

## HERITAGE RANCH COMMUNITY SERVICES DISTRICT

### MEMORANDUM

**TO:** Board of Directors

**FROM:** Scott Duffield, General Manager  
Kristen Gelos, Office Supervisor

**DATE:** July 18, 2019

**SUBJECT:** Submittal for approval Resolution 19-05 providing for collection of delinquent solid waste charges and penalties to be collected on the tax roll in the same manner as property taxes.

#### **Recommendation**

It is recommended that the Board of Directors:

1. Open the Public Hearing to provide an opportunity for filing objections and presentation of testimony or other evidence concerning this report; and
2. At the close of the Public Hearing, approve Resolution 19-05 providing for collection of delinquent solid waste charges and penalties to be collected on the tax roll in the same manner as property taxes.

#### **Background**

District Code of Ordinances Section 8.200 specifies that,

“All developed properties located within the District with a water meter shall be subject to mandatory solid waste service. The collection service may be either curbside or by commercial bin service. This requirement is predicated on an identical requirement adopted by the Heritage Ranch Owner’s Association, dated March 25, 1999.”

#### **Discussion**

District Code of Ordinances Section 8.330 specifies the collection procedures for overdue solid waste accounts. This section incorporates the procedures of Government Code Section 61115(b) that provides for the collection of charges and any penalties for services provided to be collected on the tax roll in the same manner as property taxes. Thus, the Board of Directors may authorize the San Luis Obispo County auditor to collect delinquent

solid waste service charges and penalties by placing them on the property owners' property tax bill for collection.

The following required procedures were used to notify delinquent customers of their account status:

- On April 15, 2019, San Miguel Garbage Company sent certified letters to each delinquent account customer giving a 45-day notice to pay pursuant to District Code 8.330. This letter stated that non-payment may result in the District collecting the amount owed with general taxes.
- On May 31, 2019, San Miguel Garbage provided the District with a listing of delinquent accounts.
- On June 13, 2019, the District sent a Notice of Public Hearing to each delinquent property owner.
- On June 20, 2019 and July 4, 2019, the Notice of Public Hearing was published in *The Tribune*.
- Property owners that have paid since June 30, 2019, will be removed from the delinquent listing (Exhibit A) at the Public Meeting.

### **Fiscal Considerations**

This action will enforce the mandatory solid waste provision of District Code of Ordinances Section 8.200 and collect monies owed to San Miguel Garbage Company for services provided.

### **Results**

The attached Resolution 19-05 authorizes the San Luis Obispo County Auditor to levy the amounts due on delinquent solid waste accounts to be collected with property taxes.

Attachments: Resolution 19-05

Exhibit A – 2018/2019 Delinquent Solid Waste Charges and Penalties

File: Solid Waste\_SMGC

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
RESOLUTION NO. 19-05**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HERITAGE RANCH  
COMMUNITY SERVICES DISTRICT PROVIDING FOR COLLECTION OF  
DELINQUENT SOLID WASTE CHARGES AND PENALTIES TO BE COLLECTED  
ON THE TAX ROLL IN THE SAME MANNER AS PROPERTY TAXES**

**WHEREAS**, the Heritage Ranch Community Services District (“District”) makes the following finding of fact:

1. The District is duly authorized to provide its residents with solid waste services.
2. All developed properties located within the District with a water meter are subject to mandatory solid waste service pursuant to District Ordinance Code 8.200.
3. On December 20, 2007, the District adopted Resolution 07-12 amending District Ordinance Code Chapter 8 incorporating the provisions of Government Code Section §61110 et seq. for the collection of delinquent solid waste charges and penalties.
4. District Ordinance Code Section 8.330 provides that all solid waste accounts that are more than 120 days past due during the year are subject to collection procedures as identified in Government Code Section §61115(b).
5. The Franchisee, who provides solid waste collection services, has provided notice to delinquent service accounts pursuant to District Code 8.330.
6. The District General Manager has prepared and filed a report (“Report”) that describes each affected parcel of real property and the amounts of charges and delinquencies for each affected parcel for the year. Said Report is attached hereto as Exhibit “A” and incorporated herein by this reference.
7. The District General Manager, pursuant to Section §6066 of the Government Code, has published notice of the filing of the Report and has caused notice in writing to be mailed to the owner of each affected parcel as shown on the last equalized assessment roll available on the date the Report was prepared, as the address shown on the assessment roll, or as known to the General Manager.
8. On July 18, 2019, a public hearing was held before the District Board at which time all interested persons were given the opportunity to object or protest the Report or any portions thereof.

**NOW, THEREFORE, BE IT ORDAINED** by the Board of Directors of the Heritage Ranch Community Services District as follows:

1. Each of the above findings are true and correct and incorporated herein by this reference.
2. The Report (Exhibit "A") as submitted and as may be revised by the Board is hereby confirmed and adopted.
3. The charges and penalties as described in the Report have been determined by the Board to be delinquent and unpaid.
4. On or before August 10, 2019, the District General Manager is authorized to file with the county auditor a copy of this Resolution and Report showing the unpaid charges and penalties as required by Section §61115(b) of the Government Code.
5. Pursuant to Government Code §61115(b), the county auditor shall enter the amount of charges and penalties against each of the affected parcels of real property as they appear on the current assessment roll. The county tax collector shall include the amount of the charges and penalties on the tax bills for each affected parcel of real property and collect the charges and penalties in the same manner as property taxes.

**PASSED, APPROVED AND ADOPTED** by the Board of Directors of the Heritage Ranch Community Services District on the 18<sup>th</sup> day of July 2019, by the following roll call vote.

**AYES:**

**NOES:**

**ABSTAIN:**

**ABSENT:**

**APPROVED:** \_\_\_\_\_  
**Bill Barker Jr., President**  
**Board of Directors**

**ATTEST:** \_\_\_\_\_  
**Kristen Gelos**  
**Board Secretary**

**2018/2019 Delinquent Solid Waste Charges and Penalties  
Exhibit A**

<b>LAST NAME</b>	<b>FIRST NAME</b>	<b>APN #</b>	<b>AMOUNT TO BE COLLECTED ON TAX ROLL</b>
GERMAIN	TONYA	012-183-021	\$ 427.00
DECKER	TYLER	012-187-010	\$ 236.00
ORMONDE	LEE & KRISTIN	012-187-013	\$ 401.00
MARRIOTT	CANDICE	012-187-056	\$ 401.00
BROOKS	KT RENEE	012-188-015	\$ 341.00
SHUPP	DEAN	012-274-012	\$ 489.00
NAY	KEVIN	012-282-014	\$ 483.00
HYSELL	MIMI	012-322-033	\$ 291.00
KNOPKE	JOHN	012-324-002	\$ 401.00
DUQUE	FRANKLIN	012-345-033	\$ 362.00
SARACENI	JOSEPH & MISTY	012-362-011	\$ 628.00
SANDOVAL	DEBBIE	012-373-001	\$ 137.00
ROSS	JON	012-374-021	\$ 401.00
PACHECO	CARL	012-374-023	\$ 509.00
DEURLOO	TIMOTHY	012-182-042	\$ 478.00
RIOS	EARLINE	012-183-019	\$ 458.00
YOUNG	KENNY & TRACY	012-184-014	\$ 829.00
SMITH	BRYAN	012-184-019	\$ 244.00
LAVONNE BAKER	KELLY	012-185-001	\$ 181.00
RODRIGUEZ	LOUISPATRICK	012-185-024	\$ 327.00
TORGERSON	FRANK	012-272-043	\$ 121.00
TINAJEVO	EBERARDO	012-275-006	\$ 228.00
MARRIOTT	CANDICE	012-276-021	\$ 484.00
CLEVELAND	KRYSTAL	012-324-014	\$ 357.00
RAPER	ERNIE	012-342-041	\$ 431.00
MULREADY	JOHN	012-345-007	\$ 207.00
PARIS	CHRIS	012-376-006	\$ 276.00
			\$ 10,128.00

## HERITAGE RANCH COMMUNITY SERVICES DISTRICT

### MEMORANDUM

**TO:** Board of Directors

**FROM:** Scott Duffield, General Manager

**DATE:** July 18, 2019

**SUBJECT:** Submittal for approval Resolution 19-06 adopting a Fiscal Year 2019/20 Final Budget and Salary Schedule.

#### **Recommendation**

It is recommended that the Board of Directors:

1. Hold a public hearing to consider adopting a final budget for Fiscal Year 2019/20;  
and
2. At the close of the public hearing approve Resolution 19-06 adopting a Fiscal Year 2019/20 Final Budget and Salary Schedule.

#### **Background**

On June 20, 2019, your Board adopted the Fiscal Year 2019/20 Preliminary Budget. The meeting allowed the opportunity for the public to provide input prior to the adoption of the Preliminary Budget. Following the meeting a notice was published in the Tribune indicating the Preliminary Budget had been adopted and setting the date of July 18, 2019, for a public hearing and adoption of a Final Budget. The Preliminary Budget has been available at the front counter of the District office for public review. The District has not received any written public comments.

California Code of Regulations Title 2, Section 570.5, and Section 571 subsection (b) require salary schedules and special compensation to be publicly available and duly approved and adopted by the Board.

#### **Discussion**

##### **Budget**

The attached water, sewer, general fund, and solid waste fund budgets are presented for your adoption. Increases or decreases in line item categories from the adopted FY

2019/20 Preliminary Budget are detailed on the Final Budget. The water fund has a \$23,339 surplus and the sewer fund has a \$37,593 surplus.

Several minor adjustments were made to the Final Budget as a result of expense and revenue updates from the Preliminary Budget. The net impact of these adjustments is an increase of \$10,529 in total revenue, and an increase of \$6,193 in total expense from the Preliminary Budget. The final consolidated budget has a surplus of \$60,932.

### Salary Schedule

All agencies that are members of CalPERS are required to ensure that pay schedules and special compensation (e.g., out-of-class pay, certification pay) are publicly available as prescribed by the California Code of Regulations, Title 2, §570.5, and §571 subsection (b). "Publicly available" is defined as posted at the office of the employer or immediately accessible and available for public review from the employer during normal business hours or posted on the employer's internet website.

Your Board approves a budget, a Memorandum of Understanding with the Heritage Ranch Community Services Employees Association, and an employment agreement with the General Manager. All of these items are publicly available and contain salary schedules and special compensation items pursuant to the code sections noted above. Thus, approval of the FY 2019/20 Salary Schedule with the budget is recommended.

The rates listed in the FY 2019/20 Salary Schedule are reflected in the FY 2019/20 Final Budget.

### Results

Approval of Resolution 19-06 adopting a Fiscal Year 2019/20 Final Budget and Salary Schedule will result in maintaining fiscally responsible management of the District.

Attachments: Resolution 19-06  
Fiscal Year 2019/20 Final Budget  
Fiscal Year 2019/20 Salary Schedule

File: Budget\_FY19/20

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
RESOLUTION NO. 19-06**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HERITAGE RANCH  
COMMUNITY SERVICES DISTRICT ADOPTING A FISCAL YEAR 2019/20 FINAL  
BUDGET AND SALARY SCHEDULE**

**WHEREAS**, the District is required, pursuant to Government Code Section 61110, to adopt a preliminary budget that conforms to Generally Accepted Accounting Principles before July 1 of each year; and

**WHEREAS**, The District's budget outlines anticipated revenue and expense for each of its operating funds; and

**WHEREAS**, the District adopted a preliminary budget on June 20, 2019, and published said budget for public review and comment, and set the date of July 18, 2019, for adoption of a Final Budget.

**WHEREAS**, the District is required to ensure that pay schedules and special compensation (e.g., out-of-class pay, certification pay) are publicly available as prescribed by the California Code of Regulations, Title 2, §570.5, and §571 subsection (b); and

**WHEREAS**, your Board approves a budget, a Memorandum of Understanding with the Heritage Ranch Community Services Employees Association, and an employment agreement with the General Manager; and

**WHEREAS**, the rates listed in the FY 2019/20 Salary Schedule are reflected in the FY 2018/19 Final Budget.

**NOW, THEREFORE, BE IT RESOLVED AND ORDERED** by the Board of Directors of the Heritage Ranch Community Services District that:

1. The District Final Budget for Fiscal Year 2019/20, a copy of which is attached and made a part hereof, is hereby adopted.
2. The budget be administered as established by current policies and practices.
3. The District Salary Schedule for Fiscal Year 2019/20, a copy of which is attached and made a part hereof, is hereby adopted.



**PASSED, APPROVED AND ADOPTED** by the Board of Directors of the Heritage Ranch Community Services District on the 18<sup>th</sup> day of July 2019, by the following roll call vote.

