this Agreement that the defense, indemnity and hold harmless obligation of CONSULTANT under this Agreement shall be as broad and inclusive as may be allowed under *California Civil Code* §§ 2778 through 2784.5, or other similar state or federal law.
- (e) DISTRICT shall defend, indemnify and hold CONSULTANT, including its directors, officers, employees and agents, harmless from and against any and all claims, demands, causes of action, suits, debts, obligations, liabilities, losses, damages, costs, expenses, attorney's fees, awards, fines, settlements, judgments or losses of whatever nature, character, and description, with respect to or arising out of any breach by the DISTRICT of its obligations under this Agreement, or from the DISTRICT's negligence or willful misconduct in connection with the Project, excepting only to the extent such matters arise from the negligence or willful misconduct of the CONSULTANT.

6.10 SAFETY: CONSULTANT shall perform the work in full compliance with applicable State and Federal safety requirements including, but not limited to, Occupational Safety and Health Administration requirements.

- (a) CONSULTANT shall take all precautions necessary for the safety of, and prevention of damage to, property on or adjacent to the Project site, and for the

safety of, and prevention of injury to, persons, including DISTRICT's employees, CONSULTANT's employees, and third persons. All work shall be performed entirely at CONSULTANT's risk. CONSULTANT shall comply with the insurance requirements set forth in Section 6.3 of this Agreement.

- (b) To the extent required by law, CONSULTANT shall also furnish the DISTRICT with a copy of any injury prevention program established for the CONSULTANT's employees pursuant to California Labor Code Section 6401.7, including any necessary documentation regarding implementation of the program. CONSULTANT hereby certifies that its employees have been trained in the program, and procedures are in place to train employees whenever new substances, processes, procedures, or equipment are introduced. CONSULTANT shall demonstrate compliance with California Labor Code Section 6401.7 by promptly making a copy of its Injury and Illness Prevention Plan available to the DISTRICT upon request.

6.11 EXAMINATION OF RECORDS: All original reports, calculations, and other documents or electronic data developed by CONSULTANT for the Project shall be furnished to and become the property of the DISTRICT. CONSULTANT agrees that the DISTRICT will have access to and the right to examine any directly pertinent books, documents, papers, and records of any and all of the transactions relating to this Agreement.

6.12 [Intentionally omitted]

6.13 INTEGRATION AND AMENDMENT: This Agreement contains the entire understanding between the DISTRICT and CONSULTANT as to those matters contained herein. No other representations, covenants, undertakings or other prior or contemporaneous agreements, oral or written, respecting those matters, which are not specifically incorporated herein, may be deemed in any way to exist or to bind any of the Parties hereto. Each Party acknowledges that it has not executed this Agreement in reliance on any promise, representation or warranty not set forth herein. This Agreement may not be amended except by a writing signed by all Parties hereto.

6.14 ASSIGNMENT: Neither Party shall assign or transfer its interest in this Agreement without written consent of the other Party. All terms, conditions, and provisions of this Agreement shall inure to and shall bind each of the Parties hereto, and each of their respective heirs, executors, administrators, successors, and assigns.

6.15 GOVERNING LAW: This Agreement shall be construed as if it was jointly prepared by both Parties hereto, and any uncertainty or ambiguity contained herein shall not be interpreted against the Party drafting same. In the event of a conflict between the provisions of this Agreement and the Scope of Work, the provisions of this Agreement shall control. This Agreement shall be enforced and governed by the laws of the State of California. If any action is brought to interpret or enforce any term of this Agreement, the action shall be brought in a state court situated in the County of San Bernardino, State of California, or in a federal court with jurisdiction in the County of San Bernardino, State of California.

6.16 HEADINGS: Article and Section headings in this Agreement are for convenience only and are not intended to be used in interpreting or construing the terms, covenants, and conditions of this Agreement.

6.17 PARTIAL INVALIDITY: If any term, covenant, condition, or provision of this Agreement is found by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect, and shall in no way be affected, impaired, or invalidated thereby.

6.18 EFFECT OF DISTRICT'S WAIVER: Any failure by the DISTRICT to enforce any provision of this Agreement, or any waiver thereof by the DISTRICT, shall not constitute a waiver of its right to enforce subsequent violations of the same or any other terms or conditions herein.

