



Heather Glen Community Services District Regular Quarterly Meeting Agenda - 06/26/2025

June 26, 2025 at 4:00 PM

Applegate Civic Center

18014 Applegate Road

Applegate, CA 95703

- I. MEETING CALL TO ORDER & PLEDGE OF ALLEGIANCE
- II. APPROVAL OF MINUTES
 - A. **Review & Approval of Minutes** of Meeting for April 24th
- III. OLD BUSINESS
 - A. **Qtrly Financial Report** - Chris Locken
 - B. **Finance Committee Report** - Cheryl Madden
 1. Audit Status
 2. Updates to Invoicing - Billing Increases and Charging Flat Rate
- IV. NEW BUSINESS
 - A. **Discuss CY 2025 Budget / Vote**
 - B. **Review & Vote to Cancel State Fund Workers Comp Coverage** - Cheryl Madden
 - C. **New Policy Review & Adoption / Vote**
 1. Adoption / Amendment of Policies Policy
 2. Basis of Authority Policy
 3. Contractors and Consultants Policy
 4. Nepotism and Conflict of Interest in Employment and Contracting Policy
 5. Legal Counsel and Auditor Policy
 6. Records Retention and Management Policy
 7. Digital Signature Policy
 8. Finance Management and Internal Controls Policy
 9. Emergency Preparedness Policy
 10. Water Service & Collections Policy
 - D. **CC&Rs**
 1. Discuss scope of Board involvement in CC&Rs & next steps for review
 - E. **Addtl Committee Updates** (as needed):
 1. **Roads / General Maintenance** - Marc Krupin / Gary Bundesen
 2. **Water / Sewer** - Marc Krupin
 3. **Fire Protection** - Cheryl Madden
 4. **Utilities** - Steve Adams
- V. ADJOURNMENT

The next Regular Meeting of the HGCS D Board will be held on Thursday, September 25, 2025 at 4PM. Meeting to be held at the Applegate Civic Center.



HEATHER GLEN COMMUNITY SERVICES DISTRICT

POLICY TITLE: Adoption / Amendment of Policies

POLICY NUMBER: 1000 (*number subject to change*)

ADOPTED BY BOARD OF DIRECTORS: BoD to review 06/26/25

1000.1 Consideration by the Board of Directors to adopt a new policy or to amend an existing policy may be initiated by any Director or the General Manager. The proposed adoption or amendment shall be initiated by a Director or the General Manager by submitting a written draft of the proposed new or amended policy to the Board Chairperson and the General Manager, which may be submitted in person or by any communication method approved by the District, and requesting that the item be included for consideration on the agenda of the next appropriate regular meeting of the Board of Directors. Any member of the Board may place an item on a future agenda by making a formal request to the General Manager at a meeting of the Board, or contacting the Board President before the next board meeting agenda is approved. Board items will be added to future Board agendas when reasonable, based on the staff time, and research necessary to prepare the item for Board consideration.

1000.2 Adoption of a new policy or amendment of an existing policy shall be accomplished at a meeting of the Board of Directors in accordance with the District's state statutes regarding the constitution of a majority vote.

1000.3 Copies of the proposed new or amended policy shall be included in the agenda-information packet for any meeting in which they are scheduled for consideration (listed on the agenda). A copy of the proposed new or amended policy(ies) shall be made available to each Director for review at least 72 hours, per the Brown Act, prior to any meeting at which the policy(ies) are to be considered.

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HEATHER GLEN COMMUNITY SERVICES DISTRICT

POLICY TITLE: **Basis of Authority**

POLICY NUMBER: **1010** (*number subject to change*)

ADOPTED BY BOARD OF DIRECTORS: **BoD to review 06/26/25**

1010.1 The Board of Directors is the legislative body and unit of authority within the District. Power is centralized in the elected Board collectively and not in an individual Director. Apart from his/her normal function as a part of this unit, Directors have no individual authority. As individuals, Directors may not commit the District to any policy, act, or expenditure.

1010.2 Directors do not represent any fractional segment of the community but are, rather, a part of the body that represents and acts for the community as a whole. Routine matters concerning the operational aspects of the District are delegated to District staff members.

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POLICY TITLE: **Contractors and Consultants**

POLICY NUMBER: **2120** (*number subject to change*)

ADOPTED BY BOARD OF DIRECTORS: **BoD to review 06/26/25**

2120.1 – Purpose and Scope

The District may retain contractors and consultants to support a range of services including, but not limited to, administrative, construction, engineering, planning, auditing, environmental review, and professional advisory services. This policy establishes the minimum qualifications and procedures for the solicitation, evaluation, and selection of such professionals in accordance with applicable California law and District priorities.

2120.2 – Licensed and Insured Contractors Required for Physical Onsite Work

Any individual or firm performing physical onsite work on District-owned or maintained property must:

- Be licensed in good standing by the California Contractors State License Board (CSLB) for the appropriate classification of work;
- Maintain current and valid workers' compensation insurance in compliance with California Labor Code requirements;
- Provide proof of general liability insurance and any other insurance coverage deemed necessary by the District for the scope of work, naming the District as an additional insured party if required.