**AYES:**  
**NOES:**  
**ABSTAIN:**  
**ABSENT:**

**APPROVED:** \_\_\_\_\_  
**Bill Barker Jr., President**  
**Board of Directors**

**ATTEST:** \_\_\_\_\_  
**Kristen Gelos, Secretary**  
**Board of Directors**

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
Draft 2019/20 Capital & Equipment Budget**

PROJECTS	Total Budget	Funding Source							
		Capital Reserves		Operating Budget			Operating Reserves		
		Water	Sewer	Water	Sewer	General	Water	Sewer	
Vertical Well (design)	\$40,000	\$13,600		\$26,400			\$0	\$0	
Lift Station 5 (connect to LS 10)	\$25,000						\$0	\$25,000	
Lift Station 3 (rehab design)	\$60,000		\$21,000				\$0	\$39,000	
PVS (design, bid docs)	\$60,000	\$12,240	\$8,400	\$23,760			\$0	\$15,600	
OPEB Funding/Transfer	\$25,000					\$25,000	\$0	\$0	
WTP Actuator Replacement (Roll forward from 18/19)	\$10,529						\$10,529		
subtotal Projects	\$220,529	\$25,840	\$29,400	\$50,160	\$0	\$25,000	\$10,529	\$79,600	
<b>EQUIPMENT</b>									
Backhoe replacement	\$120,000			\$72,000			\$0	\$48,000	
VOiP Phone System	\$15,000			\$9,000			\$0	\$6,000	
subtotal Equipment	\$135,000	\$0	\$0	\$81,000	\$0	\$0	\$0	\$54,000	
<b>TOTAL CAPITAL</b>	<b>\$355,529</b>	<b>\$25,840</b>	<b>\$29,400</b>	<b>\$131,160</b>	<b>\$0</b>	<b>\$25,000</b>	<b>\$10,529</b>	<b>\$133,600</b>	

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT - WATER FUND**  
**2018/19 Un-Audited, Preliminary 2019/20, & Final 2019/20**

<b>OPERATING REVENUE</b>	<b>Un-Audited FYE 2019</b>	<b>Preliminary 19/20</b>	<b>Changes</b>	<b>Notes</b>	<b>Final Budget 19/20</b>
Water Fees	937,180	1,048,675	-		1,048,675
Late Fees	10,061	11,000	-		11,000
Hook-Up Fees	3,700	5,000	-		5,000
Turn on Fees	2,180	2,000	-		2,000
Plan Check & Inspection	917	5,000	-		5,000
Miscellaneous Income	0	0	-		0
<b>TOTAL OPERATING REVENUE</b>	<b>\$954,037</b>	<b>\$1,071,675</b>	<b>\$0</b>		<b>\$1,071,675</b>
<b>NON-OPERATING REVENUE</b>					
Standby Charges	197,020	203,154	-		203,154
Property Tax	192,540	200,399	-		200,399
Interest	52,245	38,000	-		38,000
Connection Fees	33,278	63,490	-		63,490
<b>TOTAL NON-OPERATING REVENUE</b>	<b>\$475,084</b>	<b>\$505,043</b>	<b>\$0</b>		<b>\$505,043</b>
<b>RESERVE REVENUE</b>					
Capital Reserves	66,692	25,840	-		25,840
General Reserves	0	0	10,529		10,529
<b>TOTAL RESERVE REVENUE</b>	<b>\$66,692</b>	<b>\$25,840</b>	<b>\$10,529</b>		<b>\$36,369</b>
<b>TOTAL REVENUE</b>	<b>\$1,495,813</b>	<b>\$1,602,558</b>	<b>\$10,529</b>		<b>\$1,613,087</b>
<b>OPERATING EXPENSES</b>					
<b>SALARIES AND BENEFITS</b>					
Salaries	227,978	237,482	(2,087)		235,395
Overtime	9,020	8,450	-		8,450
Standby	7,400	7,750	-		7,750
Health Insurance	39,744	36,700	(171)		36,529
Pers Retirement	43,168	48,371	(465)		47,906
Workers Comp. Ins.	10,560	13,496	(121)		13,375
Medicare/FICA	3,532	3,443	(30)		3,413
Uniforms	1,462	2,250	-		2,250
<b>TOTAL SALARIES &amp; BENEFITS</b>	<b>\$342,862</b>	<b>\$357,942</b>	<b>(2,874)</b>		<b>\$355,068</b>
<b>UTILITIES</b>					
Electricity	150,988	167,648	(10,620)		157,028
Water Purchase	23,114	23,114	-		23,114
Telephone/Internet	3,416	4,066	(514)		3,552
<b>TOTAL UTILITIES</b>	<b>\$177,518</b>	<b>\$194,828</b>	<b>(11,134)</b>		<b>\$183,694</b>

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT - WATER FUND**  
**2018/19 Un-Audited, Preliminary 2019/20, & Final 2019/20**

	Un-Audited FYE 2019	Preliminary 19/20	Changes	Notes	Final Budget 19/20
<b>MAINTENANCE &amp; SUPPLIES</b>					
Chemicals	51,394	55,000	-		55,000
Computer/Software	4,048	3,000	-		3,000
Equip. Rental/Lease	340	500	-		500
Fixed Equip.	43,418	66,000	-		66,000
Fuel & Oil	8,700	7,000	-		7,000
Lab Testing	12,636	12,600	-		12,600
Struct./Grnds.	3,547	3,500	-		3,500
Small Tools/Equip.	1,573	1,500	-		1,500
Supplies	3,180	3,000	-		3,000
Meters/Equip.	2,639	5,000	-		5,000
Vehicles	6,895	4,500	-		4,500
<b>TOTAL MAINT. &amp; SUP.</b>	<b>\$138,371</b>	<b>\$161,600</b>	<b>\$0</b>		<b>\$161,600</b>
<b>GENERAL &amp; ADMINISTRATION</b>					
Allocation of General Fund	244,884	258,605	5,363		263,968
Alarm/Answering Service	868	800	-		800
Bank Charges/Fees	0	0	-		0
Consulting/Engineering	5,556	10,000	-		10,000
Dues/Subscription	909	1,525	-		1,525
Insurance	10,823	8,605	-		8,605
Legal/Attorney	2,134	5,000	-		5,000
Licenses/Permits	11,464	13,000	-		13,000
Plan Check & Inspection	1,732	5,000	-		5,000
Professional Service	7,417	8,600	3,500		12,100
Training & Travel	194	1,000	-		1,000
<b>TOTAL G &amp; A</b>	<b>\$285,982</b>	<b>\$312,135</b>	<b>\$8,863</b>		<b>\$320,998</b>
<b>CAPITAL PROJECTS &amp; EQUIPMENT</b>					
Project	22,222	76,000	10,529		86,529
Equipment	44,471	81,000	-		81,000
<b>TOTAL CAPITAL</b>	<b>\$66,692</b>	<b>\$157,000</b>	<b>\$10,529</b>		<b>\$167,529</b>
<b>DEBT</b>					
State Loan Payment-DWR	103,628	103,629	-		103,629
State Loan Payment Phase II-SRF	58,739	58,740	-		58,740
<b>TOTAL DEBT</b>	<b>\$162,367</b>	<b>\$162,369</b>	<b>\$0</b>		<b>\$162,369</b>
<b>FUNDED DEPRECIATION</b>					
	175,000	175,000			175,000
<b>UNFUNDED DEPRECIATION</b>					
	0	0			0
<b>TOTAL EXPENSE</b>	<b>\$1,348,792</b>	<b>\$1,520,874</b>	<b>5,384</b>		<b>\$1,526,258</b>
<b>TRANSFER TO RESERVES</b>	<b>\$33,278</b>	<b>\$63,490</b>	<b>\$0</b>		<b>\$63,490</b>
<b>FUND TOTAL</b>	<b>\$113,744</b>	<b>\$18,194</b>	<b>\$5,145</b>		<b>\$23,339</b>

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT - SEWER FUND**  
**2018/19 Un-Audited, Preliminary 2019/20, & Final 2019/20**

<b>OPERATING REVENUE</b>	<b>Un-Audited FYE 2019</b>	<b>Preliminary 19/20</b>	<b>Changes</b>	<b>Notes</b>	<b>Final Budget 19/20</b>
Sewer Fees	588,821	628,817	-		628,817
Late Fees	6,653	7,000	-		7,000
Hook-Up Fees	600	1,000	-		1,000
Turn on Fees	1,470	1,500	-		1,500
Plan Check & Inspection	917	5,000	-		5,000
Miscellaneous Income	0	0	-		0
<b>TOTAL OPERATING REVENUE</b>	<b>\$598,461</b>	<b>\$643,317</b>	<b>\$0</b>		<b>\$643,317</b>
<b>NON-OPERATING REVENUE</b>					
Standby Charges	40,354	39,312	-		39,312
Property Tax	105,022	109,308	-		109,308
Interest	16,415	12,000	-		12,000
Connection Fees	28,236	77,670	-		77,670
<b>TOTAL NON-OPERATING REVENUE</b>	<b>\$190,027</b>	<b>\$238,290</b>	<b>\$0</b>		<b>\$238,290</b>
<b>RESERVE REVENUE</b>					
Capital Reserves	29,400	29,400	-		29,400
General Reserves	0	133,600	-		133,600
<b>TOTAL RESERVE</b>	<b>\$29,400</b>	<b>\$163,000</b>	<b>\$0</b>		<b>\$163,000</b>
<b>TOTAL REVENUE</b>	<b>\$817,887</b>	<b>\$1,044,607</b>	<b>\$0</b>		<b>\$1,044,607</b>
<b>OPERATING EXPENSES</b>					
<b>SALARIES AND BENEFITS</b>					
Salaries	151,985	158,321	(1,391)		156,930
Overtime	6,013	5,600	-		5,600
Standby	4,933	5,150	-		5,150
Health Insurance	26,854	24,467	(115)		24,352
Pers Retirement	28,585	32,248	(311)		31,937
Workers Comp. Ins.	6,973	8,997	(81)		8,916
Medicare/FICA	2,355	2,296	(21)		2,275
Uniforms	975	2,250	-		2,250
<b>TOTAL SALARIES &amp; BENEFITS</b>	<b>\$228,673</b>	<b>\$239,329</b>	<b>(1,919)</b>		<b>\$237,410</b>
<b>UTILITIES</b>					
Electricity	75,192	80,080	(1,881)		78,199
Telephone/Internet	2,381	2,818	(342)		2,476
<b>TOTAL UTILITIES</b>	<b>\$77,572</b>	<b>\$82,898</b>	<b>(2,223)</b>		<b>\$80,675</b>

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT - SEWER FUND**  
**2018/19 Un-Audited, Preliminary 2019/20, & Final 2019/20**

	<b>Un-Audited FYE 2019</b>	<b>Preliminary 19/20</b>	<b>Changes</b>	<b>Notes</b>	<b>Final Budget 19/20</b>
<b>MAINTENANCE &amp; SUPPLIES</b>					
Chemicals	21,008	21,000	-		21,000
Computer/Software	4,073	1,000	-		1,000
Equip. Rental/Lease	0	500	-		500
Fixed Equip.	20,202	37,000	-		37,000
Fuel & Oil	5,800	5,000	-		5,000
Lab Testing	23,804	17,400	-		17,400
Struct./Grnds.	7,095	7,000	-		7,000
Small Tools/Equip.	1,049	2,000	-		2,000
Supplies	1,901	2,500	-		2,500
Vehicles	4,596	4,000	-		4,000
<b>TOTAL MAINT. &amp; SUP.</b>	<b>\$89,527</b>	<b>\$97,400</b>	<b>\$0</b>		<b>\$97,400</b>
<b>GENERAL &amp; ADMINISTRATION</b>					
Allocation of General Fund	188,373	198,927	4,126		203,053
Alarm/Answering Service	868	775	-		775
Bank Charges/Fees	0	0	-		0
Consulting/Engineering	4,252	10,000	-		10,000
Dues/Subscription	82	775	-		775
Insurance	8,246	6,556	-		6,556
Legal/Attorney	1,309	2,000	-		2,000
Licenses/Permits	7,821	15,200	-		15,200
Plan Check & Inspection	1,059	5,000	-		5,000
Professional Service	5,369	8,500	-		8,500
Training & Travel	783	1,000	-		1,000
<b>TOTAL G &amp; A</b>	<b>\$218,162</b>	<b>\$248,733</b>	<b>\$4,126</b>		<b>\$252,859</b>
<b>CAPITAL PROJECTS &amp; EQUIPMENT</b>					
Project	8,368	109,000	-		109,000
Equipment	21,031	54,000	-		54,000
<b>TOTAL CAPITAL</b>	<b>\$29,400</b>	<b>\$163,000</b>	<b>\$0</b>		<b>\$163,000</b>
FUNDED DEPRECIATION	98,000	98,000	-		98,000
UNFUNDED DEPRECIATION	0	0	-		0
<b>TOTAL EXPENSE</b>	<b>\$741,334</b>	<b>\$929,360</b>	<b>(16)</b>		<b>\$929,344</b>
TRANSFER TO RESERVES	\$28,236	\$77,670	-		\$77,670
<b>FUND TOTAL</b>	<b>\$48,317</b>	<b>\$37,577</b>	<b>\$16</b>		<b>\$37,593</b>

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT - SOLID WASTE FUND**  
**2018/19 Un-Audited, Preliminary 2019/20, & Final 2019/20**

<b>OPERATING REVENUE</b>	<b>Un-Audited FYE 2019</b>	<b>Preliminary 19/20</b>	<b>Changes</b>	<b>Notes</b>	<b>Final Budget 19/20</b>
Franchise Fees	\$69,634	\$70,932	-		\$70,932
<b>TOTAL REVENUE</b>	\$69,634	\$70,932	\$0		\$70,932
<b>OPERATING EXPENSES</b>					
Allocation of General Fund	37,675	39,785	826		\$40,611
<b>TOTAL EXPENSES</b>	\$37,675	\$39,785	\$826		\$40,611
TRANSFER TO RESERVES	\$31,959	\$31,147	(\$826)		\$30,321
<b>FUND TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT - GENERAL FUND**  
**2018/19 Un-Audited, Preliminary 2019/20, & Final 2019/20**

<b>OPERATING REVENUE</b>	<b>Un-Audited FYE 2019</b>	<b>Preliminary 19/20</b>	<b>Changes</b>	<b>Notes</b>	<b>Final Budget 19/20</b>
Transfer from other Funds	0	0	-		0
Miscellaneous Income	3,209	2,000	-		2,000
<b>TOTAL OPERATING REVENUE</b>	<b>\$3,209</b>	<b>\$2,000</b>	<b>\$0</b>		<b>\$2,000</b>
<b>NON-OPERATING REVENUE</b>					
Property Tax	52,511	54,654	-		54,654
Interest	0	0	-		0
<b>TOTAL NON-OPERATING REVENUE</b>	<b>\$52,511</b>	<b>\$54,654</b>	<b>\$0</b>		<b>\$54,654</b>
<b>RESERVE REVENUE</b>					
Capital Reserves	0	0	-		0
General Reserves	50,170	0	-		0
<b>TOTAL RESERVE REVENUE</b>	<b>\$50,170</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>
<b>TOTAL REVENUE</b>	<b>\$105,890</b>	<b>\$56,654</b>	<b>\$0</b>		<b>\$56,654</b>

