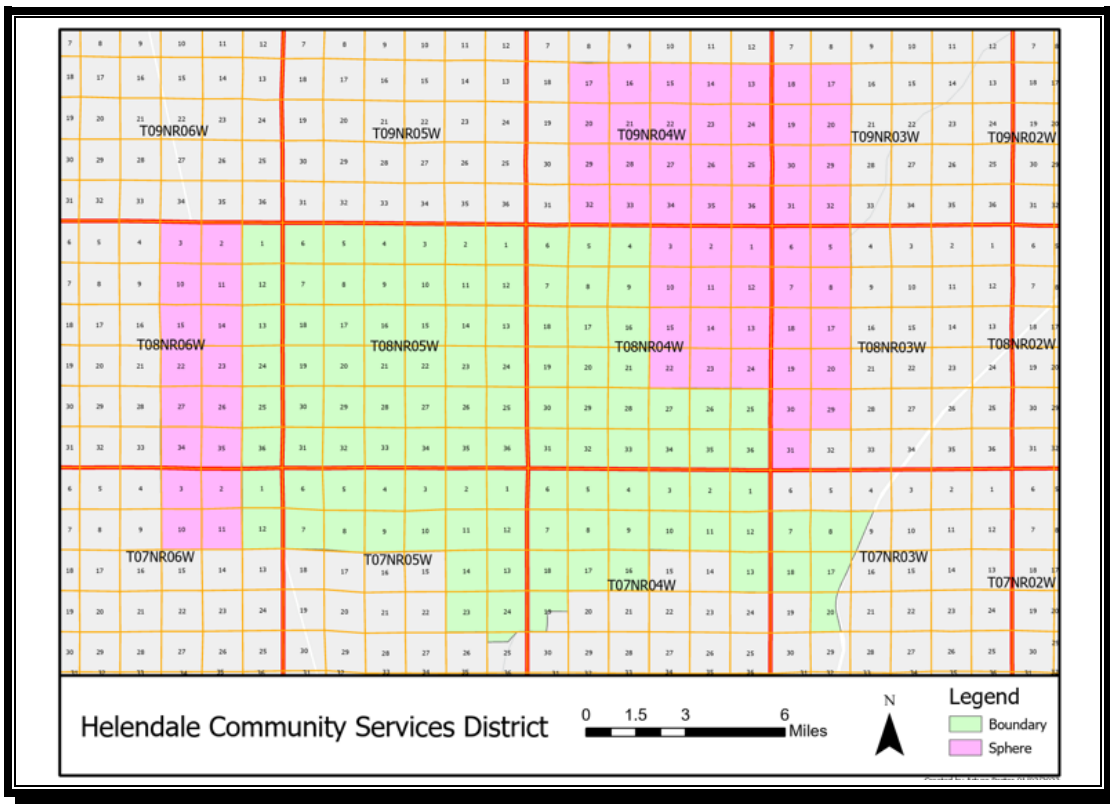


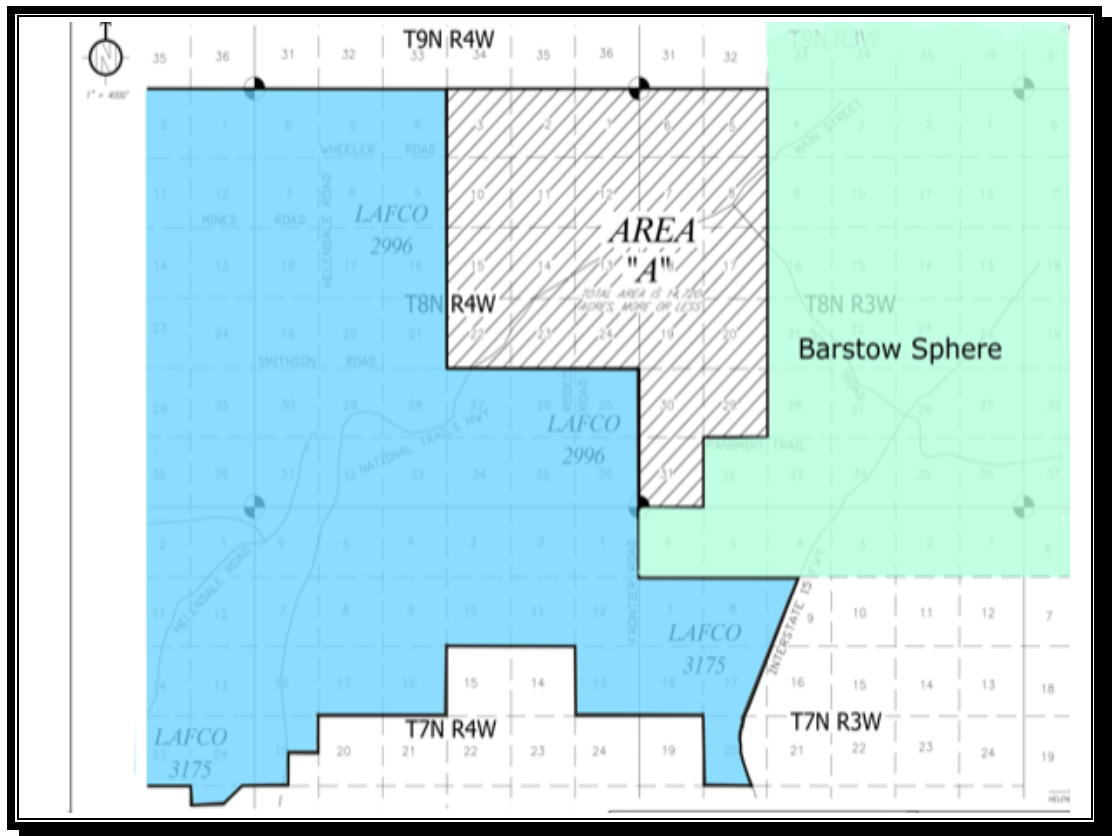
PLAN FOR SERVICE AND FISCAL IMPACT ANALYSIS ANNEXATION TO THE HELENDALE COMMUNITY SERVICES DISTRICT OF ITS EASTERN SPHERE OF INFLUENCE