No contractor may be awarded work involving physical site activity unless these requirements are met. This includes, but is not limited to, construction, demolition, repair, maintenance, grading, paving, or utility installation on District facilities, buildings, or land.

2120.3 – Public Bidding Requirements

Construction projects shall be advertised for public bidding in accordance with the California Public Contract Code and applicable grant or funding requirements. At a minimum, the following shall apply:

- Bids will be published in at least one local newspaper of general circulation and, when available, in a local contractors' bidding publication or exchange.

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- Bid openings shall be public and held at a time and place specified in the bid documents.
- All state and grant-specific procurement and bidding rules shall govern where applicable, superseding any conflicting provisions in this policy.

2120.4 – Consultant Selection and Approval

Consultants may be retained for administrative, planning, engineering, auditing, environmental, architectural, legal, or other professional services based on demonstrated qualifications and expertise.

- All consultant agreements shall be approved by the Board of Directors upon recommendation of the General Manager.
- The selection shall be based on qualifications, experience, and a written proposal describing the scope of work, estimated hours, and fee schedule or cost estimate.
- For services governed by the California Government Code (e.g., engineering or architectural), selection must be made based on qualifications and not cost alone, in accordance with applicable laws.

2120.5 – Conflict of Interest Compliance

All individuals involved in the solicitation, evaluation, or approval of contractors or consultants must comply with:

- California Government Code Section 1090 (conflicts of interest in public contracting);
- The Political Reform Act of 1974, as amended; and
- The District's adopted Conflict of Interest Code.

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POLICY TITLE: **Nepotism and Conflict of Interest in Employment and Contracting**

POLICY NUMBER: **3126** (*number subject to change*)

ADOPTED BY BOARD OF DIRECTORS: **BoD to review 06/26/25**

3126.1 It is the policy of the District to seek the most qualified individuals for employment and contract services through fair and transparent procedures. The District recognizes that in small or rural communities, it may be necessary or practical to contract with individuals who are residents of the District or related to residents or board members. Therefore, the District allows such relationships, subject to internal controls and safeguards to ensure integrity, fairness, and the avoidance of favoritism.

3126.1.1 No Board member, employee, or contractor shall vote, make recommendations, or otherwise participate in decisions that may directly influence the employment, contracting, compensation, evaluation, discipline, or promotion of a close relative.

3126.1.2 For purposes of this policy, “close relative” is defined as:

- Spouse or domestic partner
- Parent, child, or sibling (biological, adoptive, or by marriage)
- In-law relationships (mother-, father-, brother-, sister-, son-, or daughter-in-law)
- Any person residing in the same household

3126.2 Any proposed employment, contract, or business arrangement involving a close relative of a Board member, contractor, or employee must be disclosed in writing to the Board and shall be reviewed by the Board or a designated Ethics or Oversight Committee (if applicable). The review will evaluate the proposed engagement to ensure that:

- The individual or contractor is qualified and was considered fairly.
- There is no supervisory or reporting relationship involving a close relative.
- The arrangement does not present an undue risk of conflict of interest.

3126.3 Individuals shall not be hired or contracted in a position where they would be supervised or evaluated by a close relative.

3126.4 Existing contracts or arrangements that involve close relatives of residents or officials and were entered into prior to the adoption of this policy are grandfathered in but must

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be disclosed publicly. These arrangements should be reviewed annually for compliance with the intent of this policy and may be subject to modification or non-renewal if found to create a material conflict of interest.

3126.5 All new contract opportunities shall include language requiring disclosure of any familial or household relationship with current Board members or District staff. Proposals shall be evaluated on merit, and all disclosures shall be considered in the decision-making process.

3126.6 The District shall maintain records of all disclosures and reviews conducted under this policy. These records will be available for public inspection as required by law.

3126.7 Alleged violations of this policy may be referred to the full Board or an independent third-party reviewer for evaluation and, if appropriate, corrective action.

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POLICY TITLE: **Legal Counsel and Auditor**

POLICY NUMBER: **1045** (*number subject to change*)

ADOPTED BY BOARD OF DIRECTORS: **BoD to review 06/26/25**

1045.1 – Legal Counsel

1045.1.1 The Board of Directors shall appoint a Legal Counsel to assist the Board and District in all applicable issues and activities.

1045.1.2 Legal Counsel shall be the legal adviser of the District, including the Board as a whole, the General Manager, and other District designated personnel. Legal Counsel shall perform such duties as may be prescribed by the Board of Directors. Such duties include, but are not limited to, providing legal assistance necessary for formulation and implementation legislative policies and projects; represent the District's interests, as determined by the District, in litigation, administrative hearings, negotiations and similar proceedings; and to keep the Board and District personnel apprised of court rulings and legislation affecting the legal interest of the District. Legal Counsel is required to review and approve as to form District legal documents, i.e. contracts, agreements, etc. The Legal Counsel shall present and report on all legal issues and Closed Session items before the Board. The Legal Counsel shall serve at the pleasure of the Board and shall be compensated for services as determined by the Board.