<b>OPERATING EXPENSES</b>					
<b>SALARIES AND BENEFITS</b>					
Salaries	240,331	251,964	-		251,964
Overtime	14	1,000	-		1,000
Health Insurance	47,907	36,003	(131)		35,872
Health Insurance - Retirees	58,327	48,561	-		48,561
Pers Retirement	46,203	35,622	-		35,622
Workers Comp. Ins.	2,391	2,781	-		2,781
Directors' Fees	5,550	7,000	-		7,000
Medicare/FICA	3,874	4,175	-		4,175
Car Allowance	3,000	3,000	-		3,000
SUI/ETT	736	1,500	-		1,500
<b>TOTAL SALARIES &amp; BENEFITS</b>	<b>\$408,333</b>	<b>\$391,606</b>	<b>(131)</b>		<b>\$391,475</b>
<b>UTILITIES</b>					
Electricity	4,139	4,784	191		4,975
Propane	956	936	37		973
Telephone/Internet	4,554	5,418	217		5,635
<b>TOTAL UTILITIES</b>	<b>\$9,649</b>	<b>\$11,138</b>	<b>\$446</b>		<b>\$11,584</b>



**HERITAGE RANCH COMMUNITY SERVICES DISTRICT - GENERAL FUND**  
**2018/19 Un-Audited, Preliminary 2019/20, & Final 2019/20**

<b>MAINTENANCE &amp; SUPPLIES</b>	<b>Un-Audited FYE 2019</b>	<b>Preliminary 19/20</b>	<b>Changes</b>	<b>Notes</b>	<b>Final Budget 19/20</b>
Computer/Software	12,833	3,000	-		3,000
Equip. Rental/Lease	0	0	-		0
Fixed Equip.	0	0	-		0
Office Supplies	2,293	3,000	-		3,000
Parks & Recreation	314	500	-		500
Struct./Grnds.	3,547	3,500	-		3,500
Supplies	498	500	-		500
<b>TOTAL MAINT. &amp; SUP.</b>	<b>\$19,487</b>	<b>\$10,500</b>	<b>\$0</b>		<b>\$10,500</b>
<b>GENERAL &amp; ADMINISTRATION</b>					
Ads./Advertising	1,234	1,500	-		1,500
Alarm/Answering Service	1,737	1,700	-		1,700
Audit	6,000	10,000	-		10,000
Bank Charges/Fees	2,222	3,000	-		3,000
Consulting/Engineering	0	0	-		0
Dues/Subscription	7,072	7,100	-		7,100
Elections	549	1,000	-		1,000
Insurance	6,700	5,327	-		5,327
LAFCO	7,015	8,000	-		8,000
Legal/Attorney	9,096	15,000	-		15,000
Licenses/Permits	0	0	-		0
Postage	19,082	20,000	-		20,000
Professional Service	6,578	7,800	10,000		17,800
Tax Collection	5,286	5,300	-		5,300
Staff Training & Travel	1,371	5,000	-		5,000
Board Training & Travel	241	10,000	-		10,000
<b>TOTAL G &amp; A</b>	<b>\$74,183</b>	<b>\$100,727</b>	<b>\$10,000</b>		<b>\$110,727</b>
<b>CAPITAL PROJECTS &amp; EQUIPMENT</b>					
Project	50,170	25,000	-		25,000
Equipment	0	0	-		0
<b>TOTAL CAPITAL</b>	<b>\$50,170</b>	<b>\$25,000</b>	<b>\$0</b>		<b>\$25,000</b>
FUNDED DEPRECIATION	15,000	15,000	-		15,000
UNFUNDED DEPRECIATION	0	0	-		0
<b>TOTAL EXPENSE</b>	<b>\$576,821</b>	<b>\$553,971</b>	<b>\$10,315</b>		<b>\$564,286</b>
TRANSFERRED TO OTHER FUNDS	<b>(\$470,932)</b>	<b>(\$497,317)</b>	<b>(\$10,315)</b>		<b>(\$507,632)</b>
<b>FUND TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT - CONSOLIDATED BUDGET**  
**2018/19 Un-Audited, Preliminary 2019/20, & Final 2019/20**

<b>OPERATING REVENUE</b>	<b>Un-Audited FYE 2019</b>	<b>Preliminary 19/20</b>	<b>Changes</b>	<b>Notes</b>	<b>Final Budget 19/20</b>
Water Fees	937,180	1,048,675	-		1,048,675
Sewer Fees	588,821	628,817	-		628,817
Hook-Up Fees	4,300	6,000	-		6,000
Turn on Fees	3,650	3,500	-		3,500
Late Fees	16,713	18,000	-		18,000
Plan Check & Inspection	1,833	10,000	-		10,000
Miscellaneous Income	3,209	2,000	-		2,000
<b>OPERATING REVENUE</b>	<b>\$1,555,707</b>	<b>\$1,716,992</b>	<b>-</b>		<b>\$1,716,992</b>
<b>FRANCHISE REVENUE</b>					
<b>FRANCHISE REVENUE</b>	<b>\$69,634</b>	<b>\$70,932</b>	<b>-</b>		<b>\$70,932</b>
<b>TOTAL OPERATING REVENUE</b>	<b>\$1,625,340</b>	<b>\$1,787,924</b>	<b>-</b>		<b>\$1,787,924</b>
<b>NON-OPERATING REVENUE</b>					
Standby Charges	237,374	242,466	-		242,466
Property Tax	350,073	364,361	-		364,361
Interest	68,660	50,000	-		50,000
Connection Fees	61,514	141,160	-		141,160
<b>TOTAL NON-OPERATING REVENUE</b>	<b>\$717,621</b>	<b>\$797,987</b>	<b>-</b>		<b>\$797,987</b>
<b>RESERVE REVENUE</b>					
Capital Reserves	96,092	55,240	-		55,240
General Reserves	50,170	133,600	10,529		144,129
<b>TOTAL RESERVE REVENUE</b>	<b>\$146,262</b>	<b>\$188,840</b>	<b>10,529</b>		<b>\$199,369</b>
<b>TOTAL NON-OPERATING REVENUE</b>	<b>\$863,884</b>	<b>\$986,827</b>	<b>10,529</b>		<b>\$997,356</b>
<b>TOTAL ALL REVENUE</b>	<b>\$2,489,224</b>	<b>\$2,774,751</b>	<b>\$10,529</b>		<b>\$2,785,280</b>

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT - CONSOLIDATED BUDGET**  
**2018/19 Un-Audited, Preliminary 2019/20, & Final 2019/20**

<b>OPERATING EXPENSES</b>					
<b>SALARIES AND BENEFITS</b>	<b>Un-Audited FYE 2019</b>	<b>Preliminary 19/20</b>	<b>Changes</b>	<b>Notes</b>	<b>Final Budget 19/20</b>
Salaries	620,293	647,767	(3,478)		644,289
Health Insurance	114,506	97,170	(417)		96,753
Health Insurance - Retiree	58,327	48,561	-		48,561
Pers Retirement	117,956	116,241	(776)		115,465
Standby	12,333	12,900	-		12,900
Overtime	15,048	15,050	-		15,050
Workers Comp. Ins.	19,924	25,274	(202)		25,072
Directors' Fees	5,550	7,000	-		7,000
Medicare/FICA	9,760	9,914	(51)		9,863
Car Allowance	3,000	3,000	-		3,000
SUI/ETT	736	1,500	-		1,500
Uniforms	2,436	4,500	-		4,500
<b>TOTAL SALARIES &amp; BENEFITS</b>	<b>\$979,868</b>	<b>\$988,877</b>	<b>(4,924)</b>		<b>\$983,953</b>
<b>UTILITIES</b>					
Electricity	230,319	252,512	(12,310)		240,202
Propane	956	936	37		973
Water Purchase	23,114	23,114	-		23,114
Telephone/Internet	10,350	12,302	(639)		11,663
<b>TOTAL UTILITIES</b>	<b>\$264,739</b>	<b>\$288,864</b>	<b>(12,912)</b>		<b>\$275,953</b>
<b>MAINTENANCE &amp; SUPPLIES</b>					
Chemicals	72,403	76,000	-		76,000
Computer/Software	20,954	7,000	-		7,000
Equip. Rental/Lease	340	1,000	-		1,000
Fixed Equip.	63,620	103,000	-		103,000
Fuel & Oil	14,500	12,000	-		12,000
Lab Testing	36,440	30,000	-		30,000
Office Supplies	2,293	3,000	-		3,000
Parks & Recreation	314	500	-		500
Struct./Grnds.	14,189	14,000	-		14,000
Small Tools/Equip.	2,623	3,500	-		3,500
Supplies	5,579	6,000	-		6,000
Meters/Equip.	2,639	5,000	-		5,000
Vehicles	11,491	8,500	-		8,500
<b>TOTAL MAINT. &amp; SUP.</b>	<b>\$247,385</b>	<b>\$269,500</b>	<b>-</b>		<b>\$269,500</b>

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT - CONSOLIDATED BUDGET**  
**2018/19 Un-Audited, Preliminary 2019/20, & Final 2019/20**

<b>GENERAL &amp; ADMINISTRATION</b>	<b>Un-Audited FYE 2019</b>	<b>Preliminary 19/20</b>	<b>Changes</b>	<b>Notes</b>	<b>Final Budget 19/20</b>
Ads./Advertising	1,234	1,500	-		1,500
Alarm/Answering Service	3,473	3,275	-		3,275
Audit	6,000	10,000	-		10,000
Bank Charges/Fees	2,222	3,000	-		3,000
Consulting/Engineering	9,808	20,000	-		20,000
Dues/Subscription	8,063	9,400	-		9,400
Elections	549	1,000	-		1,000
Insurance	25,768	20,488	-		20,488
LAFCO	7,015	8,000	-		8,000
Legal/Attorney	12,539	22,000	-		22,000
Licenses/Permits	19,286	28,200	-		28,200
Plan Check & Inspection	2,791	10,000	-		10,000
Postage/Billing	19,082	20,000	-		20,000
Professional Service	19,364	24,900	13,500		38,400
Tax Collection	5,286	5,300	-		5,300
Staff Training & Travel	2,349	7,000	-		7,000
Board Training & Travel	241	10,000	-		10,000
<b>TOTAL G &amp; A</b>	<b>\$145,069</b>	<b>\$204,063</b>	<b>13,500</b>		<b>\$217,563</b>
<b>CAPITAL PROJECTS &amp; EQUIPMENT</b>					
Structures/Improvements	80,760	210,000	10,529		220,529
Equipment	65,502	135,000	-		135,000
<b>TOTAL CAPITAL</b>	<b>\$146,262</b>	<b>\$345,000</b>	<b>10,529</b>		<b>\$355,529</b>
<b>DEBT</b>					
State Loan Payment - DWR	103,628	103,629	-		103,629
State Loan Payment Phase II - SRF	58,739	58,740	-		58,740
<b>TOTAL DEBT</b>	<b>\$162,367</b>	<b>\$162,369</b>	<b>-</b>		<b>\$162,369</b>
<b>FUNDED DEPRECIATION</b>	<b>\$288,000</b>	<b>\$288,000</b>	<b>-</b>		<b>\$288,000</b>
<b>UNFUNDED DEPRECIATION</b>	<b>\$0</b>	<b>\$0</b>	<b>-</b>		<b>\$0</b>
<b>TOTAL EXPENSE</b>	<b>\$2,233,691</b>	<b>\$2,546,673</b>	<b>6,193</b>		<b>\$2,552,867</b>
CAPACTIY CHARGES TRANSFER	\$61,514	\$141,160	-		\$141,160
SOLID WASTE FEES TRANSFER	\$31,959	\$31,147	(826)		\$30,321
		\$172,307			\$171,481
<b>FUND TOTAL</b>	<b>\$162,060</b>	<b>\$55,771</b>	<b>\$5,161</b>		<b>\$60,932</b>

**HRCSD Salaries Ranges FY 2019/20**

**07/01/2019 Budget**

Position	Range	Hourly Pay Range per Step					Longevity		
		A	B	C	D	E	10 years	15 years	20 years
Customer Service Representative I	5	\$13.98	\$14.68	\$15.42	\$16.19	\$17.00	\$17.42	\$17.85	\$18.27
Customer Service Representative II	9	\$15.42	\$16.19	\$17.00	\$17.85	\$18.74	\$19.21	\$19.68	\$20.15
Customer Service Representative III	13	\$17.00	\$17.85	\$18.74	\$19.68	\$20.66	\$21.18	\$21.70	\$22.21
Maintenance Worker	14	\$17.43	\$18.30	\$19.21	\$20.17	\$21.18	\$21.71	\$22.24	\$22.77
Office Assistant I	22	\$21.18	\$22.24	\$23.35	\$24.52	\$25.75	\$26.39	\$27.03	\$27.68
Operator In Training	22	\$21.18	\$22.24	\$23.35	\$24.52	\$25.75	\$26.39	\$27.03	\$27.68
Treatment Op. 1	28	\$24.52	\$25.75	\$27.04	\$28.39	\$29.81	\$30.55	\$31.30	\$32.04
Office Assistant II	28	\$24.52	\$25.75	\$27.04	\$28.39	\$29.81	\$30.55	\$31.30	\$32.04
Treatment Op. 1 / WW I	30	\$25.75	\$27.04	\$28.39	\$29.81	\$31.30	\$32.08	\$32.86	\$33.65
Treatment Op. 2	32	\$27.04	\$28.39	\$29.81	\$31.30	\$32.87	\$33.69	\$34.51	\$35.33
Treatment Op. 2 / T3	33	\$27.70	\$29.08	\$30.53	\$32.06	\$33.66	\$34.51	\$35.35	\$36.19
Treatment Operator 2 / WW I	34	\$28.38	\$29.80	\$31.29	\$32.86	\$34.50	\$35.36	\$36.22	\$37.09
Treatment Op. 2 / WW I - lab	35	\$29.08	\$30.53	\$32.06	\$33.66	\$35.35	\$36.23	\$37.11	\$38.00
Office Supervisor	37	\$30.54	\$32.06	\$33.67	\$35.35	\$37.12	\$38.04	\$38.97	\$39.90
Treatment Operator 3	38	\$31.30	\$32.86	\$34.50	\$36.23	\$38.04	\$38.99	\$39.94	\$40.89
Operations Manager	50	\$41.93	\$44.02	\$46.23	\$48.54	\$50.96	\$52.24	\$53.51	\$54.79
Assistant General Manager	54	\$46.26	\$48.57	\$51.00	\$53.55	\$56.22	\$57.63	\$59.04	\$60.44

General Manager Contract Annual Salary \$127,305

Budgeted 2019/20

## HERITAGE RANCH COMMUNITY SERVICES DISTRICT

### MEMORANDUM

**TO:** Board of Directors

**FROM:** Scott Duffield, General Manager

**DATE:** July 18, 2019

**SUBJECT:** Submittal for review the 2019 California Special District Association (CSDA) Board of Directors Seat B candidate statements, and request to consider a process for selecting a candidate to vote for in the electronic ballot election.