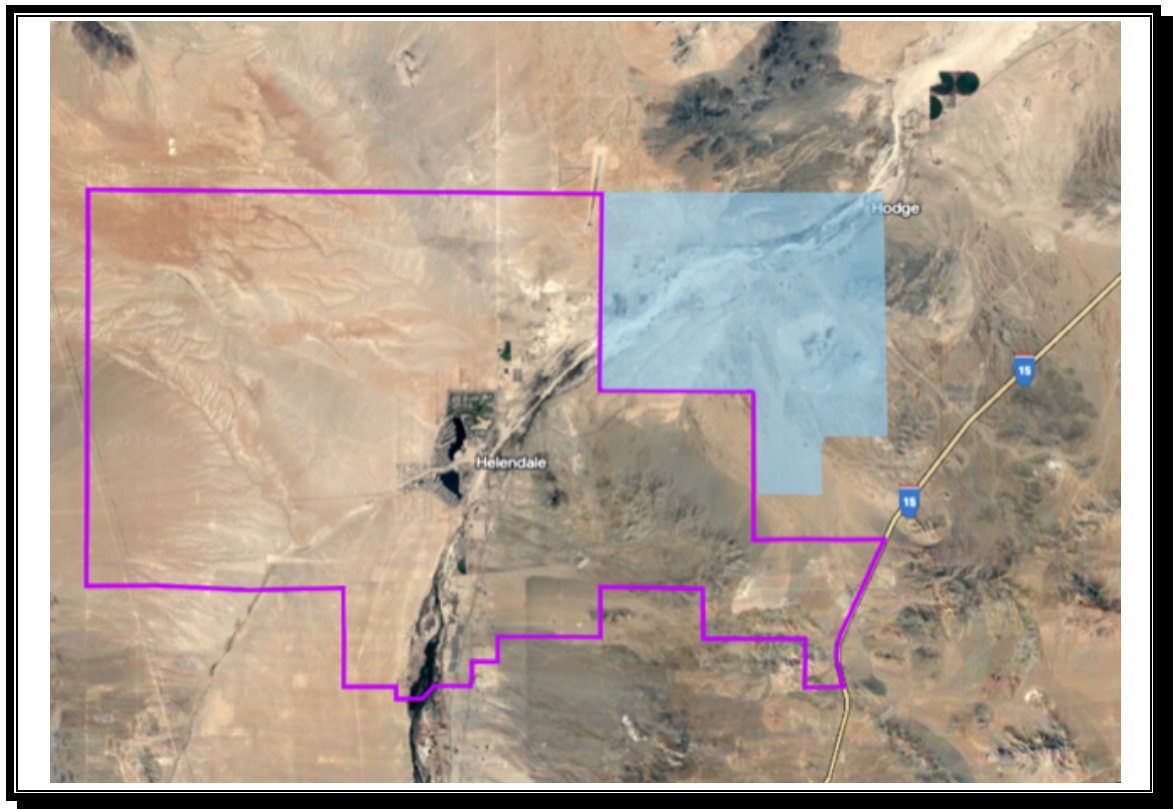
The Helendale Community Services District (hereafter shown as CSD) was formed on December 8, 2006, to provide the community with local control of its services within its 90 square miles: water, sewer, solid waste, park and recreation, streetlighting and graffiti abatement. In addition, it was intended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



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

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





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

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

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

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

Based on a review of the current service delivery capabilities of the Helendale CSD it is equipped to handle the additional demand from the proposed annexation should the residents choose to participate in their programs. The Helendale CSD is projected to cover the annual recurring costs for providing its services with a projected recurring surplus of \$8,140.