6.19 AUTHORITY: The individuals executing this Agreement represent and warrant that they have the legal capacity and authority to sign this Agreement on behalf of and to so bind their respective legal entities.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first written above.

CONSULTANT

DISTRICT

By: \_\_\_\_\_  
Ian Berg, CPA, Owner  
Starting Line Advisory

By: \_\_\_\_\_  
Ron Clark, President, Board of Directors  
Helendale Community Services District

**EXHIBIT A**

**SCOPE OF WORK**

DRAFT



January 16, 2026

Dr. Kimberly Cox, General Manager  
Helendale Community Services District  
26540 Vista Rd., Suite B  
Helendale, CA 92342

Dr. Cox,

This letter outlines an understanding of terms and objectives of the consulting engagement between Starting Line Advisory and the Helendale Community Services District (HCSD) from July 1, 2026, to June 30, 2029.

Our engagement will be performed under the *Statements on Standards for Consulting Services* issued by the American Institute of Certified Public Accountants (AICPA). Except as otherwise specifically stated below, we will not provide audit, review, compilation or financial statement preparation services to any historical or prospective financial information or provide attestation services under the AICPA *Statements on Standards for Attestation Engagements* and assume no responsibility for any such information.

You will provide Starting Line Advisory, as promptly as possible, all requested information and documentation reasonably deemed necessary or desirable by us in connection with the engagement. You represent and warrant that all information and documentation provided or to be provided to us is true, correct and complete, to the best of your knowledge and belief. We are authorized to rely upon such information and documentation without independent investigation or verification.

We are not required to, and will not, verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion or a conclusion nor provide any assurance on the financial statements.

Our engagement cannot be relied upon to identify or disclose any financial statement misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the entity or noncompliance with laws and regulations.

## SCOPE OF SERVICES

Starting Line Advisory will provide HCSD with finance and accounting advisory services including:

1. Monthly bank reconciliations.
2. Monthly balance sheet account reconciliations.
3. Periodic review of payroll and CalPERS reporting to ensure accuracy and compliance.
4. Review and assistance preparing quarterly payroll tax returns and annual W2 filing.
5. Monthly financial statement reporting and analysis.
6. Year-end closing of District books and records and coordination with District auditors and staff during annual audit procedures.
7. Implementation of upcoming GASB pronouncements.
8. Staff training on accounting and finance procedures recommended by Starting Line Advisory.
9. Recommendation and implementation of government accounting and finance industry best practices.



Our responsibilities and limitations of the engagement are as follows:

- We will perform the services in accordance with applicable professional standards.
- The non-attest services are limited to the services previously outlined above. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries.

We will not assume management responsibilities on behalf of HCSD. HCSD's management understands and agrees that any advice or recommendation we may provide in connection with our engagement is solely to assist management in performing its responsibilities.

HCSD's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

## OTHER

If you intend to publish or otherwise reproduce documents and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

During the engagement, Starting Line Advisory will provide confidential engagement documentation to you via secure methods, and request that you use secure methods in providing information to us. Should you choose not to utilize secure communication applications, you acknowledge that such communication contains a risk of the information being made available to unintended third parties. Similarly, we may communicate with you or your personnel via e-mail or other electronic methods, and you acknowledge that communication in those mediums contains a risk of misdirected or intercepted communications.

Should you provide Starting Line Advisory with remote access to your information technology environment, including but not limited to your financial reporting system, you agree to (1) assign unique usernames and passwords for use by our personnel in accessing the system and to provide this information in a secure manner; (2) limit access to "read only" to prevent any unintentional deletion or alteration of your data; (3) limit access to the areas of your technology environment necessary to perform the procedures agreed upon; and (4) disable all usernames and passwords provided to us upon the completion of procedures for which access was provided. We agree to only access your technology environment to the extent necessary to perform the identified procedures.

Regarding the electronic dissemination of your financial statements, including financial statements published electronically on your website or elsewhere, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Professional standards prohibit Starting Line Advisory from being the sole host and/or the sole storage for your financial and non-financial data. As such, it is your responsibility to maintain your original data and records and we



cannot be responsible to maintain such original information. By signing this engagement letter, you affirm that you have all the data and records required to make your books and records complete.

Ian Berg is the engagement partner for the services specified in this letter. Responsibilities include supervising and/or providing services performed as part of this engagement and signing or authorizing another qualified firm representative to approve release of the financial statements.