#### **Recommendation**

It is recommended that the Board of Directors:

1. Review the 2019 CSDA Board of Directors Seat B candidate statements; and
2. Consider a process for selecting a candidate to vote for in the electronic ballot election.

#### **Background**

The California Special District Association (CSDA) is one of the most important organizations/associations that we belong to.

The CSDA is a 501c(6), not-for-profit association that was formed in 1969 to promote good governance and improve core local services through professional development, advocacy, and other services for all types of independent special districts.

For 50 years, CSDA has been offering its members cost-efficient programs and representation at the State Capitol and boasts a membership of over 1,000 organizations throughout California. It is the only statewide association representing all types of independent special districts including irrigation, water, park and recreation, cemetery, fire, police protection, library, utility, harbor, healthcare and community services districts...just to name a few.

CSDA provides education and training, insurance programs, legal advice, industry-wide litigation and public relations support, legislative advocacy, capital improvement and equipment funding, collateral design services, and, most importantly, current information that is crucial to a special districts management, and operational effectiveness.

## **Discussion**

CSDA Board of Directors Seat B Electronic Ballot Voting is currently open for our Coastal Network. The designated contact for each district received an email from CSDA. The email provides a direct link to the secure third-party voting system which provides an Elector ID number and Password, a link to access the ballot directly, and links to candidate information.

The candidate information is attached. It is up to each district to determine their own process in terms of selecting a candidate to vote for in the election. The selection will be cast by the designated contact only.

August 9 is the deadline to receive electronic ballots and on August 13 ballots will be counted and verified.

## **Fiscal Considerations**

None.

## **Results**

Selection of a 2019 CSDA Board of Directors Seat B candidate and considering if and how the District should participate in the electronic ballot procedure will provide direction to staff.

Attachments: Candidate Statement – John Curtis, Director, Ojai Valley Sanitary District  
Candidate Statement – Jeff Hodge, General Manager, Santa Ynez CSD

File: CSDA

***JOHN R. (JACK) CURTIS***

OJAI, CALIFORNIA 93023

(john.curtis@ojaisan.org)

I was elected to the Ojai Valley Sanitary District (OVSD) Board of Directors in December 2014; I previously served on this Board from 2002-2010. During my time on the OVSD Board I have served as Chair, Vice Chair, Board Secretary and Assistant Secretary, as well as serving on numerous board committees. Currently I also serve on the Ventura River Water District (VRWD) Board of Directors; I have served on the VRWD Board since 1978.

I have an extensive background in the construction industry, including participating in the construction of portions of the Ojai Valley Sanitary District's collection system in 1963-65. I and my family moved to the Ojai Valley in April 1962. I have been active in the community for many years; serving on numerous local boards and organizations. Currently I serve on the Ventura County Local Agency Formation Commission.

I am one of the founding Directors of the Ventura County Special Districts' Association (VCSDA) and the Association of Water Agencies (AWA) representing County Water Districts. I served nine years as a Director on the California Special Districts Association Board of Directors.





## 2019 CSDA BOARD CANDIDATE INFORMATION SHEET

The following information **MUST** accompany your nomination form and Resolution/minute order:

Name: John R. (Jack) Curtis

District/Company: Ojai Valley Sanitary District

Title: Director

Elected/Appointed/Staff: Elected

Length of Service with District: 21 yrs. as staff & 13 yrs. as Director

1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):

N/A

2. Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.):

CASA, CSDA Lions Clubs of America, Toastmaster, Wounded Warriors of America, Boy Scouts of America

3. List local government involvement (such as LAFCo, Association of Governments, etc.):

Assoc. of Water Agencies (Founded Director), Ventura County Special Districts Assoc. (Founding Director), LAFCO 9 years & current, Ventura River Water District (40 yrs), Ojai Valley Sanitary District

4. List civic organization involvement:

Ojai Valley Retired Mens Club, Nordhoff High School Booster Club, County Planning Program, Ventura County 2000 Planning Program

**\*\*Candidate Statement** – Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. **Any statements received in the CSDA office after April 17, 2019 will not be included with the ballot.**

# SANTA YNEZ COMMUNITY SERVICES DISTRICT

Mailing Address: P.O. Box 667, Santa Ynez, CA 93460-0667 • (805) 688-3008

RECEIVED JUN 13 2019

June 12, 2019

Re: Vote for Jeff Hodge Seat B Coastal Network, CSDA Board of Directors

Good day,

I am Jeff Hodge, General Manager of the Santa Ynez CSD. My Board has nominated me to run for another term for the Coastal Network Seat B CSDA Board of Directors to represent your district and our Region. I have also been endorsed by the Santa Barbara Chapter CSDA. In 2016, I was elected to the Coastal Network and has served as your representative for the last three years. During this time, I have served as the Secretary and I am currently the Vice President of CSDA. I have also served as the Vice Chair of the Legislative Committee for the last three years.

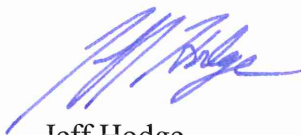
I have over 20 years of experience representing and managing special districts.

Thank you for taking the time to place this matter on your agenda and voting for me as your representative on the CSDA Board.

The CSDA ballot will be sent electronically to the designated main contact of the District.

Please return your ballot no later than **August 9, 2019** per the instructions received from CSDA.

**Thank You for your vote.**



Jeff Hodge  
General Manager



Jeff is currently the General Manager of the Santa Ynez Community Services District and is the current CSDA Vice-President.

Jeff has been the Vice-Chair of the CSDA Legislative Committee for three years and was the CSDA Secretary for 2018.

Jeff received his Special District Administrator (SDA) certification in August 2018.

Jeff has a Bachelor of Arts degree in Political Science and a Master's degree in Business Administration.

He has over 20 years' experience managing Special Districts in Colorado, Arizona and California. He has managed special districts that provided Fire, Police, Water, Sewer, Trash, Cemetery, Roads, Street Lights, Parks and Recreation, and Drainage.

Jeff has a California Grade IV Wastewater Plant Operator certification.

He was appointed to an airport advisory board in Colorado and Arizona and is a two-time past president of different local Rotary Clubs and past President of the Santa Ynez Chamber.

He has experience in writing, introducing and shepherding legislation for Special Districts, permitting and constructing new water and wastewater facilities and upgrading existing facilities.

Jeff is married to Christine and has two daughters and two grandchildren.

Jeff enjoys flying, sailing, kayaking and exploring all the great things California and the world has to offer.

Jeff Hodge



**California Special  
Districts Association**  
*Districts Stronger Together*

## 2019 CSDA BOARD CANDIDATE INFORMATION SHEET

The following information **MUST** accompany your nomination form and Resolution/minute order:

**Name:** Jeff Hodge, SDA

**District/Company:** Santa Ynez Community Services District

**Title:** General Manager

**Elected/Appointed/Staff:** Staff

**Length of Service with District:** 5.5 years

- 1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):**

I am currently the CSDA Vice-President and have been the Vice-Chair of the CSDA Legislative Committee for three years and was the CSDA Secretary for 2018. I am currently on the Santa Barbara Chapter of CSDA Board and was past president.

- 2. Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.):**

Association of California Water Agencies (ACWA), California Association of Sanitation Agencies (CASA).

- 3. List local government involvement (such as LAFCo, Association of Governments, etc.):**

None

- 4. List civic organization involvement:**

None

**\*\*Candidate Statement** – Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. **Any statements received in the CSDA office after April 17, 2019 will not be included with the ballot.**

## HERITAGE RANCH COMMUNITY SERVICES DISTRICT

### MEMORANDUM

**TO:** Board of Directors

**FROM:** Operations & Engineering Committee (President Barker, Director Capps)  
Scott Duffield, General Manager

**DATE:** July 18, 2019

**SUBJECT:** Request to receive and file an update on development of a photovoltaic system project and provide direction to staff.

#### **Recommendation**

Request to receive and file an update on development of a photovoltaic system project and provide direction to staff.

#### **Background**

Your Board has approved development of a photovoltaic system (PVS) project. At the June meeting your Board directed staff to move forward towards a Request for Proposals for two primary array locations, (1) Sewer Treatment Plant/Office, and (2) Water Treatment Plant/Pump Station 1/Pump Station 4. The Board would also like staff to evaluate the approach to developing future photovoltaic projects for the other secondary locations.

#### **Discussion**

Since the June meeting staff has worked on vetting the proposed locations for the two primary systems. Staff has also received information on obtaining a loan if that were to be a desired means of financing to be considered by the Board. In addition, the Operations & Engineering Committee met with our consultant Tim Holmes. The Committee recommends that the Board of Directors:

1. Approve the proposed locations of the solar arrays as shown on Attachment A which could then be included in the Request for Proposals.
2. Direct staff to work on finalizing any right of way issues related to the two primary systems. The secondary systems will also be considered.
3. Direct the consultant to draft a Request for Proposals to be considered for approval by the Board at the August 15, 2019 meeting.

## **Fiscal Considerations**

This work for development of a PVS project is included in the current Budget.

Moving forward the Board would need to make a formal decision(s) on how to finance further development and delivery of a PVS project.

## **Next Steps to Consider**

- Approval of a Request for Proposals
- Project schedule
- Obtain Right-of-Way

Attachments: Attachment A – PV Systems Preferred Approximate Locations

File: Projects\_PVS

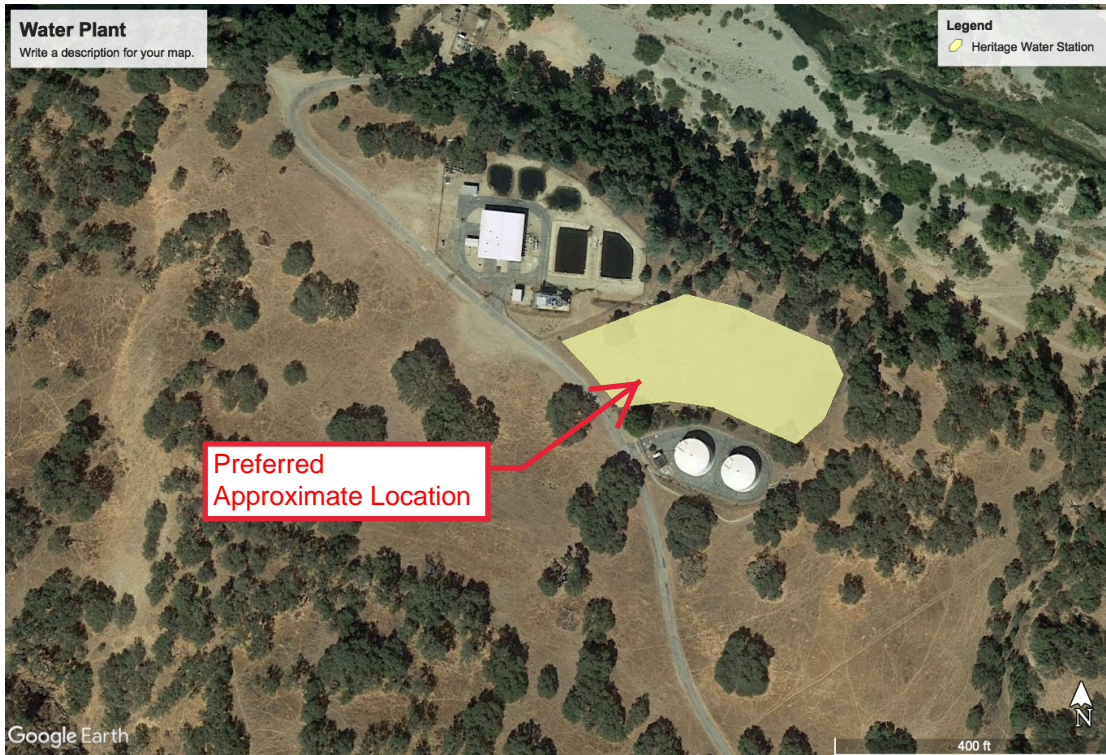
# Attachment A - Preferred Approximate Locations

Kenwood Energy  
Energy Management Consulting

## Sewer Plant and Office



## Water Plant, Pump Station 1, and Pump Station 4



# Attachment A - Preferred Approximate Locations

Kenwood Energy  
Energy Management Consulting

## SCADA



## Lift Station 2





# Attachment A - Preferred Approximate Locations

Kenwood Energy  
Energy Management Consulting

## Lift Station 3



## Lift Station 10



# Attachment A - Preferred Approximate Locations

## Pump Station 6



## Lift Station 1





**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
BOARD OF DIRECTORS' REGULAR MEETING**  
*Minutes of June 20, 2019*

**1. 4:00 PM OPEN SESSION / CALL TO ORDER / FLAG SALUTE**

President Barker called the meeting to order at 4:00 pm and led the flag salute.