1045.1.3 The Legal Counsel reports to the Board as a whole but is available to each Director for consultation regarding District legal matters particular to that Board member's participation. No Board member may request a legal opinion of legal counsel without concurrence by the Board, except as such requests relate to questions regarding that member's participation. The Legal Counsel shall be available to the District General Manager for consultation on applicable issues and activities.

1045.2 – Auditor

1045.2.1 The District Auditor shall be appointed by the Board by a majority vote in a public meeting. The Board shall determine the duties and compensation of the Auditor. The Auditor shall serve at the pleasure of the Board. Selection of the Auditor shall be done in a noticed public meeting and at least every five years.

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1045.2.2 The Board may appoint a committee to oversee the work of an independent auditor, who will report to the Board, to conduct an annual audit of the District's books, records, and financial affairs in accordance with state law and the Finance Committee Charter for Audit Compliance.

1045.2.3 The Board Treasurer along with the Bookkeeper and/or General Manager will install and maintain an accounting system that will completely, and at all times, show the financial condition of the District.

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HEATHER GLEN COMMUNITY SERVICES DISTRICT

POLICY TITLE: **Records Retention and Management**

POLICY NUMBER: **2145** (*number subject to change*)

ADOPTED BY BOARD OF DIRECTORS: **BoD to review 06/26/25**

2145.1 – Purpose

The purpose of this policy is to:

- Provide guidelines to District staff regarding the retention and lawful disposal of District records;
- Ensure the identification, classification, maintenance, safeguarding, and orderly destruction of records in the normal course of business;
- Promote prompt and accurate retrieval of records; and
- Ensure full compliance with applicable legal and regulatory obligations, including California Government Code §§ 60200–60204 and the guidelines issued by the State Controller’s Office and the Controller’s Advisory Committee for Special Districts.

2145.2 – Vital and Important Records

Vital and important records, regardless of recording media (paper, digital, or otherwise), are defined as those having legal, financial, operational, or historical value to the District. These include but are not limited to:

- Board minutes
- Personnel and payroll records
- Long-term financial agreements
- Property documents
- Construction as-built drawings
- Legal correspondence

2145.3 – Authority and Oversight

The General Manager is authorized by the Board of Directors to interpret and implement this policy. The General Manager may cause to be destroyed any records, documents, or papers that meet the qualifications outlined herein, following consultation with the District’s General Counsel and subject to applicable laws.

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2145.4 – General Retention and Disposal Provisions

Pursuant to Government Code §§ 60200–60204 and the State Controller’s guidelines, the following provisions govern the retention and disposal of District records:

2145.4.1 – Duplicate Records: Duplicate records may be destroyed at any time without Board authorization, General Counsel consultation, or reproduction onto other media.

2145.4.2 – Non-Statutory Originals: Originals of records not created under State or Federal statutory requirements, and which are over two years old, may be destroyed without the need for reproduction—except for records designated as permanent.

2145.4.3 – Records with Continuing Need: Records may not be destroyed if they are needed for any continuing matter such as pending litigation, special projects, or audits.

2145.4.4 – Reproduction and Permanent Storage: Records not expressly required by law to be preserved may be destroyed if all of the following conditions are met:

2145.4.4.1 - The record is photographed, micro photographed, or reproduced on film or electronic media approved by the National Institute of Standards and Technology.

2145.4.4.2 - The reproduction device or software accurately reproduces the original in all details.

2145.4.4.3 - The reproductions are placed in accessible files, with provisions for their preservation, examination, and public access, where applicable.

2145.5 – Specific Record Type Retention Guidelines

2145.5.1 – Accounting Records (Gov. Code § 26909): All accounting records shall be retained for a minimum of **five years**, unless otherwise stated:

- May be destroyed if there is **no continuing need** (pending litigation, special projects, etc.);
- An **audit report** for the relevant period exists and expresses an **unqualified opinion**;
- The audit is conducted per State and Federal auditing standards.

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Accounting source documents may be destroyed **five years after the end of the fiscal year** to which they apply.

The following may be destroyed at any time:

- Duplicate accounting documents
- Rough drafts, notes, or working papers (excluding audit records)
- Transitory control records and indices

2145.5.2 – Payroll and Personnel Records: All payroll and personnel records shall be **retained indefinitely**. Originals may be destroyed after **seven years** if microfilmed or electronically duplicated. These include:

- Accident reports, injury claims and settlements
- Medical histories
- Employee applications, changes, and terminations
- Insurance records
- Time cards
- Job descriptions and classifications
- Performance evaluations
- Earning records and summaries
- Retirement documents

2145.5.3 – Board Records

- **Board minutes** shall be retained permanently.
- **Audio or video recordings** of meetings shall be retained for **two years** and may then be destroyed.

2145.5.4 – Contracts: Contracts shall be retained for their effective life **plus seven years**. Unaccepted bids or proposals over **two years old** may be destroyed.

2145.5.5 – Construction and As-Built Records

- General construction documents: retained for **seven years** unless linked to grants/guarantees (then for life of agreement plus seven years).
- As-built plans: retained as long as the facility exists.