We may be requested to make certain engagement documentation available to outside parties, including regulators, pursuant to authority provided by law or regulation or applicable professional standards. If requested, access to such documentation will be provided under the supervision of Starting Line Advisory's personnel.

Furthermore, upon request, we may provide copies of selected documentation to the outside party, who may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies. We will be compensated for any time and expenses, including time and expenses of legal counsel, we may incur in making such documentation available or in conducting or responding to discovery requests or participating as a witness or otherwise in any legal, regulatory, or other proceedings resulting from our Firm's performance of these services. You and your attorney will receive, if lawful, a copy of every subpoena we are asked to respond to on your behalf and will have the ability to control the extent of the discovery process to control the costs you may incur.

Neither of us may use or disclose the other's confidential information for any purpose except as permitted under this engagement letter or as otherwise necessary for Starting Line Advisory to provide the services. Your confidential information is defined as any information you provide to us that is not available to the public. Starting Line Advisory's confidential information includes our documentation for this engagement. Our engagement documentation shall always remain the property of Starting Line Advisory. The confidentiality obligations described in this paragraph shall supersede and replace all prior confidentiality and/or nondisclosure agreements (NDAs) between us.

You agree to share all facts that may affect your financial statements, even if you first become aware of those facts after the completion of our preparation of the financial statements.

We agree to retain our documentation or work papers for a period of at least eight years from the date of the completion of our financial statement preparation procedures.

## **INDEMNITY**

You agree that none of Starting Line Advisory, its partners, affiliates, officers or employees shall be responsible for or liable to you for any misstatements in your financial statements that we may fail to detect as a result of knowing representations made to us, or the concealment or intentional withholding of information from us, by any of your owners, directors, officers or employees, whether or not they acted in doing so in your interests or for your benefit. You agree to hold Starting Line Advisory harmless from any claims, losses, settlements, judgments, awards, damages and attorneys' fees from any such misstatement, provided that the services performed hereunder were performed in accordance with professional standards, in all material respects. Starting Line Advisory agrees to hold you harmless from any claims, losses, settlements, judgments, awards, damages and attorneys' fees resulting from its negligence or intentional misconduct related to services provided under this Agreement.



## LIMITATION OF LIABILITY

The exclusive remedy available to you for any alleged loss or damages arising from or related to Starting Line Advisory's services or relationship with you shall be the right to pursue claims for actual damages that are directly caused by Starting Line Advisory's breach of this agreement or Starting Line Advisory's violation of applicable professional standards. In no event shall Starting Line Advisory's aggregate liability to you exceed two times fees paid under this agreement (provided that this limitation shall not apply to any liability resulting from Starting Line Advisory's intentional acts), nor shall Starting Line Advisory ever be liable to you for incidental, consequential, punitive or exemplary damages, or attorneys' fees.

## TIME LIMITATION

The nature of our services makes it difficult, with time, to gather and present evidence that fully and fairly establishes the facts underlying any Dispute. We both agree that, notwithstanding any statute of limitations that might otherwise apply to a Dispute, it is reasonable that you may not bring any legal proceeding against us unless it is commenced within twenty-four (24) months ("Limitation Period") after the date when we deliver our report, return or other deliverable under this agreement to you, regardless of whether we perform other services for you or that may relate to the agreed-upon procedure report. The Limitations Period applies and begins to run even if you have not suffered any damage or loss or have not become aware of the existence or possible existence of a Dispute.

## GOVERNING LAW AND VENUE

Any Dispute between us, including any Dispute related to the engagement contemplated by this agreement, shall be governed by California law. Any unresolved Dispute shall be submitted to a federal or state court located in the County of Orange.

## RETAINER FEE

A monthly retainer fee of \$4,300 will be invoiced to HCSD following the provision of monthly services. The monthly retainer fee is based on time requirements for Starting Line Advisory personnel to perform the defined scope of services throughout the engagement period. A detailed annual service estimate and retainer fee is provided in the following table:

### Helendale CSD Annual Retainer Proposal

Service Category	Service Description	Staff	Total Hours			Annual Cost
			Est.	Rate		
Accounting Reconciliations	Monthly bank and balance sheet account reconciliations	Senior	120.0	\$ 170	\$	20,400
Financial Reporting	Monthly financial reporting preparation and analysis	Manager	30.0	\$ 201	\$	6,030
Financial Reporting	Monthly financial reporting review and guidance	Partner	5.0	\$ 232	\$	1,160
Payroll	Periodic review of payroll and CalPERS reporting	Manager	16.0	\$ 201	\$	3,216
Payroll	Assistance with quarterly payroll tax returns and annual W2 filing	Manager	32.0	\$ 201	\$	6,432
Fiscal Year-End	Year-end closing and coordination for annual audit	Senior	40.0	\$ 170	\$	6,800
Fiscal Year-End	Year-end closing and coordination for annual audit	Manager	15.0	\$ 201	\$	3,015
Fiscal Year-End	GASB guidance and implementation, audit report review	Partner	5.0	\$ 232	\$	1,160
State Reporting	Government Compensation in CA Reporting Review / Submission	Manager	2.0	\$ 201	\$	402
Training	Miscellaneous staff training and updating procedures	Manager	20.0	\$ 201	\$	4,020
			<b>285.0</b>		<b>\$</b>	<b>52,635</b>

Monthly Retainer Proposal	\$	4,300
Annual Retainer Total	\$	51,600
Estimated Retainer Discount		-2%



## OUT OF SCOPE SERVICES, TRAVEL & INCIDENTALS

Services provided to HCSD beyond the defined scope of services will be billed at standard hourly rates provided in the table below. 50% of the standard hourly rate will be charged for time spent during travel to perform services. Mileage is charged at the active Internal Revenue Service (IRS) mileage rate at the time of travel.

Personnel	Hourly Rate
Advisory Partner	\$232
Advisory Manager	\$201
Senior Advisor	\$170
Advisor	\$139
Intern	\$98

## OPTIONS TO EXTEND

HCSD and Starting Line Advisory may agree to extend the agreement period beyond June 30, 2029. Upon mutual agreement of both parties, a one-year extension period will follow under the same terms provided in this letter. One-year extension periods begin on July 1<sup>st</sup> and end on June 30<sup>th</sup> each year and can be exercised indefinitely with mutual agreement of HCSD and Starting Line Advisory. The monthly retainer fee and/or hourly rates are subject to increase at Starting Line Advisory's discretion beginning each extension period. Rate increases will not exceed a 12-month average of the 12-month change in the Consumer Price Index for All Urban Consumers (CPI-U) in the Riverside area as published by the Bureau of Labor Statistics (BLS). The calculated maximum allowable rate increase would be based on the change in CPI-U since the date of the last rate change.

## TIME & EXPENSES

Starting Line Advisory will be compensated for incidentals and time and expenses, including time and expenses of legal counsel, incurred in conducting or responding to discovery requests or participating as a witness or otherwise in any legal, regulatory, or other proceedings due to our Firm's performance of these services. You and your attorney will receive, if lawful, a copy of every subpoena we are asked to respond to on your behalf and will have the ability to control the extent of the discovery process to control the costs you may incur. Upon termination of our relationship, you will be billed for services to the date of termination. If collection action is necessary, expenses and reasonable attorney's fees will be added to the amount due.

If HCSD hires any of the staff working on this engagement, HCSD agrees to reimburse Starting Line Advisory a one-time fee of fifty percent (50%) of the staff member's annual salary to cover recruitment and training costs.

## REMOTE SERVICES

Our services can be provided 100% remotely. Starting Line Advisory operates efficiently as your "satellite" service provider. When reasonably necessary, or at client request, we enjoy spending time providing services in person.



**ASSIGNMENTS PROHIBITED**

You shall not assign, sell, barter or transfer any legal rights, causes of actions, claims or disputes you may have against Starting Line Advisory to any person or entity.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the understanding of our engagement including our respective responsibilities. We appreciate the opportunity to serve you as your Certified Public Accountants and look forward to working with you and your staff.

Respectfully,

Ian Berg, CPA  
Owner

.....  
**RESPONSE:**

This letter correctly sets forth our understanding. Acknowledged and agreed on behalf of HCSD by:

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_



# Helendale Community Services District

Date: February 19, 2026  
TO: Board of Directors  
FROM: Kimberly Cox, General Manager  
BY: Alex Aviles, Wastewater Operations Manager  
SUBJECT: Agenda item #10  
Discussion Only Regarding Review of Wastewater 5-Year Capital Improvement Plan (CIP)

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## **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 fund are reviewed by the Board. These plans outline proposed capital expenditures for both equipment and infrastructure improvements. It is important to note that approval of the CIP does not constitute approval for the capital expenditures as each capital project over the General Manager's signing authority is brought to the Board for a separate discussion and approval. The CIP is a guide for anticipated expenses, not the approval of these expenditures.