**2. ROLL CALL**

Manager Duffield called the roll. Directors Capps and Cousineau were absent. All other Directors were present.

Staff present: General Manager Scott Duffield.

**3. PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA**

Sheriff Deputy T. Malesza provided the Board and public with a monthly report on calls for service which pertain to the community.

**4. DISCUSSION ITEMS**

**a. Request to adopt a Preliminary FY 2019/20 Budget, and schedule a public hearing for July 18, 2019, to consider adoption of a Final FY 2019/20 Budget:**

Manager Duffield provided a brief summary of the item and answered any questions the Board had.

Director Burgess made a motion to adopt the Preliminary FY 2019/20 Budget and schedule a public hearing for July 18, 2019. Director Rowley seconded the motion. The motion passed by the following roll call vote:

Ayes: Barker, Burgess, Rowley  
Absent: Capps, Cousineau

**b. Request to receive and file an update on development of a photovoltaic system project, and provide direction to staff:**

Manager Duffield provided a brief summary of the item and answered any questions the Board had.

The Board's direction is to move forward towards a Request for Proposals for two primary array locations, (1) Sewer Treatment Plant/Office, and (2) Water Treatment Plant/Pump Station 1/Pump Station 4. The Board would also like staff to evaluate the approach to developing future photovoltaic projects for the other secondary locations.

**5. CONSENT ITEMS**

**a. Regular Meeting Minutes:** Receive/approve minutes of regular meeting of May 16, 2019.

**b. Warrant Register:** Receive/approve May 2019 warrants.

**c. Treasurer's Report:** Receive/file May 2019 report.

**d. Fiscal Report:** Receive/file May 2019 status report.

**e. Manager's Report:** Receive/file May 2019 report.

**f. Staff Reports:** Receive/file May 2019 reports.

All Directors pulled item E (Manager's Report). Manager Duffield provided a summary of item E (Manager's Report) and answered any questions the Board had.

Director Burgess made a motion to approve all consent items as presented. Director Rowley seconded the motion. The motion passed by the following voice vote:

Ayes: Barker, Burgess, Rowley  
Absent: Capps, Cousineau

**6. DIRECTORS/MANAGER COMMENTS**

No comments

**7. ADJOURN TO CLOSED SESSION**

The Board adjourned to closed session at 5:30pm.

**8. RECONVENE TO OPEN SESSION**

The Board reconvened to open session at 5:55pm and reported that the Board approved a revision to the MOU declaring the position of Assistant General Manager and the position of Operations Manager as exempt positions.

**9. ADJOURNMENT**

On a motion by Director Rowley and seconded by Director Burgess the meeting adjourned at 5:56 pm to the next scheduled meeting on Thursday, July 18, 2019 at 4:00 pm.

**APPROVED:**

\_\_\_\_\_  
**Bill Barker, Board President**

**ATTEST:**

\_\_\_\_\_  
**Kristen Gelos, Board Secretary**

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
JUNE 2019  
WARRANT REGISTER**

**PACIFIC PREMIER BANK WARRANTS**

<b>DATE</b>	<b>NAME OF PAYEE</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
6/3/2019	CALPERS HEALTH BENEFITS	CALPERS HEALTH BENEFITS	\$ 11,124.34
6/3/2019	CALPERS HEALTH BENEFITS	EMPLOYEE PAID HEALTH BENEFIT	\$ 795.92
6/3/2019	CALPERS HEALTH BENEFITS	EMPLOYEE PAID HEALTH BENEFIT	\$ 795.92
6/3/2019	J.B. DEWAR. INC.	FUEL & OIL	\$ 776.08
6/3/2019	CALPERS FISCAL SERVICES DIVISI	OTHER POST EMPLOYMENT BENEFITS	\$ 25,000.00
6/7/2019	R. BRINK	NET PAYROLL	\$ 2,197.06
6/7/2019	J. MOLINARI	NET PAYROLL	\$ 2,831.79
6/7/2019	R. ARNOLD	NET PAYROLL	\$ 2,400.71
6/7/2019	J. PRITCHETT	NET PAYROLL	\$ 2,021.83
6/7/2019	M. HUMPHREY	NET PAYROLL	\$ 1,535.10
6/7/2019	K. GELOS	NET PAYROLL	\$ 2,275.44
6/7/2019	S. DUFFIELD	NET PAYROLL	\$ 2,967.13
6/7/2019	S. BRENNEMAN	NET PAYROLL	\$ 1,538.24
6/10/2019	GREAT WESTERN ALARM	ALARM / ANSWERING SERVICE	\$ 270.35
6/10/2019	FERGUSON ENTERPRISES INC	MAINTENANCE FIXED EQUIPMENT	\$ 54.56
6/10/2019	PG&E	ELECTRICITY	\$ 19,323.05
6/10/2019	HOME DEPOT CREDIT SERVICES	SM TOOLS & EQUIP/CHEMICALS	\$ 203.50
6/10/2019	TYLER TECHNOLOGIES	COMPUTER / SOFTWARE	\$ 13,324.92
6/10/2019	FGL ENVIRONMENTAL	LAB TESTING	\$ 73.00
6/10/2019	DELTA LIQUID ENERGY	PROPANE	\$ 100.00
6/10/2019	RDO EQUIPMENT CO.	VEHICLES	\$ 3,992.31
6/10/2019	APPLIED TELECOM TECHNOLOGY	PROFESSIONAL SERVICES	\$ 144.00
6/10/2019	NAPA AUTO PARTS	VEHICLES / MAINT FIXED EQUIP	\$ 309.58
6/10/2019	U.S. BANK	STRUCTURES & GROUNDS	\$ 177.96
6/10/2019	U.S. BANK	STRUCTURES & GROUNDS	\$ 78.71
6/10/2019	U.S. BANK	OFFICE SUPPLIES	\$ 44.15
6/10/2019	U.S. BANK	OFFICE SUPPLIES	\$ 20.36
6/10/2019	U.S. BANK	OFFICE SUPPLIES	\$ 16.88
6/10/2019	U.S. BANK	COMPUTERS/SOFTWARE	\$ 499.00
6/10/2019	U.S. BANK	STRUCTURES & GROUNDS	\$ 1,480.59
6/10/2019	U.S. BANK	TRAINING & TRAVEL	\$ 60.00
6/10/2019	U.S. BANK	STRUCTURES & GROUNDS	\$ 19.33
6/10/2019	U.S. BANK	PVS PROJECT	\$ 35.79
6/10/2019	U.S. BANK	CHEMICALS	\$ 430.78
6/10/2019	U.S. BANK	TRAINING & TRAVEL	\$ 161.53
6/10/2019	U.S. BANK	VEHICLES / FUEL & OIL	\$ 62.37
6/10/2019	U.S. BANK	VEHICLES / SUPPLIES	\$ 39.99
6/10/2019	U.S. BANK	CHEMICALS	\$ 215.39
6/10/2019	U.S. BANK	MAINTENANCE FIXED EQUIPMENT	\$ 349.57
6/10/2019	MICHAEL K. NUNLEY & ASSOCIATES	CONSULTING & ENGINEERING	\$ 1,249.61
6/10/2019	DATA PROSE LLC	MAY BILLING / LATE NOTICES	\$ 1,237.46
6/10/2019	RIVAL TECHNOLOGY INC.	PROFESSIONAL SERVICES	\$ 219.74

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
JUNE 2019  
WARRANT REGISTER**

<b>DATE</b>	<b>NAME OF PAYEE</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
6/10/2019	MARK HUMPHREY	UNIFORM ALLOWANCE	\$ 188.54
6/10/2019	STATE WATER RESOURCES CONTROL	LINCENSES & PERMITS	\$ 60.00
6/10/2019	CS-AMSCO	WTP ACTUATOR REPLACEMENT	\$ 33,667.63
6/10/2019	KENWOOD ENERGY	PVS PROJECT	\$ 5,801.25
6/11/2019	INTERNAL REVENUE SERVICE	FEDERAL WITHHOLDING TAXES	\$ 2,359.68
6/11/2019	INTERNAL REVENUE SERVICE	MEDICARE	\$ 738.66
6/11/2019	EDD	SDI	\$ 254.70
6/11/2019	EDD	STATE WITHHOLDING	\$ 871.11
6/11/2019	SHIPPY, DAVID	US REFUND	\$ 54.03
6/14/2019	CALPERS 457 DEFFERED COMP PROG	PERS 457- DEFFERED COMP.	\$ 1,225.00
6/14/2019	CALPERS RETIREMENT SYSTEM	PERS RETIREMENT	\$ 2,932.48
6/14/2019	CALPERS RETIREMENT SYSTEM	PERS RETIREMENT TIER 2	\$ 778.07
6/14/2019	CALPERS RETIREMENT SYSTEM	PERS RETIREMENT PEPRA	\$ 453.83
6/14/2019	CALPERS RETIREMENT SYSTEM	SURVIVOR BENEFIT	\$ 7.44
6/20/2019	AT&T	TELEPHONE / INTERNET	\$ 158.15
6/20/2019	J.B. DEWAR. INC.	FUEL & OIL	\$ 366.30
6/21/2019	R. BRINK	NET PAYROLL	\$ 2,077.59
6/21/2019	J. MOLINARI	NET PAYROLL	\$ 2,933.10
6/21/2019	R. ARNOLD	NET PAYROLL	\$ 2,093.37
6/21/2019	J. PRITCHETT	NET PAYROLL	\$ 1,938.82
6/21/2019	M. HUMPHREY	NET PAYROLL	\$ 1,535.10
6/21/2019	K. GELOS	NET PAYROLL	\$ 2,275.44
6/21/2019	D. BURGESS	NET PAYROLL	\$ 92.35
6/21/2019	M. ROWLEY	NET PAYROLL	\$ 92.35
6/21/2019	S. DUFFIELD	NET PAYROLL	\$ 3,145.39
6/21/2019	S. BRENNEMAN	NET PAYROLL	\$ 1,538.24
6/23/2019	CALPERS RETIREMENT SYSTEM	PERS RETIREMENT U/L	\$ 4,750.86
6/23/2019	CALPERS RETIREMENT SYSTEM	PERS RETIREMENT U/L	\$ 85.79
6/25/2019	INTERNAL REVENUE SERVICE	FEDERAL WITHHOLDING TAXES	\$ 2,347.92
6/25/2019	INTERNAL REVENUE SERVICE	FICA WITHIHOLDING	\$ 24.80
6/25/2019	INTERNAL REVENUE SERVICE	MEDICARE	\$ 736.56
6/25/2019	EDD	SDI	\$ 251.98
6/25/2019	EDD	STATE WITHHOLDING	\$ 847.43
6/26/2019	FERGUSON ENTERPRISES INC	MAINTENANCE FIXED EQUIPMENT	\$ 204.73
6/26/2019	WALLACE GROUP	CONSULTING & ENGINEERING	\$ 495.36
6/26/2019	ADAMSKI, MOROSKI, MADDEN, CUMB	LEGAL & ATTORNEY	\$ 925.00
6/26/2019	RYAN BRINK	CELL/INTERNET ALLOWANCE	\$ 80.00
6/26/2019	CRYSTAL SPRINGS WATER	LAB TESTING	\$ 17.52
6/26/2019	USA BLUEBOOK	MAINTENANCE FIXED EQUIPMENT	\$ 1,096.23
6/26/2019	USA BLUEBOOK	MAINTENANCE FIXED EQUIPMENT	\$ 156.02
6/26/2019	BRENNTAG PACIFIC, INC	CHEMICALS	\$ 2,437.68
6/26/2019	FGL ENVIRONMENTAL	LAB TESTING	\$ 529.00
6/26/2019	FGL ENVIRONMENTAL	LAB TESTING	\$ 108.00

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
JUNE 2019  
WARRANT REGISTER**