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2145.5.6 – Debt and Financing Records

- Authorization records for long-term debt, bonds, or loans may be destroyed after reproduction.
- Terms/conditions shall be retained until final payment.
- Paid bonds and coupons may be destroyed **after six months** if detailed payment records are kept for **ten years**.

2145.5.7 – Property Records: Retain until the property is no longer owned by the District.

2145.6 – Electronic Records Management

2145.6.1 – Retention Standards: Electronic records—including emails, PDFs, voicemails, and scanned documents—shall be retained **according to the same schedule** as their paper counterparts.

2145.6.2 – Ephemeral Communications: Per Government Code § 7920.530(e), the following are considered **non-disclosable ephemeral documents** unless archived:

- Text messages
- Voicemail messages
- Social media posts

District business requiring preservation should be conducted through approved channels (email, documents, etc.).

2145.7 – Email Retention and Usage

2145.7.1 – Retention: Email messages sent or received via the District's systems shall be **retained for two years** and made available for public inspection per the California Public Records Act.

2145.7.2 – Official Use: Board members and staff must use, or copy, District email accounts for official business. Emails sent via personal accounts must be forwarded to the District's system for archiving.

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2145.7.3 – Board Communication: Any document communicated to a majority of the Board, even through non-District email, constitutes a public record under Gov. Code § 54957.5 and should be retained accordingly.

2145.8 – Access Control and Security

The **General Manager** shall implement access controls over sensitive digital records including:

- User-based authentication
- Secure file storage (local or cloud-based)
- Audit logging of access and modification
- Periodic reviews of access privileges

Access shall be restricted to authorized staff and based strictly on operational necessity.

2145.9 – Confidentiality and Destruction

The District is committed to protecting the confidentiality of personal, financial, and proprietary data. When records are due for destruction under this policy, they shall be **shredded, erased, or otherwise rendered unreadable.**

2145.10 – Exceptions

2145.10.1 – Legal Requirements: If Applicable Law requires longer retention, such laws shall supersede this policy.

2145.10.2 – Legal Hold: All records under legal hold due to pending or anticipated litigation or investigation shall be retained until such hold is lifted.

2145.10.3 – Contractual Requirements: Contractual recordkeeping requirements that exceed or differ from this policy shall control. No such record may be destroyed without the General Manager's approval.





HEATHER GLEN COMMUNITY SERVICES DISTRICT

POLICY TITLE: **Digital Signature Policy**

POLICY NUMBER: **1060** (*number subject to change*)

ADOPTED BY BOARD OF DIRECTORS: **BoD to review 06/26/25**

1060.1 – Policy

It is the policy of the Heather Glen Community Services District (the “District”) to accept and utilize electronic signatures, specifically digital signatures, on documents where a signature is required or used, provided the following conditions are met:

- The electronic signatures are “digital” signatures that comply with the requirements of California Government Code Section 16.5 and applicable State regulations,¹
- The signatories are willing and wanting to utilize digital signatures, and
- The digital signatures are created by technologies authorized by the California Secretary of State and supported by the District.

Digital signatures shall be the **preferred and standard method** for executing District documents and communications, except where a wet (manual) signature is specifically required by applicable law, regulation, or directive. The use of digital signatures supports operational efficiency, promotes secure transactions, and facilitates timely communication. Examples of documents where digital signatures may be used include, but are not limited to:

- Invoices
- Official District and community correspondence
- Letters, notices, and other written communications issued by the District

Digital signatures must comply with the California Uniform Electronic Transactions Act (UETA) and any other applicable federal, state, or local laws governing electronic signatures.

The use of a digital signature, or the District’s acceptance thereof, is at the discretion of the District and the signer. Nothing in this Policy shall be construed to require the District to use or accept digital signatures in any particular case.

1060.2 – Definitions

For purposes of this Policy, the following definitions apply:

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¹ Cal. Code Regs., tit. 2, § 22000 et seq.



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- a) **“Digital Signature”** means an electronic identifier and type of “electronic signature,” created by computer, intended by the party using it to have the same force and effect as the use of a manual signature.²
- b) **“Digital Signature Certification Authority”** means an entity authorized by the Secretary of State to issue digital certificates that are required for a digital signature under California law.
- c) **“Digital Signature Provider”** means an entity that provides document signing services using digital technology.
- d) **“Electronic Signature”** means an electronic sound, symbol, or process attached to or logically associated with an electronic record and executed or adopted by a person with the intent to sign the electronic record.³

1060.3 – Legal Authority for Electronic Signatures

The use of electronic and digital signatures by the District is authorized under the following California statutes:

- **Uniform Electronic Transactions Act (UETA)**, codified at California Civil Code Section 1633.1 et seq., which provides that a signature may not be denied legal effect or enforceability solely because it is in electronic form.⁴ The UETA applies to a transaction only when the parties have agreed to conduct the transaction by electronic means, which is determined based on the “context and surrounding circumstances, including the parties’ conduct.”⁵
- **California Government Code Section 16.5** applies to public entities⁶ such as the District, and authorizes any party to a written communication with a public entity, in which a signature is required or used, to affix a signature by use of a digital signature that

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² Cal. Gov. Code, § 16.5(d).