INTRODUCTION

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

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

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

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

PROJECT DESCRIPTION

EXISTING DEVELOPMENT:

Based upon a review of County Assessor information related to the annexation area, it has limited development. The area is comprised of 1,110 parcels with the bulk of the parcels undeveloped. There are 176 parcels which have improvements, of those 140 are residential properties as identified by their land use code. They are described as follow:

USE CODE	DESCRIPTION	NUMBER OF PARCELS
510	Single-Family Residence	81
511	Recreation Cabin	1
520	Mobilehome on fee land, not subdivision	18
526	Mobilehome on permanent foundation	22
599	Miscellaneous residential structure	6
600	Two single family residences single parcel	12

The total 2022-23 assessed valuation for the area is \$41,885,889 (\$25,836,514 land; \$16,049,375 improvements). There is a single identified commercial operation,

Dutch Diary, operating along Wild Road in the annexation area. It has the largest parcel valuation in the proposal area. The balance of the area is scattered residential and vacant lands.

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



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

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

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

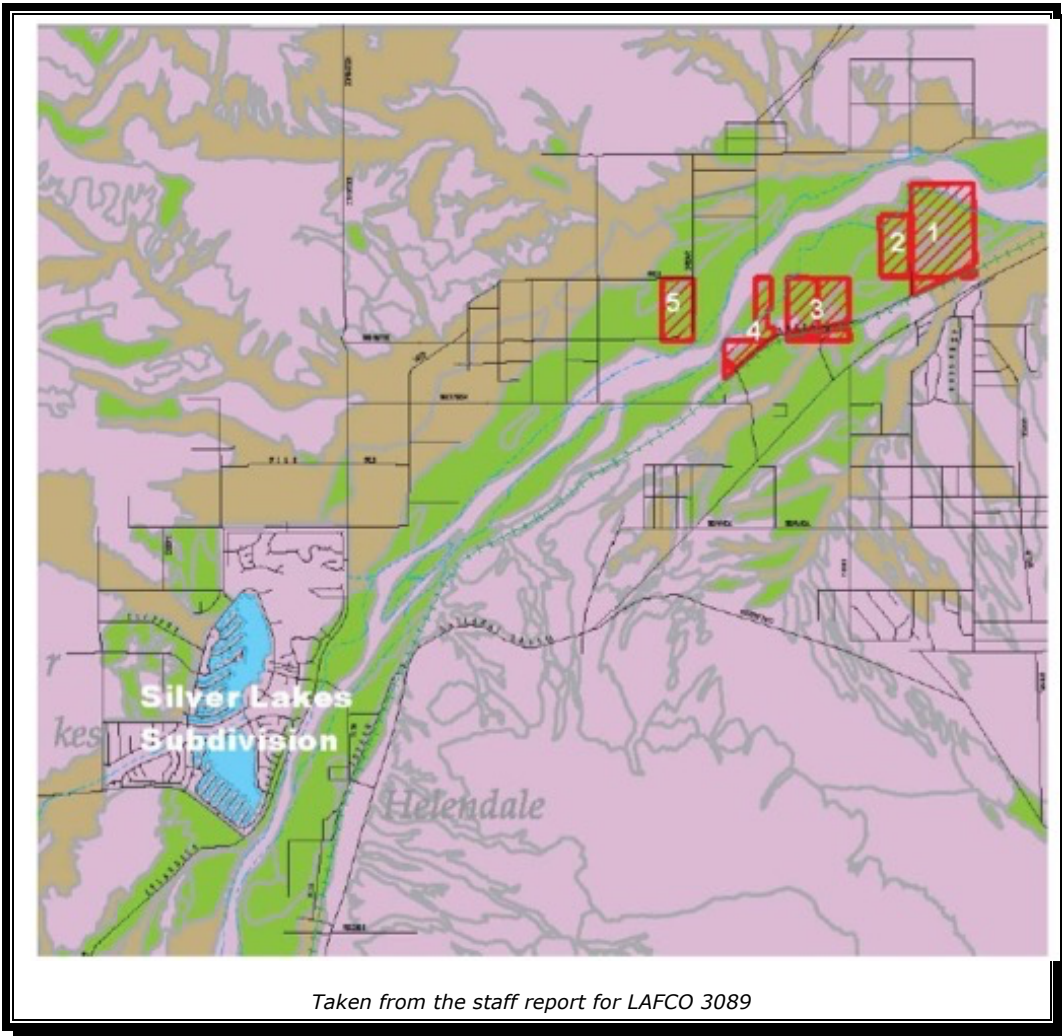
An additional consideration for a Local Agency Formation Commission is the issue of agricultural and open space lands. The statutes require that development, and the units of government which provide for urbanization, be kept at bay from these areas. Within the proposed annexation are areas of Williamson Act contract lands and mineral resource zones requiring addressing this issue.