<b>DATE</b>	<b>NAME OF PAYEE</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
6/26/2019	JASON MOLINARI	CELL/INTERNET ALLOWANCE	\$ 80.00
6/26/2019	COUNTY OF SAN LUIS OBISPO	PROFESSIONAL SVCS - X-CONNECT	\$ 585.80
6/26/2019	ROY ARNOLD	UNIFORM ALLOWANCE	\$ 135.14
6/26/2019	ROY ARNOLD	CELL/INTERNET ALLOWANCE	\$ 80.00
6/26/2019	FLUID RESOURCE MANAGEMENT	PROFESSIONAL SERVICES	\$ 325.00
6/26/2019	ABALONE COAST ANALYTICAL, INC.	LAB TESTING	\$ 959.00
6/26/2019	TELSTAR INSTRUMENTS INC.	PROFESSIONAL SVCS/WTP ACTUATOR	\$ 3,900.00
6/26/2019	TELSTAR INSTRUMENTS INC.	PROFESSIONAL SVCS/WTP ACTUATOR	\$ 3,900.00
6/26/2019	TELSTAR INSTRUMENTS INC.	WTP ACTUATOR REPLACEMENT	\$ 2,700.00
6/26/2019	KRISTEN GELOS	CELL/INTERNET ALLOWANCE	\$ 40.00
6/26/2019	JAMES A. PRITCHETT	CELL/INTERNET ALLOWANCE	\$ 80.00
6/26/2019	LOWE'S	STRUCT & GRNDS / FIXED EQUIP.	\$ 152.63
6/26/2019	LOWE'S	STRUCT/GRNDS & FIXED EQUIP	\$ 197.28
6/26/2019	DAVE FOLTZ AUTOMOTIVE	VEHICLES	\$ 258.66
6/26/2019	SCOTT DUFFIELD	CELL/INTERNET ALLOWANCE	\$ 40.00
6/26/2019	WESTERN EXTERMINATOR COMPANY	STRUCTURES & GROUNDS	\$ 86.00
6/26/2019	FENCE FACTORY	MAINTENANCE FIXED EQUIPMENT	\$ 5,031.00
6/26/2019	ALEX GONZALEZ	STRUCT & GROUNDS	\$ 400.00
6/26/2019	FERRAVANTI GRADING & PAVING	MAINTENANCE FIXED EQUIPMENT	\$ 19,500.00
6/28/2019	CALPERS 457 DEFFERED COMP PROG	PERS 457- DEFFERED COMP.	\$ 1,225.00
6/28/2019	CALPERS RETIREMENT SYSTEM	EMPLOYER'S CONTRIBUTION	\$ 18.60
6/28/2019	CALPERS RETIREMENT SYSTEM	PERS RETIREMENT	\$ 2,932.48
6/28/2019	CALPERS RETIREMENT SYSTEM	PERS RETIREMENT TIER 2	\$ 778.07
6/28/2019	CALPERS RETIREMENT SYSTEM	PERS RETIREMENT PEPRA	\$ 453.83
6/28/2019	CALPERS RETIREMENT SYSTEM	SURVIVOR BENEFIT	\$ 7.44
6/28/2019	AT&T	TELEPHONE/INTERNET	\$ 242.19
6/28/2019	CHARTER COMMUNICATIONS	INTERNET	\$ 79.99
<b>GRAND TOTAL FOR ALL WARRANTS</b>			<b>\$ 227,375.65</b>

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
TREASURER'S REPORT  
JUNE 2019**

**SUMMARY REPORT OF ALL ACCOUNTS**

Beginning Balance:	\$ 3,692,487.72
Ending Balance:	\$ 3,608,184.41
Variance:	\$ (84,303.31)
Interest Earnings for the Month Reported:	\$ 95.33
Interest Earnings Fiscal Year-to-Date:	\$ 68,659.96

**ANALYSIS OF REVENUES**

Total operating income for water and sewer was:	\$ 141,442.82
Non-operating income was:	\$ 21,981.21
Franchise fees paid to the District by San Miguel Garbage was:	\$ 6,567.29
Interest earnings for the P.P.B. checking account was:	\$ 5.34
Interest earnings for the P.P.B. DWR Loan Services account was:	\$ 0.05
Interest earnings for the P.P.B. DWR Reserve account was:	\$ 70.38
Interest earnings for the P.P.B. SRF Loan Services account was:	\$ 19.56
Interest earnings for the P.P.B. SRF Reserve account was:	\$ -
Interest earnings for the LAIF account was:	\$ -

**ANALYSIS OF EXPENSES**

Pacific Premier Bank checking account total warrants, fees, and Electronic Fund Transfers was:	\$ 246,722.22
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**STATEMENT OF COMPLIANCE**

This report was prepared in accordance with the Heritage Ranch Community Services District Statement of Investment Policy. All investment activity was within policy limits. There are sufficient funds to meet the next 30 days obligations. Attached is a status report of all accounts and related bank statements.



**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
STATUS REPORT FOR ALL ACCOUNTS  
JUNE 2019**

**BEGINNING BALANCE ALL ACCOUNTS** **\$ 3,692,487.72**

**OPERATING CASH IN DRAWER** **\$300.00**

**PACIFIC PREMIER BANK - CHECKING**

<b>BEGINNING BALANCE 05/31/2019</b>	\$124,932.17	
DEPOSIT REVENUE & MISCELLANEOUS INCOME	\$227,007.86	
INTEREST EARNED	\$5.34	
TOTAL CHECKS, FEES AND EFT'S	(\$246,722.22)	
TRANSFER TO LAIF ACCOUNT	\$0.00	
<b>ENDING BALANCE 06/30/2019</b>		<b>\$105,223.15</b>

**PACIFIC PREMIER BANK DWR LOAN REPAYMENT (1994-2029):**

**LOAN SERVICES ACCOUNT**

<b>BEGINNING BALANCE 05/31/2019</b>	\$84.54	
QUARTERLY DEPOSIT	\$0.00	
INTEREST EARNED	\$0.05	
SEMI-ANNUAL PAYMENT	\$0.00	
<b>ENDING BALANCE 06/30/2019</b>		<b>\$84.59</b>

**PACIFIC PREMIER BANK DWR RESERVE ACCOUNT**

<b>BEGINNING BALANCE 05/31/2019</b>	\$112,877.24	
INTEREST EARNED	\$70.38	
<b>ENDING BALANCE 06/30/2019</b>		<b>\$112,947.62</b>

**PACIFIC PREMIER BANK SDWSRF LOAN SERVICES ACCOUNT**

<b>BEGINNING BALANCE 05/31/2019</b>	\$29,432.69	
QUARTERLY DEPOSIT	\$14,685.00	
INTEREST EARNED	\$19.56	
SEMI-ANNUAL PAYMENT	(\$29,369.28)	
<b>ENDING BALANCE 06/30/2019</b>		<b>\$14,767.97</b>

**PACIFIC PREMIER BANK SDWSRF RESERVE ACCOUNT**

<b>BEGINNING BALANCE 05/31/2019</b>	\$0.00	
QUARTERLY DEPOSIT	\$0.00	
INTEREST EARNED	\$0.00	
<b>ENDING BALANCE 06/30/2019</b>		<b>\$0.00</b>

**LOCAL AGENCY INVESTMENT FUND (LAIF)**

<b>BEGINNING BALANCE 05/31/2019</b>	\$3,425,161.08	
INTEREST EARNED	\$0.00	
TRANSFER FROM PACIFIC PREMIER CHECKING	\$0.00	
TRANSFER TO PACIFIC PREMIER CHECKING	(\$50,000.00)	
<b>ENDING BALANCE 06/30/2019</b>		<b>\$3,375,161.08</b>

<b>ENDING BALANCE ALL ACCOUNTS</b>		<b>\$3,608,184.41</b>
<b>DIFFERENCE FROM LAST MONTH</b>	<b>Decrease</b>	<b>(\$84,303.31)</b>

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
ANNUAL TREASURER'S REPORT  
FOR THE FISCAL YEAR ENDING  
JUNE 30, 2019**

**INTRODUCTION**

This report covers all investments and fund activities of the District for the period of July 1, 2018 to June 30, 2019. This report is prepared in accordance with the District's Statement of Investment Policy, adopted by Resolution No. 96-1.

The Heritage Ranch Community Services District is a public subdivision formed and operated under enabling state law. The District provides water and sewer service, and solid waste collection (via a Franchise Agreement with San Miguel Garbage Company for solid waste removal) which is categorized as an enterprise function (fee for service). The District's latent powers also include parks and recreation, a non-enterprise function, and the only item in this category is the Heritage Village Senior's Center. The District has formally appointed the Manager as the Treasurer. District staff prepares all fiscal reports, and the Treasurer and staff oversee all financial activity and make recommendations to the District Board of Directors.

Treasurer's Reports are submitted on a monthly, quarterly, and annual basis to the Board of Directors. A detailed description of contents for each type of report is contained in Section I of said Statement of Investment Policy, a copy of which is attached as part of this report. The Policy now in force was adopted in accordance with changes in state law, effective 1996.

**REVIEW**

Table 1 provides the beginning and ending balances, and the variance of all funds combined for each month of the year.

<b>Table 1</b>			
<b>PERIOD</b>	<b>BEGINNING BALANCE</b>	<b>ENDING BALANCE</b>	<b>VARIANCE</b>
JUL 18	\$3,199,276.18	\$3,152,563.59	(\$46,712.59)
AUG 18	\$3,152,563.59	\$3,195,979.39	\$43,415.80
SEPT 18	\$3,195,979.39	\$3,166,680.11	(\$29,299.28)
OCT 18	\$3,166,680.11	\$3,243,053.90	\$76,373.79
NOV 18	\$3,243,053.90	\$3,328,644.60	\$85,590.70
DEC 18	\$3,328,644.60	\$3,507,791.39	\$179,146.79
JAN 19	\$3,507,791.39	\$3,505,386.40	(\$2,404.99)
FEB 19	\$3,505,386.40	\$3,551,834.21	\$46,447.81
MAR 19	\$3,551,834.21	\$3,533,278.96	(\$18,555.25)
APR 19	\$3,533,278.96	\$3,679,799.36	\$146,520.40
MAY 19	\$3,679,799.36	\$3,692,487.72	\$12,688.36
JUN 19	\$3,692,487.72	\$3,608,184.41	(\$84,303.31)

The District maintained a total of seven locations/accounts for its cash during the reporting year. Of these seven, only one is considered an investment; the Local Agency Investment Fund (LAIF). A complete profile of all of the aforementioned accounts follows:

1. Operating cash in cash drawer: Maintained to make change for cash transactions.
2. Pacific Premier Bank Checking: Variable interest-bearing checking account currently at 0.05%, at Pacific Premier branch in Paso Robles used for most of our transactions such as payroll, accounts receivable and accounts payable. Statements are received on a monthly basis.
3. Pacific Premier Bank DWR loan repayments: The Loan Services Account interest earnings rate is 0.25%. Quarterly deposits are made into each account. Semi-annual payments are made from the Loan Services account by the bank, which functions as our fiscal agent, to DWR for repayment of a \$2 million loan to partially finance our water treatment plant and water pumping facilities.
4. Pacific Premier Bank DWR reserve: The Reserve Account interest earnings rate is 0.25%. The purpose of the Reserve Account was to build up over ten years an amount equal to debt service for one year, a DWR requirement. Statements are received on a quarterly basis.
5. Pacific Premier Bank SDWSRF (Safe Drinking Water State Revolving Fund) loan repayments: The Loan Services Account interest earnings rate is 0.25%. Quarterly deposits will be made into the Loan Services. Semi-annual payments will be made from the Loan Services account by the bank, which functions as our fiscal agent, to SDWSRF for repayment of a \$714,000 loan to finance upgrades at the water treatment plant. The fund will provide for a twenty (20) year repayment period at a 1.7875 percent interest rate. Statements are received on a quarterly basis.
6. Pacific Premier Bank SDWSRF (Safe Drinking Water State Revolving Fund) reserve: Quarterly deposits will be made into the Reserve Account. The purpose of the Reserve Account is to build up over ten years an amount equal to two semiannual payments, which is based upon the estimated loan principal and interest rate.
7. LAIF: Local Agency Investment Fund, a variable interest-bearing investment fund administered by the California State Treasurer. The majority of our funds are retained in this account. The last reported interest rate was 2.55%. Statements are received on a quarterly basis.

The term "fund" is applied in our operations in two District ways. One application is a reference to services rendered by the District and their related funds, i.e. water and sewer, general and solid waste. These are functions of internal bookkeeping where revenue and expenses are allocated according to revenue source and type of expense. The other application is used to identify moneys within certain accounts. For example, the analysis of the balance in LAIF is reported on each monthly Treasurer's Report, and the allocation of interest earnings from all accounts to funds is based on established policy.

A recap of interest earned in each account is presented in Table 2. Some accounts do not bear interest, as stated in the account profile above, but all accounts are listed for reference. The dollar amounts posted are the totals for the fiscal year for each account.

ACCOUNTS	INTEREST EARNINGS	INTEREST RATE
1. Cash Drawer	\$0.00	0.00%
2. Pacific Premier Checking	\$70.56	0.05%
3. Pacific Premier DWR Loan Services	\$29.64	0.25%
4. Pacific Premier DWR Reserve	\$282.02	0.25%
5. Pacific Premier SRF Loan Services	\$49.91	0.46%
6. Pacific Premier SRF Reserve	\$0.00	0.00%
7. LAIF	\$68,321.88	1.90% - 2.55%

**CONCLUSION**

The District appears to be managing its cash and investments in a prudent manner with adherence to optimal safety, yield, and liquidity. Treasurer's Reports are presented to the Board of Directors monthly, quarterly, and annually. A formal Statement of Investment Policy is in place. Internal policies for allocation of earned interest and preparation of reports, including a running analysis of funds deposited in LAIF, is complete and straight-forward.

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT**

**RESOLUTION NO. 96-1**

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF HERITAGE RANCH COMMUNITY SERVICES  
DISTRICT PROVIDING FOR AUTHORITY OF  
DISTRICT TREASURER TO DEPOSIT AND  
INVEST FUNDS OF SAID DISTRICT AND APPROVAL  
OF STATEMENT OF INVESTMENT POLICY**

WHEREAS, the Board of Directors of the Heritage Ranch Community ("District") believes that public funds should, so far as is reasonably possible, be invested in bonds or other securities, or deposited in savings accounts in banks or savings institutions, to produce revenue for the District rather than to remain idle (hereinafter all reference to "banks" shall mean "state or national banks or state or federal savings and loan associations"); and

WHEREAS, from time to time there are District funds which for varying periods of time will not be required for immediate use by the District, and which will, therefore, be available for the purpose of purchasing or investing in bonds or other securities, or for depositing in interest-bearing accounts in banks having offices within this state; and

WHEREAS, it is impractical for the Board of Directors of this District to take individual action authorizing the investment of such funds, bonds or other securities which are permissible investments under Section 53601 of the Government Code when funds are available and not needed for varying periods of time, and the Board of Directors of this District does find and determine that the Treasurer of this District should be authorized to invest such funds in accordance with the provisions of Section 53607 of the California Government Code; and

WHEREAS, it will be more convenient in the handling of said bonds or other securities so purchased that they be kept in safekeeping by said banks while they are the property of this District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the District that the Treasurer of the District be is hereby authorized to deposit for safekeeping, as far as possible, all money belonging to, or in the custody of the District, pursuant to Section 53635 et. seq. of the Government Code.