³ Cal. Civ. Code, § 1633.2(h).

⁴ Cal. Civ. Code, §§ 1633.7(a)-(b).

⁵ Cal. Civ. Code, § 1633.5(b)

⁶ “Public entity’ includes the state, the Regents of the University of California, the Trustees of the California State University and the California State University, a county, city, district, public authority, public agency, and any other political subdivision or public corporation in the State.” Cal. Gov. Code, §§ 16.5(a) & 811.2 (emphasis added).



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complies with the requirements of Section 16.5.⁷

Digital signature transactions involving public entities that are subject to the UETA are also subject to the more particular requirements of Government Code Section 16.5.⁸ The use of a digital signature will have the same force and effect as the use of a manual signature if, and only if, the digital signature embodies the five attributes⁹ discussed in Section 1060.4 below.

1060.4 – Requirements for Digital Signatures

Government Code Section 16.5 and State regulations require that a digital signature: (i) be created by a technology deemed acceptable for use by the State of California and (ii) embody the following five attributes:

1. Be unique to the person using it;
2. Be capable of verification;
3. Be under the sole control of the person using it;
4. Be linked to the data in such a manner that if the data are changed, the digital signature is invalidated; and
5. Conform to regulations adopted by the Secretary of State, codified at Chapter 10 of Division 7 of Title 2 (commencing with Section 22000) of the California Code of Regulations.¹⁰

1060.5 – Approved Digital Signature Technologies

The California Secretary of State authorizes public entities to use digital signatures created through either:

- **Public Key Cryptography (PKC)**, or
- **Signature Dynamics**,

provided such technologies meet the standards set forth in Section 22003 of the California Code of Regulations.

Public Key Cryptography (PKC) involves secure encryption technology that allows users to

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⁷ Cal. Gov. Code, § 16.5(a).

⁸ See Cal. Civ. Code, § 1633.3(e).

⁹ Cal. Gov. Code, § 16.5(a).

¹⁰ Cal. Gov. Code, § 16.5; 2 C.C.R. § 22002.



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affix digital signatures with immediate third-party verification. PKC is the most secure form of digital signature and is preferred for documents requiring a high level of authentication.

Signature Dynamics involves capturing a handwritten signature using specialized hardware (e.g., stylus and tablet), recording biometric data such as speed and pressure. While this method offers some verification capabilities, it lacks the encryption and verification standards of PKC and may require additional steps for authentication, including visual or forensic analysis.

Whenever possible and especially in cases requiring **immediate or high-assurance verification**, the District shall use or accept only PKC-based digital signatures.

The District shall only contract with digital signature providers that utilize technologies authorized by the Secretary of State and issue certificates through an approved **Digital Signature Certification Authority**.

District staff shall evaluate the appropriate digital signature technology for each document based on factors including:

- The nature of the network used to transmit the document (open vs. closed)
- The need for signature verification
- Available resources and time for verification
- Compatibility with manual signature records (if necessary)
- Potential for fraud prevention
- Requirements for document reproduction or public access
- Whether the document will be used by other government agencies and whether the technology is interoperable





HEATHER GLEN COMMUNITY SERVICES DISTRICT

POLICY TITLE: **Finance Management and Internal Controls Policy**

POLICY NUMBER: **2160** (*number subject to change*)

ADOPTED BY BOARD OF DIRECTORS: **BoD to review 06/26/25**

AUTHORITY: California Government Code §§ 61053, 53600 et seq., and 16429.1 et seq.

2000.1 – Purpose and Scope

This policy establishes financial management procedures and internal control systems for Heather Glen Community Services District (HGCS D). It ensures fiscal responsibility, accountability, fraud prevention, and transparency in accordance with Government Code §61053. The policy supports current and future District operations, whether conducted by Board members or contracted service providers.

2000.2 – Governance and Oversight Roles

- **Board of Directors** – Maintains ultimate fiduciary responsibility for the District's finances and policy approval.
- **Board Treasurer** – Appointed by the Board; responsible for treasury functions, financial oversight, fund transfers, check signing, and quarterly financial reporting. Must be bonded.
- **Bookkeeper** – A contracted financial professional responsible for bookkeeping, deposits, and report preparation, under the supervision of the Board Treasurer and General Manager. Must be bonded.
- **General Manager** – Provides administrative oversight for the implementation of this policy, ensures coordination between contracted financial professionals and the Board, maintains official financial records, and assists with policy compliance, documentation, and reporting.
- **Finance Committee** – Oversees policy implementation, internal controls, investment reviews, and audit preparation.

Bond certificates for all bonded roles are stored in a secure, access-controlled folder on Google Drive.

2000.3 – Bank Accounts and Transfers

- HGCS D maintains dedicated Checking and Money Market accounts.

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- Upon adoption of a §61053 resolution, the District may transfer funds from the Placer County Treasury to its bank accounts, within 15 months.

Transfer Procedure:

- Board Treasurer prepares and signs a County Warrant.
- Warrant is submitted to the Auditor's Office for approval.
- Upon approval, funds are transferred via ACH or wire to the District's bank account.