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

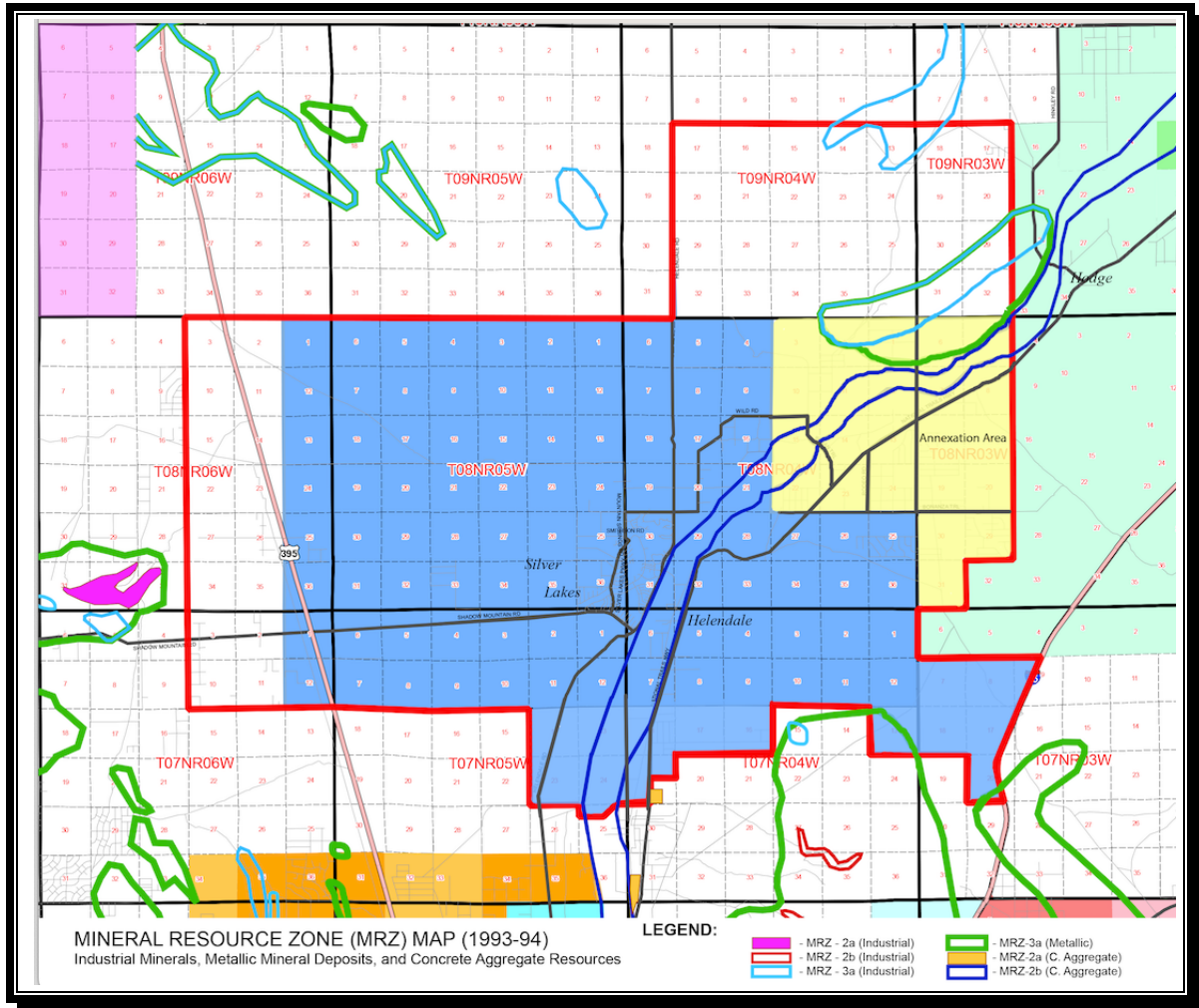
Table 2-1
Agricultural Parcels with Existing Williamson Act Contracts
Proposed Helendale Sphere of Influence