BE IT FURTHER RESOLVED, that the Treasurer of this District, pursuant to Section 53607 of said Code, be authorized to purchase bonds and other securities which are permissible investments under Section 53601 of said Code, or deposit in interest bearing accounts with banks, having offices within this state, funds of this District from any of the various accounts of this District when such funds will not be needed for varying periods of time, and to purchase such bonds or other securities when they can be purchased at a price that will be beneficial to this District, provided that such accounts shall be supported by sufficient securities as provided by law to secure the amount of such deposits with interest thereon as it may accrue.

BE IT FURTHER RESOLVED, that the Treasurer of this District, pursuant to Section 53608 of said Code, is authorized to enter into safekeeping, bonds or other securities in which the money of this District is invested, pursuant to the terms and conditions of this Resolution, with any such bank in this state within which he/she has entered into a safekeeping agreement, as herein provided and in which this District maintains an active secure deposit supported by sufficient security as required by law to secure the amount of any collections which may be made by the bank from time to time, pursuant to said safekeeping agreement, and shall be only released from safekeeping for purpose of sale or for collection on maturity with all proceeds credited to the funds of this District.

BE IT FURTHER RESOLVED, that the District hereby adopts a Statement of Investment Policy, attached hereto as Exhibit "A" which supersedes the Policy set forth as Exhibit "A" in Resolution 90-25 effective immediately.

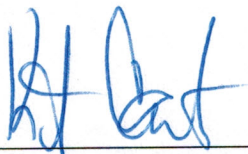
PASSED, APPROVED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE HERITAGE RANCH COMMUNITY SERVICES DISTRICT on February 15, 1996 by the following roll call vote:

AYES: Directors Lemm, Clarke, Forgash, McWilliams & Beser

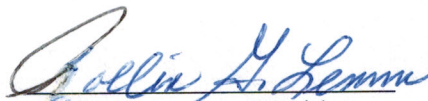
NOES: None.

ABSTAIN: None.

ABSENT: None.



Kit Carter, Secretary  
Board of Directors



Rollin G. Lemm, President  
Board of Directors

**EXHIBIT "A"**

**TO RESOLUTION NO. 96-1**

**STATEMENT OF INVESTMENT POLICY**

I. SCOPE:

This Policy shall include monies from all funds of the District.

OBJECTIVES:

1. SAFETY: It is the primary duty and responsibility of the Treasurer to protect, preserve and maintain cash and investments placed in his/her trust on behalf of the property owners within the District.

2. LIQUIDITY: A minimum of 50% of the investment portfolio should be maintained in liquid short-term, 90-day maximum securities to be converted to cash if necessary to meet disbursement requirement. Since all cash requirements cannot be anticipated, investments in securities with active secondary or resale markets may be used. Emphasis is placed on marketable securities to minimize risk due to price fluctuation from a rise or drop in market interest rates.

3. YIELD: Yield shall be a consideration only after requirements of safety and liquidity have been met.

4. LEGAL INVESTMENT AUTHORITY: Investments shall be in accordance with provisions of the Government Code of the State of California and/or local statutes and regulations (California Government Code Section 53600 et. seq.)

5. STATEMENT OF INVESTMENT POLICY: The Treasurer shall submit a "Statement of Investment Policy" annually and any proposed mid-year changes to the Board of Directors for approval. Approval may be by minute order except where changes are made in which case, it shall be done by Resolution.

6. REVERSE REPURCHASE AGREEMENT: Securities shall not be pledged as collateral for temporary borrowing except as authorized by the Board of Directors.

7. SELLING SECURITIES PRIOR TO MATURITY: Losses shall be acceptable only if the proposed swap/trade can clearly enhance yield (value) over the life of the new security on a total return basis.

Sufficient written documentation to facilitate audit of the transaction shall be maintained. Losses shall be recognized and recorded based on transaction date(s).

8. MONTHLY REPORTS: The Treasurer shall file a monthly report with the Board of Directors and its President at each regular monthly meeting.

Minimum required elements of the monthly report are as follows for all securities and rate of interest:

- a. Type of investment and rate of interest.
- b. Issuer/Institution and statements from same.
- c. Date of maturity, par value and dollar value.
- d. Statement regarding the report's compliance or non-compliance with the Statement of Investment Policy.
- e. Statement that there are sufficient funds to meet the next 30 days' obligations or an explanation as to why sufficient money shall or may not be available.

9. QUARTERLY REPORTS: The Treasurer shall file a quarterly report with the Board of Directors and its President within 30 days after the end of each quarter (i.e., by May 1, August 1, November 1, and February 1).

Minimum required elements of the quarterly report are as follows for all securities, investments and monies:

- a. Type of investment, rate of interest, and accrued interest earnings and trends for same.
- b. Issuer/Institution and statements from same.
- c. Date of maturity, par value and dollar value.
- d. A description of funds, investments, or programs held under the management of contracted parties including lending programs.
- √ e. Current market value to all securities held by the District and under the management of any outside party that is not also a local agency or the State of California Local Agency Investment Fund (LAIF).
- f. Statement regarding the report's compliance or non-compliance with the Statement of Investment Policy.
- g. Statement that there are sufficient funds to meet investment pool's expenditure requirements for the next six months, or an explanation as to why sufficient money shall or may not be available.



10. ANNUAL REPORT: The Treasurer shall file an annual report with the Board of Directors and its President within 30 days after the end of the District's fiscal year.

Minimum required elements of the Annual Report are as follows:

- a. The same information required in item (a) above.
- b. A copy of the Statement of Investment Policy or Policies in effect during the reporting period.
- c. Charts and/or graphs showing (1) trends for account balances and accrued interest earnings and (2) flow of money between said accounts.
- d. Explanation for allocation of interest earnings to internal funds.
- e. Statement from the District Finance Committee re any comments on the report.
- f. Recommendations, if any, on proposed changes to current investment strategies or to the Statement of Investment Policy itself.

II. GUIDELINES:

1. INVESTMENT TRANSACTIONS: Every investment transaction must be reviewed, authorized and documented by the Treasurer.

2. POOLED CASH: Whenever practical, District cash should be consolidated into one bank account and invested on a pooled concept basis. Interest earnings may be allocated according to fund cash and investment balances at predetermined intervals, i.e., monthly, quarterly, etc.

3. COMPETITIVE BIDS: Purchase and sale of securities should be made on the basis of competitive offers and bids when practical.

4. CASH FORECAST: Once investment policies are adopted and internal controls are in place, the cash flow for the District should be analyzed and compared to the receipt of revenues and maturity of investments scheduled so that adequate cash will be available to meet disbursement requirements, as well as developing a basis for the investment strategy.

5. INVESTMENT LIMITATIONS: Security purchases and holdings should be maintained within limits imposed by the Government Code. Current Limits are:

<b>PERMITTED INVESTMENTS/DEPOSITS</b>	<b>PERCENTAGES</b>	<b>MAXIMUM MATURITY</b>
Securities of the U.S. Government	Unlimited	5 years *
Certificates of Deposits	Unlimited	5 years *
Negotiable Certificates of Deposits	30%	5 years *
Bankers Acceptances	40%	270 days
Commercial Paper	30%	180 days
LAIF	100MM***	N/A
Passbook Deposits	--	N/A
Repurchase Agreement	20%	1 year **
Reverse Repurchase Agreements	20%	1 year **
Mutual Funds	15%	N/A
Medium term Notes	30%	5 years *
County Pooled Funds	Unlimited	N/A

\*Maximum term unless expressly authorized by the Board of Directors and within the prescribed time frame for said approval.

\*\*Board approval is required, and must comply with Government Codes 53601 (i) and 53635 (i).

\*\*\*Limit set by LAIF Governing Board, not the Government Code.

6. LIQUIDITY: The marketability (salability) of a security should be considered at the time of purchase, as the security may have to be sold at a later date to meet unanticipated cash demands. The portfolio should therefore consists largely of securities with active secondary or resale markets. This would include short term maturities to limit the effect of market risk on the market price of the securities.

7. LONG-TERM MATURITIES: As a general rule, long term maturities should not represent a significant percentage of the total portfolio, as the principal risk involved can outweigh the potential for higher earnings. Maximum terms should be as specified in the Government Code (currently five years as per Sections 53601/53635 unless previously authorized by the Board of Directors.

8. SELECTION OF DEALERS/BROKERS: It is highly recommended that investment transactions be with previously approved financial institutions. A regular review of the financial statements of the institution should be done to ascertain capital adequacy. Unaudited quarterly reports are generally available within forty (40) days of the end of each quarter.

In addition, it is highly recommended that the Treasurer provide a current edition of the "Statement of Investment Policy" to all dealers/brokers which have been previously approved to handle investment transactions. This will assure that the dealers/brokers are aware of the suitability of the investment instruments they are trying to sell to the District. Receipt of the policy, including confirmation that it has been reviewed by persons handling the District's account should be acknowledged in writing prior to commencing to trade.

9. DIVERSIFICATION: The purpose of diversifying is to reduce the overall portfolio risks while attaining an average market rate of return; therefore, it needs to be conceptualized in terms of maturity, instrument types and issuer. The portfolio should consist of a mix of various types of securities, issuers, and maturities.

10. EVALUATION OF CERTIFICATE OF DEPOSIT:

- a.) Time Certificate of Deposit (TCD) should be evaluated in terms of FDIC or FSLIC coverage. For deposits in excess of the insured maximum of \$100,000, approved collateral, at the required percentage of market value, should be obtained. (California Government Code Section 53651 and 53652).
- b.) Negotiable Certificate of Deposit (NCD) should be evaluated in terms of the credit worthiness of the issuer, as these deposits are uninsured and uncollateralized promissory notes.
- c.) Suggested minimum eligibility criteria for banks and savings and loan institutions:
  - 1.) Federally insured (FSLIC, FDIC, NCUA)
  - 2.) Approved by the Treasurer based on :
    - a) Financial soundness - some suggested methodologies:
      1. In-house ration analysis
      2. Use of external rating services, i.e. Keefe, Bruyette & Woods, Inc. (KB), Moody's S&P, Finley Report
    - b) Experience
    - c) Personnel

11. PAYMENT: Payment for securities should be on a Delivery Versus Payment (DVP) basis. This is ideally done via the District's third party safekeeping agent. NOTE: Book entry is considered delivery.

12. WIRE TRANSFER: All transfers should be made by authorized personnel in a position commensurate with the significance of the transaction. The District's bank should verify each transaction with predetermined District personnel other than the individual sending the wire transfer.

Whenever possible, use pre-formatted wire transfers to restrict the transfer of funds with pre-authorized accounts only.

13. COLLATERAL: Amount of securities placed with agent of depository shall at all times be maintained as specified in California Government Code Section 53652 and pursuant to Sections 53656 and 53658.

The purchase of Certificates of Deposit requires the depository to secure public funds. If the collateral is government securities, 110% of market value to the face amount of the deposit is required. Promissory notes secured by first mortgages and first trust deeds used as collateral require 150% of market value to the face amount of the deposit. An irrevocable Letter of Credit issued by the Federal Home Loan Bank of San Francisco requires 105% of market value to the face amount of the public deposit.

Collateral is also identified as the underlying marketable securities provided by a broker/dealer under a repurchase agreement transaction or the marketable securities provided by the District under a reverse repurchase agreement.

Marketable securities which are provided as collateral under a repurchase agreement with a broker/dealer should be held by the District's safekeeping agent at a market value greater than 100%. Request for collateral substitutions and releases should always be subject to the Treasurer's approval.

14. SAFEKEEPING: Securities purchased from brokers/dealers should be held in a third party custodian/safekeeping account. Said securities should be held in a manner that establishes the District's right of ownership.

All securities owned by the District should be held by a third party except the collateral for time deposits in banks and savings and loans. Collateral for time deposits in savings and loans is held by the Federal Home Loan Bank or an approved Agent of Depository. The collateral for time deposits in banks should be held in the District's name in the bank's Trust Department, or alternately, in the Federal Reserve Bank.

15. CONFIRMATION: Receipts for confirmation of purchase of authorized securities should include the following information. Trade date, par value, maturity, rate, price, yield, settlement date, description of securities purchased, agency's name, net amount due, third-party custodial information insist that confirmation of all investment transactions are to be received by the Treasurer within three (3) business days. These are minimum information requirements.

16. GASB 3: The Governmental Accounting Standards Board issued GASB 3 in April, 1986. Current methods of purchasing and holding securities requires some discretion to classify investments under GASB 3.

The intent of the rating categories is to quantify risk associated with the ownership of various types of investments. The focal point is establishing investment and the entity holding the investment.

The carrying amount and market value of all types of the local entity's investment should be disclosed in total and for each type of investment. The disclosure of the carrying amounts by type of investment should be classified into these three categories of risk:

- 1) Insured or registered, or securities held by the District or its agent in the District's name.
- 2) Uninsured and unregistered with the securities held by the counterparty's trust department or agent in the District's name.
- 3) Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent, but not the District's name; (This included the portion of the carrying amount of any repurchase agreement that exceeds the market value of the underlying securities).

Interpretation of GASB 3 indicates that the securities do not literally have to be held in the name of the District, but the District must be able to show evidence of ownership. This "chain of custody" can be evidenced through safekeeping or custodial receipts and/or statements.

The rating categories are determined by where the securities are held, how they were transferred, and who the counterparty to each transaction was.