In accordance with §61053, the Placer County Board of Supervisors and District shall determine a mutually acceptable fund withdrawal date not to exceed 15 months from the date of resolution.

2000.4 – Receivables and Deposits

- All physical checks are received by mail or District drop box and logged by the Bookkeeper.
- Deposits are made using a check scanner provided by the District's bank.
- Copies of deposits are uploaded to a restricted-access Google Drive folder and reported to the Treasurer via automated notifications.
- Access to online banking is password-protected and limited to the Bookkeeper and Board Treasurer.

2000.5 – Disbursements and Payables

Procedures:

- Bookkeeper compiles vendor invoices and prepares a list of payables.
- Two Board members must approve and sign each invoice.
- Board Treasurer reviews and signs all checks. If unavailable, the Board President may sign.
- Every check above \$50 must be signed by two authorized signers as determined by the District Board in Resolution 2020;

Internal Controls:

- The Bookkeeper may not alter deposit amounts or sign checks.

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- The Bookkeeper generates checks but must have Board Treasurer approval before issuance.
- All paid invoices shall be so marked and filed for reference;

2000.6 – Internal Controls and Digital Safeguards

To ensure accountability and protect District funds:

- No single individual may authorize, record, and reconcile the same transaction.
- Bank reconciliations are performed monthly by someone not authorized to sign checks.
- ACH and wire transfer templates may only be created by the Board Treasurer or Bookkeeper and require dual approval for use.
- All financial records (invoices, deposits, approvals, bank statements) are stored in secure, access-controlled folders on Google Drive with two-factor authentication.
- Quarterly reports are jointly prepared by the Bookkeeper and Treasurer and filed with the General Manager.
- Fed-wire or ACH transfers exceeding \$50,000 must be disclosed quarterly to the Board (except LAIF or Health Account transfers).
- All disbursements must follow the District's Procurement Policy.

2000.7 – Financial Reporting and Board Review

- Quarterly Financial Reports must detail receipts, disbursements, and account balances.
- Reports are signed by the Board Treasurer and reviewed by the full Board of Directors to assess compliance and financial health.
- Supporting documentation is digitally archived in accordance with the District's Records Retention and Management Policy.

2000.8 – Reserve, Investment, and LAIF Accounts

- The District may maintain cash reserves in the Local Agency Investment Fund (LAIF) up to allowable limits.
- Withdrawals from LAIF must be authorized by one of the following: Board President or Vice President. Requests must be documented and retained by the Board Treasurer.
- Additional long-term investments must be approved by Board resolution.

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- Withdrawals from investment accounts require officer approval and must be transferred to an authorized District checking account.

2000.9 – Audit and External Review

- The District shall undergo an annual independent financial audit. Results are presented to the Board and used to review internal controls.
- Biennial audits of specific programs (e.g., Property/Liability) are also conducted.
- The Board will formally review this policy and control systems following each audit, with input from the external auditor.

2000.10 – Accounting Standards and Compliance

- The District adheres to Generally Accepted Accounting Principles (GAAP).
- This policy complies with:
 - **Gov. Code §§ 61053–61054:** Alternative depository and fund handling.
 - **Gov. Code §§ 53600–53686:** Public investment and deposit regulations.
 - **Gov. Code §§ 16429.1–16429.3:** Voluntary investment in Local Agency Investment Fund (LAIF).
- Nothing in this policy precludes the District from using the Placer County Treasury when appropriate. This policy does not preclude the Board Treasurer from reinvesting funds with the County Treasury if in the District's best interest.

2000.11 – Policy Review and Amendment

This policy is intended to remain operational and adaptable as the District evolves regardless of future changes in personnel, technology, or regulatory environment. The Board Treasurer, Finance Committee, or General Manager may propose amendments as needed, subject to Board approval.





HEATHER GLEN COMMUNITY SERVICES DISTRICT

POLICY TITLE: **Emergency Preparedness**

POLICY NUMBER: **2300** (*number subject to change*)

ADOPTED BY BOARD OF DIRECTORS: **BoD to review 06/26/25**

2300.1 Purpose: It is the policy of the District to create and maintain an active emergency preparedness program to manage the District's critical functions during any emergency and to protect District personnel. The District will coordinate the emergency plan, function, and response with those responders from the public and private entities and organizations charged with emergency services.

2300.2 Emergency Defined: "Emergency" means the actual or threatened existence of conditions of disaster or extreme peril to critical District functions or to the health and safety of District personnel or the public, resulting from natural, technological, biological, or human-caused events—including, but not limited to, severe weather, fire, flood, earthquake, epidemic or pandemic, cyberattack, hazardous material release, utility disruption (such as water, power, or communications outages), water system contamination or failure, or civil disturbance—which are, or are likely to be, beyond the control of the District's personnel, contractors, services, equipment, or facilities, and which require assistance from other political subdivisions.