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

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



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



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

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

PUBLIC FACILITIES AND SERVICES BEFORE AND AFTER ANNEXATION

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

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

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

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

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

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

2. Private Utilities

- Cable/internet Provider
- Power

- . Telephone
- . Natural Gas

3. Helendale Community Services District

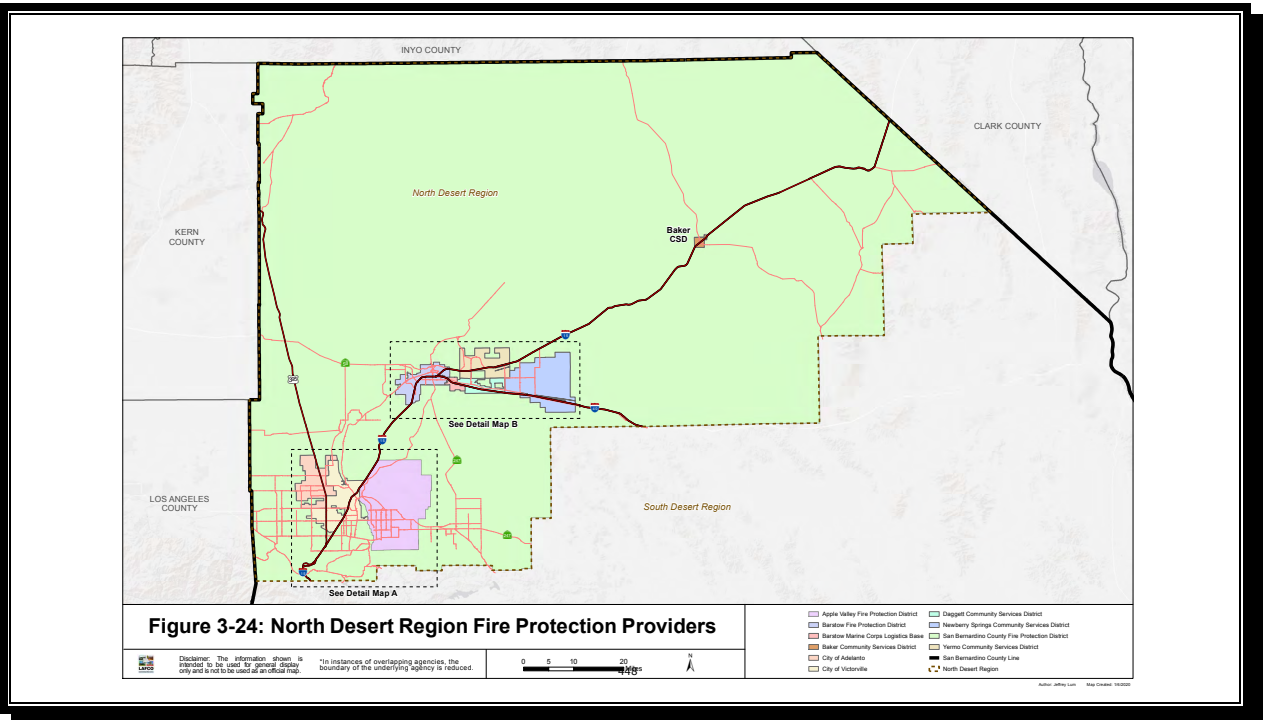
- CSD Administration
- Sewer
- Water
- Solid Waste Management/Recycling

- . Park and Recreation
- . Streetlighting
- . Graffiti Abatement

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

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

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

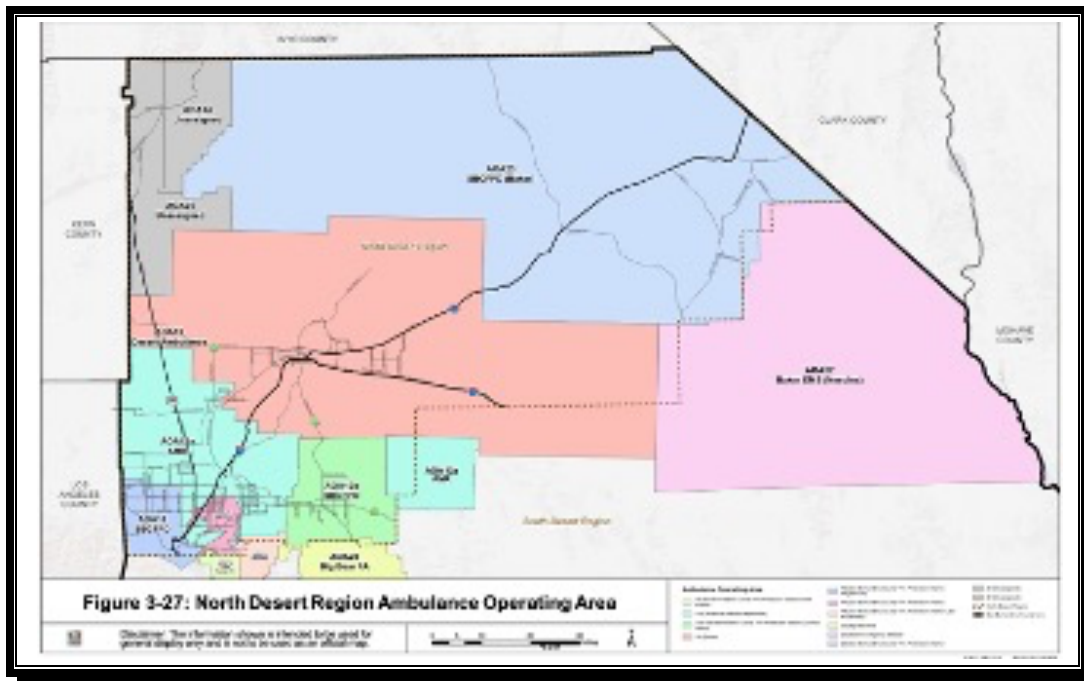


As shown on the Tax Rate Area Allocations Chart, included in the financial portion of this Plan, most of the annexation area has not been assigned to the parent district for property tax purposes by the State Board of Equalization and/or the Auditor Controller. One tax rate area has not been assigned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