GASB 3 exempts mutual funds. LAIF investments, and County pooled funds from the mandatory risk categorization. Moreover, deposits that are insured or collateralized may be exempt from mandatory risk categorization, if collateral is held by the District or a third party custodian in the District's name.

17. STRATEGY: The following, may help to develop an effective investment strategy. Strategy refers to the ability to manage financial resources in the most advantageous manner.

1) Economic Forecasts: Gather economic forecasts periodically from economist and financial experts through bankers and brokers to assist in the formulation of an investment strategy for the local agency.

2) Implementing Investment Strategy: Executed investment transactions which conform with anticipated interest rate trends and the current investment plan.

3) Rapport: Maintain a close working relationship with District staff. The objective is to pinpoint when large disbursements will hit the District's bank account. It is essential for good cash control that such large expenditures be anticipated, estimated as to dollar amount, and communicated to the Treasurer to insure that the portfolio has sufficient liquidity to meet current obligations with little disruption to the scheduled maturities.

4) Yield Enhancements: The Treasurer may wish to utilize the following investment techniques to increase yield and to maintain a fully invested position:

- a) Daily and Week-end Repurchase Agreements.
- b) Reverse Repurchase Agreements using only owned and matched maturity securities as collateral.
- c) Swaps and Trades.

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT - CONSOLIDATED BUDGET  
2018/19 Budget**

<b>OPERATING INCOME</b>	<b>Budget FY 18/19</b>	<b>Actual June</b>	<b>Actual Year to Date</b>	<b>Percentage Year to Date</b>	<b>Variance Explanation</b>
Water Fees	901,000	86,584	937,180	104%	
Sewer Fees	594,950	51,541	588,821	99%	
Hook-Up Fees	6,000	600	4,300	72%	Fluctuates based on activity
Turn on Fees	3,500	525	3,650	104%	
Late Fees	16,500	1,576	16,713	101%	
Plan Check & Inspection	10,000	618	1,833	18%	
Miscellaneous Income	2,000	0	3,209	160%	Surplus Equip & recycling
<b>TOTAL OPERATING INCOME</b>	<b>\$1,533,950</b>	<b>\$141,443</b>	<b>\$1,555,707</b>	<b>101%</b>	

<b>FRANCHISE INCOME</b>					
Solid Waste Franchise Fees	66,000	6,567	69,634	106%	
<b>TOTAL FRANCHISE REVENUE</b>	<b>\$66,000</b>	<b>\$6,567</b>	<b>\$69,634</b>	<b>106%</b>	

<b>NON-OPERATING INCOME</b>					
Standby Charges	242,921	3,236	237,374	98%	
Property Tax	341,000	4,534	350,073	103%	
Interest	27,000	95	68,660	254%	Fluctuates based on activity
Connection Fees	70,250	14,116	61,514	88%	Fluctuates based on activity
<b>TOTAL NON-OPERATING INCOME</b>	<b>\$681,171</b>	<b>\$21,981</b>	<b>\$717,621</b>	<b>105%</b>	

<b>RESERVE REVENUE</b>					
Capital Reserves	123,848	54,892	96,092	78%	
General Reserves	57,228	27,062	50,170	88%	
<b>TOTAL RESERVE REVENUE</b>	<b>\$181,076</b>	<b>\$81,955</b>	<b>\$146,262</b>	<b>81%</b>	

<b>TOTAL ALL INCOME</b>	<b>\$2,462,197</b>	<b>\$251,946</b>	<b>\$2,489,224</b>	<b>101%</b>	
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**HERITAGE RANCH COMMUNITY SERVICES DISTRICT - CONSOLIDATED BUDGET  
2018/19 Budget**

**OPERATING EXPENSES**

<b>SALARIES AND BENEFITS</b>	<b>Budget FY 18/19</b>	<b>Actual June</b>	<b>Actual Year to Date</b>	<b>Percentage Year to Date</b>	<b>Variance Explanation</b>
Salaries	654,697	48,242	620,293	95%	
Health Insurance	120,616	7,619	114,506	95%	
Health Insurance - Retiree	58,233	4,059	58,327	100%	
PERS	123,796	9,544	117,956	95%	
Standby	12,500	946	12,333	99%	
Overtime	11,500	677	15,048	131%	Fluctuates based on need & staffing
Workers Comp. Ins.	22,675	0	19,924	88%	Paid Annually
Directors' Fees	7,000	200	5,550	79%	
Medicare/FICA	10,014	750	9,760	97%	
Car Allowance	3,000	250	3,000	100%	
SUI/ETT	1,500	0	736	49%	
Uniforms	3,800	324	2,436	64%	
<b>TOTAL SALARIES &amp; BENEFITS</b>	<b>\$1,029,331</b>	<b>\$72,611</b>	<b>\$979,868</b>	<b>95%</b>	

**UTILITIES**

Electricity	242,800	22,753	230,319	95%	
Propane	900	100	956	106%	
Water Purchase	23,114	0	23,114	100%	Paid Semiannually
Telephone/Internet	11,830	1,038	10,350	87%	
<b>TOTAL UTILITIES EXPENSE</b>	<b>\$278,644</b>	<b>\$23,892</b>	<b>\$264,739</b>	<b>95%</b>	

**MAINTENANCE & SUPPLIES**

Chemicals	68,000	3,165	72,403	106%	
Computer/Software	7,000	13,824	20,954	299%	
Equip. Rental/Lease	1,000	0	340	34%	
Fixed Equip.	85,000	27,291	63,620	75%	
Fuel & Oil	12,000	1,813	14,500	121%	
Lab Testing	24,500	4,245	36,440	149%	TSO & changes in water quality
Office Supplies	3,000	299	2,293	76%	
Parks & Recreation	500	0	314	63%	
Struct./Grnds.	6,500	2,488	14,189	218%	
Small Tools/Equip.	3,500	123	2,623	75%	
Supplies	6,000	20	5,579	93%	
Meters/Equip.	5,000	0	2,639	53%	Fluctuates based on activity
Vehicles	8,500	4,926	11,491	135%	
<b>TOTAL MAINT. &amp; SUPPLY EXPENSE</b>	<b>\$230,500</b>	<b>\$58,194</b>	<b>\$247,385</b>	<b>107%</b>	



**HERITAGE RANCH COMMUNITY SERVICES DISTRICT - CONSOLIDATED BUDGET  
2018/19 Budget**

<b>GENERAL &amp; ADMINISTRATION</b>	<b>Budget FY 18/19</b>	<b>Actual June</b>	<b>Actual Year to Date</b>	<b>Percentage Year to Date</b>	<b>Variance Explanation</b>
Ads./Advertising	1,500	0	1,234	82%	Fluctuates based on activity
Alarm/Answering Service	3,275	287	3,473	106%	
Audit	6,000	0	6,000	100%	
Bank Charges/Fees	2,000	250	2,222	111%	
Consulting/Engineering	40,000	1,745	9,808	25%	
Dues/Subscription	12,000	0	8,063	67%	
Elections	1,000	0	549	0%	
Insurance	22,525	0	25,768	114%	Paid Annually
LAFCO	8,000	0	7,015	88%	Paid Annually
Legal/Attorney	17,000	925	12,539	74%	
Licenses/Permits	26,000	60	19,286	74%	
Plan Check & Inspection	10,000	0	2,791	28%	
Postage/Billing	20,000	2,520	19,082	95%	
Professional Service	16,000	6,150	19,364	121%	
Tax Collection	5,300	0	5,286	100%	
Staff Training & Travel	5,000	222	2,349	47%	
Board Training & Travel	1,500	0	241	16%	
<b>TOTAL G &amp; A</b>	<b>\$197,100</b>	<b>\$12,158</b>	<b>\$145,069</b>	<b>74%</b>	

**CAPITAL PROJECTS & EQUIPMENT**

Structures/Improvements	108,076	38,762	80,760	75%	
Equipment	73,000	43,193	65,502	90%	
<b>TOTAL CAPITAL EXPENSE</b>	<b>\$181,076</b>	<b>81,955</b>	<b>146,262</b>	<b>81%</b>	

**DEBT**

State Loan Payment	103,629	0	103,628	100%	paid semiannually
State Loan Payment Phase II	58,740	29,369	58,739	100%	paid semiannually
<b>TOTAL DEBT</b>	<b>\$162,369</b>	<b>\$29,369</b>	<b>\$162,367</b>		

FUNDED DEPRECIATION	\$288,000	\$24,000	\$288,000	100%	
UNFUNDED DEPRECIATION	\$0	\$0	\$0	0%	

<b>TOTAL EXPENSE</b>	<b>\$2,367,020</b>	<b>\$302,177</b>	<b>\$2,233,691</b>	<b>94%</b>	
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CONNECTION FEES TRANSFER      \$70,250      \$14,116      \$61,514      88%

SOLID WASTE FEES TRANSFER      \$29,222      \$3,074      \$31,959      109%

<b>FUND TOTAL</b>	<b>(\$4,295)</b>	<b>(\$67,421)</b>	<b>\$162,060</b>		
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## HERITAGE RANCH COMMUNITY SERVICES DISTRICT

### Manager Report For the Month of July 2019

In addition to normal operations and administrative duties, below are updates for several areas of work:

#### Administration

- Staff is sharpening our pencils on the audit of our billing system and customer accounts regarding the minimum bill requirements. We have found several properties connected to the systems that have not paid a bill in some time, either by our previous incorrect practices, or by circumventing the system (illegally connecting to the system, stealing water, etc.). Staff is working to make things fair and equitable and in accordance with District codes.
- Staff is already preparing for the FY 2018/19 audit.
- The Manager met with District Counsel regarding several items.
- The Manager attended a bi-monthly management meeting.
- Staff attended a webinar regarding the CalPERS annual year-end reporting process.
- The Manager coordinated with SLO County regarding the extension of the water wheeling contract that would allow the District to obtain our water allocation via the emergency connection to the Nacimiento Water Project.

#### Operations

- The Operations & Engineering Committee convened a meeting to discuss Photovoltaic System Project. Additional information can be found in the separate item in this agenda.
- Additional updates regarding operations can be found in the Operations Report.

#### Solid Waste

- Staff coordinated with San Miguel Garbage Company regarding delinquent charges and fees.
- The Household Hazardous Waste facility was inspected by CalFire in coordination with IWMA and their contractor that operates the facility.

#### Reservoir Status

- As reported by Monterey County Water Resources Agency (MCWRA), as of July 11<sup>th</sup> the reservoir was at approximately 777 feet in elevation, 68% of capacity, or 258,800-acre feet of storage. MCWRA water releases were at 560 cfs.

### Capital Improvement Program (current FY)

- WTP Actuator Replacement: This project is continued from the previous FY and is in progress. All other projects from last FY are complete.
- The PVS project is progressing with the kickoff meeting having been held May 16-17. A separate item is included in this agenda.
- The other current FY projects have not started.

### Development

- The District received a deposit and executed a reimbursement agreement with the applicant for the proposed vehicle storage facility located across from the marina. The applicant has submitted initial plans and documentation which is in the process of being reviewed by the Manager and the District Engineer. A will serve for water and sewer service is required.

### Public Relations and Community

- The Manager met with a property owner regarding the District's position and requirements for new development.

### Human Resources

- Nothing significant to report.

### Board Member & Staff Information and Learning Opportunities

- CSDA provides numerous trainings throughout the year. The Manager did not see any local opportunities in the near future. If you see a training or related event and would like to attend, please let staff know and we will assist you.
- The Manager and Office Supervisor are planning on attending the CalPERS Educational Forum 2019, October 28-30 in Oakland, CA. This event is CalPERS' version of an annual conference with several speakers and numerous breakout sessions.

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**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
JUNE 2019 OFFICE REPORT**

**Water & Sewer**

On July 1<sup>st</sup>, we processed 1,908 bills for a total dollar amount of \$138,746 for water and sewer user fees for the month of June. The number of Automatic Drafts processed was 523 for a total dollar amount of \$36,147. On June 26<sup>th</sup> we processed 267 Late Notices.

**San Miguel Garbage Franchise Fees**

Each month, the District receives franchise fees from the previous month. The breakdown is as follows:

Month of May

Garbage Collection (10%) - \$ 5,895.56

Roll-Off Collection (10%) - \$ 671.73

Total Franchise Fees Collected - \$ 6,567.29

**Service Orders Completed**

Staff completed a total of 337 service orders for the month of June. Below is a breakdown by job code.

Call-Out	3	Occupant Change	20
Misc. Meter Info.	5	Dirty Water Complaint	1
Leak	6	Swap Meter (Warranty)	259
Lock Meter	7	Unlock Meter	22
Hydrant Meter	1	USA	12
Sewer Inspection	2	Courtesy Turn-Off	3

# Operations Report

## June 2019

### **Water Treatment:**

- 15.6 Million gallons of water was treated
- Troubleshoot plate settler actuator; staff is currently sourcing replacement parts
- Worked with contractor to coordinate and complete over 950 square feet of asphalt patching at various water leak sites
- With assistance from MKN, completed jar testing to evaluate chemical dosing and improve performance at the plate settler
- Completed and submitted monthly water treatment plant to the Division of Drinking Water
- Programming of the replacement actuators at the water treatment plant is ongoing
- Collected required asbestos sample from the water distribution system
- Sampled water treatment plant sludge for required constituents prior to land disposal
- Warranty replacement of failed water meter registers is ongoing

### **Wastewater Treatment:**

- 3.3 Million gallons of wastewater was treated
- Evaluated changes in the treatment system due to increased temperatures; adjusted aeration times to compensate
- Contractor completed annual hydro-jetting of one-third of the collection system; cleaning of six lift stations was also done with two stations remaining due to equipment break down
- Collected second quarter TSO samples
- Certified and submitted the monthly Self-Monitoring Report
- Adjusted the location of the fence at Lift Station 2 and placed base on the road for access