2300.3 Emergency Preparedness: The Board authorizes the establishment of an Emergency Preparedness Program, which consists of the nationally-recognized four phases of emergency management: mitigation, preparedness/planning, response, and recovery. District actions will include developing and maintaining a Districtwide emergency plan, identifying and training District personnel to activate and use the plan, appointing District personnel to critical positions identified in the emergency plan, and appointing District personnel to represent the District in negotiations or consultations with other agencies on matters pertaining to response to the emergency and recovery of damaged systems and costs incurred during the emergency.

2300.4 Standardized Emergency Management System: The California Office of Emergency Services regulates the Standardized Emergency Management System (SEMS), which was created pursuant to Government Code section 8607 following the East Bay Hills Firestorm in 1991. To ensure reimbursement for claims filed after a disaster, all District emergency plans, procedures, and training will follow the SEMS regulations, and coordinate with the District-wide emergency plan.

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2300.5 District Emergency Declaration: When an emergency condition arises, the District General Manager may, in consultation with the Board President, declare a “District Emergency.” The Board must **ratify the declaration within 14 days at a regular, special, or emergency Board meeting.**

2300.6 Authorization During District Emergencies: The District General Manager’s Declaration of a District Emergency is a public acknowledgement of the serious situation the District faces, and that the District’s resources may not be adequate to respond to the emergency. The Board, in consultation with the District General Manager, may delegate to the District General Manager the authority to suspend competitive bidding and enter into emergency contracts, as authorized by Public Contract Code section 22050.

2300.7 Mutual Aid: The California Master Mutual Aid Agreement (Government Code sections 8561–8617) allows for the implementation of mutual aid during threatened, actual, or declared emergencies. The District General Manager, in accordance with the emergency plan, may request mutual aid assistance from other agencies, or commit District resources to other agencies requesting aid. The District General Manager may sign appropriate documents to effectuate mutual aid and other emergency response agreements.

2300.8 Continuity of Management: The District’s emergency plan will list at least two successors to critical District personnel identified in the plan, including the District General Manager. If the primary person is unable to respond to an emergency, each successor, in order, may assume all the duties and powers of the primary person.

2300.9 Status Reports: The District General Manager will provide annual reports to the Board on the progress of the Emergency Preparedness Program. Additional reports will be given to the Board on the effectiveness of the plan and District response within 60 days of the occurrence of a declared District emergency.

2300.10 Dissemination of Information:

2300.10.1 Customer Contact Information: To ensure effective communication during an emergency, the District shall develop and maintain a secure database of current customer contact information, including phone numbers, email addresses, and physical mailing addresses where feasible. Customers will be encouraged to update their contact details annually or whenever changes occur.

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2300.10.1 Communication Tree: In conjunction with this, the District will establish and maintain an Information Dissemination Tree—a tiered communication structure designed to quickly and reliably transmit critical information during emergencies. The tree will identify key personnel and alternate contacts responsible for forwarding information through successive levels, including District personnel, external partners, and customers. This structure shall be tested periodically as part of emergency drills and revised as necessary to reflect District personnel or system changes.

The goals of this system are to:

- Ensure timely distribution of emergency instructions, service updates, and safety advisories.
- Minimize misinformation and confusion among customers and District personnel.
- Support the continuity of critical communications across various emergency scenarios.

The Emergency Plan shall include specific protocols for activating the dissemination tree and using customer contact data, in alignment with the District's privacy and data protection regulations.





HEATHER GLEN COMMUNITY SERVICES DISTRICT

POLICY TITLE: **Water Service & Collections Policy**

POLICY NUMBER: **5200** (*number subject to change*)

UPDATE & CONSOLIDATION ADOPTED BY BOARD OF DIRECTORS: **BoD to review
06/26/25**

This policy supersedes all prior standalone policies related to water service, billing, delinquency, and enforcement; including Payment Collections Policy (approved March 23, 2023, June 1, 2023) and Water Service Rules & Regulations (approved May 12, 1993, June 3, 1996, December 3, 2020).

5100.1 – Application for Water Service

5100.1.1 Purpose: To establish procedures for applying for water service within the District and to ensure accurate account setup and infrastructure compatibility.

5100.1.2 Application Requirement: An application for water service must be submitted by the property owner, tenant, or authorized representative. Applications are required in the following circumstances:

- New construction or development
- Change in ownership, tenancy, or occupancy
- Re-establishment of service at a previously inactive location

5100.1.3 Approval Process: Approval of water service is contingent upon:

- A satisfactory inspection by the County (if applicable)
- District review and final authorization
- Payment of all applicable fees

5100.1.4 New Service Line Connection: A one-time fee of \$15,000 is required for the installation of a new water service line. This fee must be paid at the time of application. This fee applies only if a new water line is being created and connected. It does not apply to activating an existing water service line.

5100.1.5 Existing Service Lines: If an existing water line is in place, no new line connection fee is required. However, a new application is still mandatory for any change in service account holder.

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5100.2 – Water Meter Access, Reading, & Management

5100.2.1 Meter Installation: Water meters will be installed by District personnel following application approval. Customers may not install, remove, tamper with, or otherwise alter meters or District-owned equipment.