Attached, for the Board's review, is the draft FY2027 Capital Improvement Plan for Wastewater with the current fiscal year projects included for reference. This will be the starting point for a more comprehensive discussion on the possible capital needs of the Wastewater operation over the next five years.

Staff will review each line item for the proposed Capital Improvement Plan (CIP) with the Board and provide a detailed explanation of both the proposed projects for FY2027 and the completed projects for the current fiscal year at the Board meeting.

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. Further, operational necessity can also increase the priority of a project, and it could be moved forward as needed.

**FISCAL IMPACT:** As estimated in the CIP spreadsheet  
**POSSIBLE MOTION:** None  
**ATTACHMENTS:** DRAFT Wastewater CIP

**Wastewater Capital Budget FY 2027 - 2031**

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
1 Plant & Lift Station #1 SCADA	\$ 50,000					
2 Backhoe	\$ 140,000					
3 Trickling Filter Gate Valves and Check Valve	\$ 25,000					
4 Sewer Camera	\$ 75,000					
5 Collection System Lining - Various areas	\$ 50,000	\$ 50,000				Moved from FY28 to FY26
6 Diaphragm Sludge Pumps	\$ 80,000	\$ 80,000				Increased from \$30k to \$50k/yr
7 Headworks Electrical Repair/Replacement	\$ 115,000	\$ 115,000				Moved from FY26 & 27 to FY 27
8 Secondary Clarifier Drives	\$ 120,000	\$ 120,000				NEW
9 Blower Room Climate Control	\$ 20,000	\$ 20,000				NEW
10 Rehab Digester, Blower heads, Line & Diffuser Replacement		\$ 600,000				Combined Digester, with Blower Heads and Blower Line & Diffuser Replacement. Moved from FY29 to FY 27
11 Coarse Barscreen Replacement		\$ 150,000				Moved to FY27. Reduced from \$250k to \$150k
12 Primary Clarifier Coating		\$ 350,000				Moved from FY26 to FY27
13 Sump Pumps (5)		\$ 45,000				Moved from FY26 to FY27. Increased by \$25k
14 Asphalt Road in Plant		\$ 350,000				Moved from FY26 to FY28
15 Collection System Lining - Vista to Sunshine		\$ 350,000				Moved from FY26 to FY28
16 Pump Room Valve Replacements (18)		\$ 45,000				Moved from FY26 to FY28
17 Rehabilitate Schooner Pump Station (Coating, Electrical Panels and New Pump)		\$ 150,000				Moved from FY27
18 Rehabilitate Parkway Pump Station ( Coating, Electrical Panels and New Pump)		\$ 150,000				Moved from FY27
19 Smithson Electrical Upgrade		\$ 100,000				moved from FY26. Increased by \$65k
20 Plant Sludge Lines (Replacement)		\$ 800,000				
21 Sludge Process Pumps / New Piping Configuration		\$ 350,000				NEW
22 Secondary Clarifier Rehabilitation		\$ 320,000				Moved from FY27
23 Generator replacement wiring & conduit		\$ 200,000				Increased from \$150k
24 Coating Parshall Flume, grit chamber and Concrete Repair & Replacement. New grating		\$ 360,000				
25 Automatic gates plant entrances (2) Gates		\$ 80,000				New
26 Trickling Filter Drives. Panels & enclosure		\$ 400,000				Moved from FY29 to FY30
27 Rehab Pump Rooms		\$ 40,000				New
28 Influent Slide Gate Replacement		\$ 55,000				
29 Galleon Line Replacement/Repair		\$ 1,500,000				
30 Park / 4-plex lift station pumps		\$ 30,000				New
31 Electrical Replacement Primary, Secondary, Digester					\$ 300,000	Moved from FY30 to FY31. Increased by \$150k
32 BioFilter Rebuild TF#1 & TF#2					\$ 95,000	Moved from FY27
33 Solar Field					\$ 977,463	
34 Alfalfa Field Pump Replacements					\$ 100,000	New
	\$ 340,000	\$ 1,530,000	\$ 2,295,000	\$ 1,000,000	\$ 1,985,000	\$ 1,472,463