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

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

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



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

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

Helendale Community Services District:

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

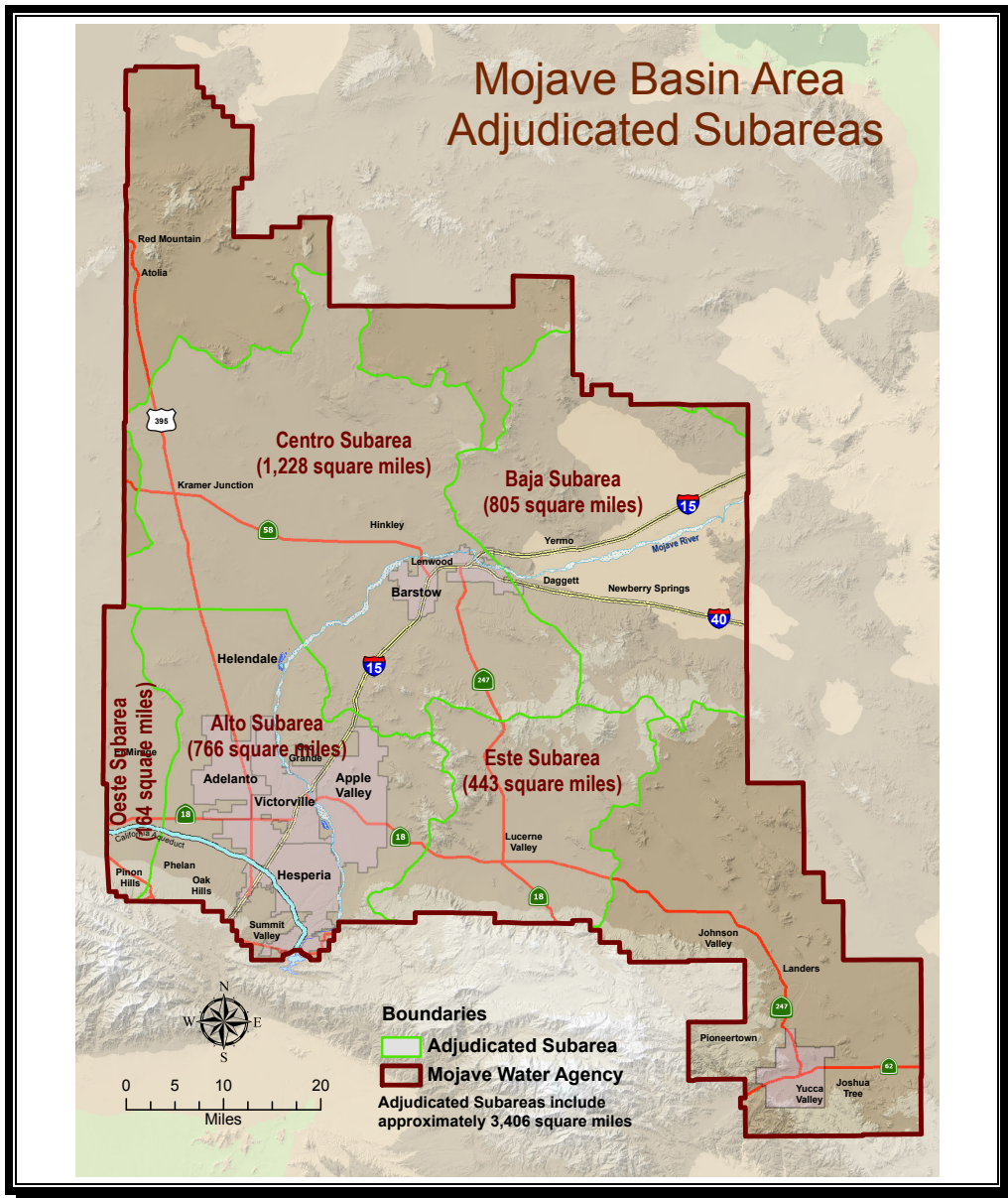
1. District Administration: Following annexation the administrative services offered by the Helendale CSD Board of Directors and staff will be extended to the new territory. These services include regulatory compliance, CSD personnel, budgeting, and management services, monthly billing for solid waste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