5100.2.2 Meter Accessibility: All water meters must remain **unobstructed and accessible** at all times to District staff for purposes of:

- Monthly meter readings
- Inspections
- Maintenance or replacement

Failure to provide access may result in administrative penalties.

5100.2.3 Missed Meter Readings & Default Usage Charges: If a meter is inaccessible during the monthly reading period, the District will:

- Apply a default usage charge, determined at the discretion of the District based on average or estimated consumption
- Flag the account for follow-up meter access

5100.2.4 Adjustments Based on Future Readings: If the next successful meter reading reflects lower actual usage than previously estimated, the customer will receive a billing credit equal to the difference.

5100.3 – Fees, Billing & Account Status

5100.3.1 Monthly Billing: All active water accounts will be billed monthly. Each bill includes:

- A base service charge for raw water (PCWA)
- A base maintenance fee for the Water Treatment Plant
- A consumption-based charge based on units used

5100.3.2 Billing Schedule

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- Bills are generated by the 10th of each month
- Payments are **due by the 10th** of the following month
- A bill is **issued regardless of service activity** as long as the account remains open and active

5100.3.3 Late Payments & Penalties: Payments not received by the 10th will be considered **delinquent** and subject to:

- A **10% monthly late fee** based on the outstanding balance
- Additional legal fees and interest charges if the account becomes severely delinquent or subject to lien

5100.3.4 Shut Off & Restoration Charges

- A **\$100 Shut Off Administration Fee** will apply when water service is disconnected for non-payment
- A **\$100 Reconnection Fee** will be applied to restore service

5100.3.5 Payment Methods: All payments must be submitted using one of the following approved methods:

- **Electronic payment** through an authorized online system (if available)
- **Bank check or money order**, payable to *Heather Glen Community Services District*

Payments may be mailed to the District's official mailing address or deposited in the designated community dropbox.

- Cash payments are not accepted under any circumstances
- District field personnel are not authorized to collect or handle payments

5100.3.6 Contact Information:

Mailing Address:

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5100.4 – Delinquency Management & Enforcement

5100.4.1 Delinquency Notices Timeline: Water accounts become delinquent if unpaid for 60 days or more. The following timeline applies:

Timeline	Action
60 Days Delinquent	First Notice: Letter mailed providing 14-Day Notice requesting payment or meter access appointment and indicating that your water service may be shut off without taking the required steps towards account resolution.
7 Days Before Shut Off	Second Notice: Orange door hanger posted
2 Days Before Shut Off	Final Notice: Red door hanger posted and curb box marked

If no payment or access arrangement is made by the end of the notice period, water service will be disconnected.

5100.4.2 Shut Off Procedure

- Service is shut off without further notice
- Customer must pay entire delinquent amount, plus late fees, legal costs, and shut off / reconnection charges
- A written agreement or payment plan may be offered in cases of hardship

5100.4.3 Reconnection: Water service will be restored only upon:

- Full payment of all outstanding charges

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- Completion of required forms
- Reconnection during business hours (Monday–Friday, 8:00 AM – 5:00 PM, excluding holidays)

5100.5 – Payment Plans, Appeals, & Legal Enforcement

5100.5.1 Payment Plans (Collection Agreements): If a customer is unable to pay their balance in full, they may request a payment plan. Terms include:

- Written agreement
- Monthly minimum payment
- Adherence to all payment deadlines

Failure to comply will result in immediate service disconnection.

5100.5.2 Appeals: A customer may appeal a pending shut off by submitting a **written request for a Termination Hearing** at least **20 days prior** to the scheduled disconnection date. The Water Commissioners will:

- Schedule a hearing
- Issue a decision within **10 business days** of the hearing

5100.5.3 Liens and Legal Fees

- Liens may be recorded on properties with seriously delinquent accounts
- **Customers will be responsible for all attorney fees, lien revision fees, and court filing costs**
- These fees will be added to the outstanding balance

5100.6 – Termination of Accounts at Sale or Transfer

5100.6.1 Property Sale Requirements: Water service accounts must be closed upon sale of the property. The seller must:

- Notify the District of the change
- **Pay all outstanding balances and liens**
- Request a **final meter reading** and account closure

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The buyer must apply for new service under their name to avoid service interruption.

5100.7 – Water Waste, Tampering, & Violations

5100.7.1 Water Waste: Excessive or negligent use of water may trigger discontinuation of service. Upon written notice, if the wasteful practice continues for five (5) days, service may be shut off until remedied.

5100.7.2 Tampering with District Property

- Unauthorized access, opening of valves, or turning water back on is strictly prohibited
- Offenders will be:
 - Subject to **immediate shut off**
 - **Fined \$1,000 per incident**
 - Referred for **legal prosecution**

5100.8 – District Rights and Customer Obligations

5100.8.1 District Access: District staff have legal right of **ingress and egress** to customer property for:

- Meter readings
- Repairs and inspections
- Infrastructure maintenance

5100.8.2 Customer Responsibility: Customers are responsible for:

- Maintaining plumbing beyond the point of District connection
- Protecting the meter from obstructions or damage
- Reporting water leaks or service issues promptly

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