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

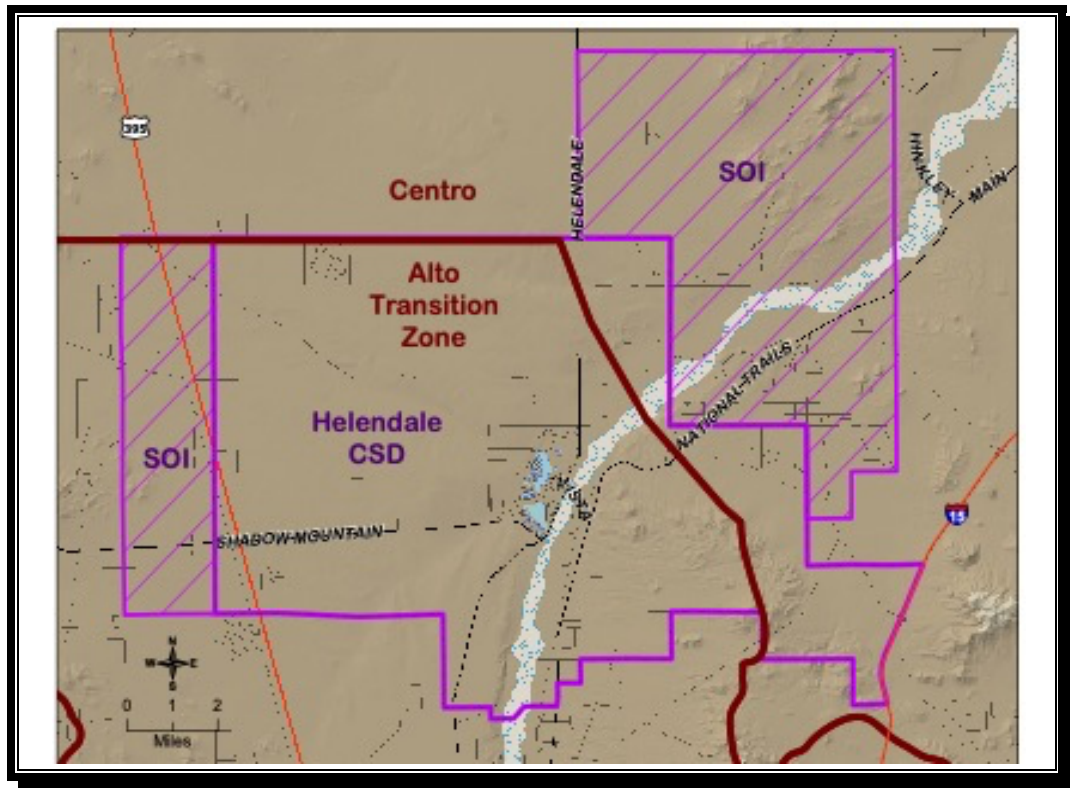
3. Water: Residences or businesses within the annexation area currently rely upon underground wells for their drinking water needs. After annexation this will not change. The CSD has the power "to supply water for any beneficial use" as outlined in Community Services District law. This service was authorized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

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

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



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



4. Solid Waste Management: The proposed annexation area currently receives its solid waste disposal service through the San Bernardino County Solid Waste Management Division (SWMD) under contract with Burrtec. As outlined in the land use discussion above, the area is primarily vacant with scattered rural residential development. There is no mandatory requirement for residential trash pick-up by the County within this area. However, the proposed annexation includes portions of County Collection Franchise Areas (CFA) 19, 22 and 23 all under contract with Burrtec. For Fiscal Year 2023-24 the monthly service charge for residential properties under the County Burrtec contract in this area is \$35.28 per month.

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

For AB1383 compliance, the district was able to gain approval from the State to operate a food waste drop off site in compliance with the new organic materials disposal. This cost savings approach has saved residents several dollars per month in disposal and processing costs compared to other communities. The annexation area will be included in these programs upon successful annexation.

The Helendale CSD solid waste charge for Fiscal Year 2023-24 is \$27.85 per month for residential service. The difference between the Helendale CSD solid waste contract and the County's contract is a residential cost savings of \$7.43 per month or \$89.16 a year.

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

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

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

After annexation, the area will have access to local park services provided

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

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

FISCAL IMPACT ANALYSIS

San Bernadino LAFCO policies require that the Fiscal Impact Analysis provide for a five-year projection of expense and revenues which identifies how the service will be financed and that the revenues are sufficient to provide for the service for the foreseeable future. Several of the District's services are not anticipated to be

extended, water, sewer, and streetlighting so no revenue or cost projections are provided. Should such services be needed in the future the requesting parties would be required to pay their pro rata share for extension and ongoing operations. While authorized to provide graffiti abatement, this service is not currently actively provided. It is proposed that the district's services for administration, solid waste management, and park and recreation can or will be extended into the area and the fiscal analysis which follows outlines the first five years following annexation.

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

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

A review of audit and budget data for the Helendale CSD provides the background information for development of the costs for service extension and anticipated revenues. In the case of the annexation area, the CSD's revenues are projected on a developed parcel basis. Of the 1,110 parcels within the annexation area, 178 have

improvements. Of those 140 have identified land use codes identifying residential development. However, of these 140 parcels only 103 have an improvement valuation which would be presumed to be a residential use with the potential for service needs (above \$50,000 in improvement valuation). The importance of this data is that the range of revenues to be provided to the Helendale CSD are directly related to residentially developed properties. In addition, there are no known participants in the Burrtec residential solid waste service at the present time. Therefore, the calculation below for solid waste billing is presented as the potential future revenue/cost for this service. These calculation factors are shown on the table which follows:

CATEGORY		PROJECTION FACTOR - PER HOUSEHOLD COST	2023-24	PROJECTION FACTOR	2024-25 THROUGH 2029-30
RECURRING REVENUES					
Property Tax			\$ -		\$ -
Franchise Fees	115 residential developed parcels	\$ 28.68	\$ 3,298	8.7% increase over prior year	\$ 3,585
Solid Waste Billing				8.7% increase over prior year	
Single Family Residential	103 parcels	\$ 287.64	\$ 29,627		\$ 32,204
Two SFR on a single parcel	12 parcels	\$ 547.68	\$ 6,572		\$ 7,144
Solid Waste ESFR Assessment:*				No Change Allowed	
Single Family Residence	81 parcels	\$ 84.89	\$ 6,876		\$ 6,876
Mobile Home:					
On Fee Land no Subdivision	18 parcels	\$ 84.89	\$ 1,528		\$ 1,528
On Permanent Foundation	22 parcels	\$ 84.89	\$ 1,868		\$ 1,868
Two SFR on a single parcel	12 parcels	\$ 170.03	\$ 2,040		\$ 2,040
Recreation Cabin	1 parcel	\$ 42.22	\$ 42		\$ 42
Miscellaneous Residential	6 parcels	\$ 84.89	\$ 509		\$ 509
Park and Recreation Fees	115 residentially developed parcels	\$ 21.00	\$ 2,415	No Change	\$ 2,415
TOTAL ESTIMATED REVENUES			\$ 54,776		\$ 58,212
RECURRING COSTS					
Administration	103 developed parcels	\$ 86.70	\$ 8,930	3% increase over prior year	\$ 9,198
Park and Recreation	115 developed parcels	\$ 57.00	\$ 6,555	3% increase over prior year	\$ 6,752
Solid Waste:				8.7% Increase over prior year	
Single Family Residential	103 developed parcels	\$ 247.20	\$ 25,461.60		\$ 27,677
Two SFR on a single parcel	12 developed parcels	\$ 494.40	\$ 5,932.80		\$ 6,449
TOTAL ESTIMATED EXPENSES			\$ 46,880		\$ 50,075
<i>*Assessment shown is the amount levied less the \$0.25 County administrative charge</i>					

The table which follows outlines the revenue and expenditure categories associated with the annexation area should the services of solid waste and park and recreation be provided. These calculations are being proposed to represent conservative revenue projections and liberal expense projections. The current year column makes its projections using the district's Fiscal Year 2023-24 Budget with additional questions reviewed with the district. Since the past five years has seen limited residential permits within the annexation area in general, no increase in number of households has been included in the projection table. The revenue categories of solid waste billing and Franchise Fees and expense category for Solid Waste Disposal have been increased by 8.7% for the following years based a review with District to accommodate all state requirements related to solid waste disposal. The ESFR being transferred to the district is a flat rate set out by vote with no allowance for inflationary increase and the projection corresponds with that requirement.

CATEGORY	2023-24	2024-25 THROUGH 2029-30
RECURRING REVENUES		
Property Tax	\$ -	\$ -
Franchise Fees	\$ 3,298	\$ 3,585
Solid Waste Billing		
Single Family Residential	\$ 29,627	\$ 32,204
Two SFR on a single parcel	\$ 6,572	\$ 7,144
Solid Waste ESFR Assessment	\$ 12,864	\$ 12,864
Park and Recreation Fees	\$ 2,415	\$ 2,415
TOTAL ESTIMATED REVENUES	\$ 54,776	\$ 58,212
RECURRING COSTS		
Administration	\$ 8,930	\$ 9,198
Park and Recreation	\$ 6,555	\$ 6,752
Solid Waste:		
Single Family Residential	\$ 25,461.60	\$ 27,677
Two SFR on a single parcel	\$ 5,932.80	\$ 6,449
TOTAL ESTIMATED EXPENSES	\$ 46,880	\$ 50,075

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

Attachments and Additional Information:

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

CERTIFICATION

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

/s/ KIMBERLY COX
DR. KIMBERLY COX, General Manager
Helendale Community Services District

AUGUST 14, 2023
DATE