

LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT

MEMORANDUM

DATE: February 23, 2021

TO: **BOARD OF DIRECTORS**
Lake Arrowhead Community Services District

FROM: **JOHN O'BRIEN, Finance Manager**
CATHERINE CERRI, General Manager

SUBJECT: **FISCAL YEAR 2020-21 FINANCIAL STATEMENTS AND CASH AND INVESTMENT REPORT FOR THE QUARTER ENDED DECEMBER 31, 2020**

A. RECOMMENDATION

This is an information item only.

B. REASON FOR RECOMMENDATION

This is an information item only.

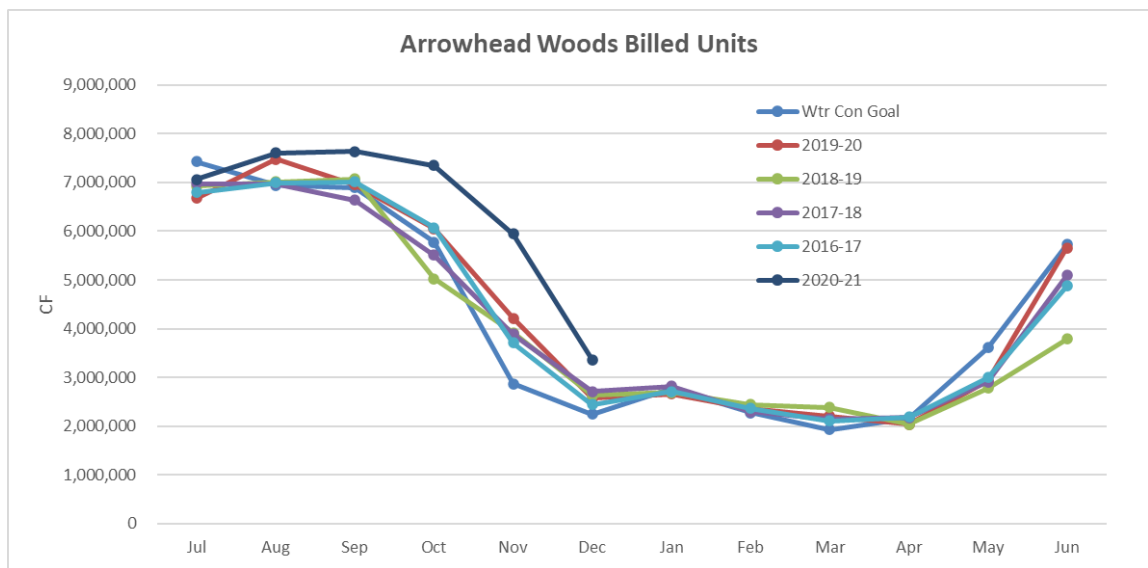
C. BACKGROUND INFORMATION

Quarterly reports are presented to the Board of Directors (Board) to provide the most current information on the financial activities of the Lake Arrowhead Community Services District (District) from which to base decisions. Additionally, per the District's Investment Policy, and as encouraged by California Government Code Section 53646, the Treasurer Finance Manager, or his/her designee, shall submit to each member of the Board a quarterly investment report. This report includes the year-to-date financial statements and cash and investment report through the second quarter of fiscal year 2020-21, covering the period through December 31, 2020.

Summary of Significant Items – Financial Statements

Districtwide operating revenue as of December 31, 2020 of \$7.6 million, was 5% or \$374,000 higher as compared to the same period last year. Additional detail is below:

- Water operating revenue was \$294,000 or 8% higher as compared to the same period last year. As compared to budget, water operating revenue was 11% or \$374,000 higher primarily due to actual consumption exceeding budget estimates.
- Wastewater operating revenue was 2% or \$75,000 higher as compared to the same period last year. As compared to current year budget, wastewater operating revenue was 1% or \$29,000 higher.
- Deer Lodge Park operating revenue was 9% or \$7,300 higher as compared to the same period last year and was 21% or \$15,500 above budget.
- Rimforest operating revenue was 1% or \$1,600 lower as compared to the same period last year and was flat as compared to budget.



Consumption as of December 31, 2020, is as follows:

- Water billed units were 17.4% more than the water conservation goal 2013 and reflected an increase of 14.8% in consumption as compared to the same period last year.
- Deer Lodge Park year-to-date billed units were 7.4% more as compared to the same period last year.
- Rimforest year-to-date billed units were 6.7% higher as compared to the same period last year.

Operating Expenses through December 2020

Expense	FYTD 2020-21	PYTD 2019-20	PY Var	PY var %	YTD Bgt	Bgt Var	Bgt Var %
Wages	2,138,208	2,077,872	60,335	3%	2,432,232	(294,024)	-12%
Health Ins	562,066	527,490	34,575	7%	550,980	11,086	2%
Retirement	516,895	483,481	33,414	7%	538,626	(21,731)	-4%
FICA	149,974	145,170	4,804	3%	170,856	(20,882)	-12%
Employer Ins	47,200	51,901	(4,702)	-9%	69,492	(22,292)	-32%
Training	87,722	66,110	21,613	33%	70,446	17,276	25%
Supplies	104,209	117,357	(13,148)	-11%	128,082	(23,873)	-19%
Equipment	298,067	245,603	52,464	21%	431,526	(133,459)	-31%
Fleet	36,087	78,123	(42,036)	-54%	86,622	(50,535)	-58%
Chemicals	84,120	86,390	(2,270)	-3%	102,438	(18,318)	-18%
Meters	7,782	19,334	(11,553)	0%	61,404	(53,622)	-87%
Liability Ins	140,267	108,149	32,118	30%	114,198	26,069	23%
Outside Services	450,900	520,444	(69,544)	-13%	488,292	(37,392)	-8%
IT Services	68,798	67,065	1,734	3%	181,902	(113,104)	-62%
Legal	39,895	44,954	(5,059)	-11%	101,442	(61,547)	-61%
Electric	322,817	291,817	31,001	11%	317,436	5,381	2%
Utilities	289,223	188,889	100,334	53%	215,658	73,565	34%
Permits	99,819	93,442	6,377	7%	73,440	26,379	36%
Other	10,164	11,162	(998)	-9%	14,502	(4,338)	-30%
Subtotal	5,454,212	5,224,753	229,459	4%	6,149,574	(695,362)	-11%
Water Purchase	113,289	94,337	18,951	20%	266,700	(153,411)	-58%
Grand Total	5,567,501	5,319,091	248,411	5%	6,416,274	(848,773)	-13%

Overall operating expenses as of December 31, 2020, were 5% higher than prior year and 13% below budget. Significant increases as compared to last year include an increase in insurance, equipment, training and utilities.

The District did not purchase any water from CLAWA for Arrowhead Woods in the second quarter. The District has a balance of \$2.3 million for water that was prepaid to CLAWA. Also, in the second quarter, Deer Lodge Park purchased 3.11 acre-feet and Rimforest purchased 10.10 acre-feet from CLAWA.

Summary of Significant Items – Cash and Investment Report

All District investment activities and all components of the investment portfolio for the period comply, in all respects, with the District’s Investment Policy. As of December 31, 2020, the District’s market value of cash and investments totaled \$41.2 million and are allocated to the following accounts:

- Checking Account - \$6.6 million or 16.1% of portfolio allocation
- Local Agency Investment Fund (LAIF) – \$27.9 million or 67.6% of portfolio allocation
- Corporate Bonds - \$1 million or 2.4% of portfolio allocation
- Negotiable CDs - \$5.7 million or 13.9% of portfolio allocation

The majority of District funds are held in LAIF which has a current rate of .54%. All investments held by the District outside of LAIF have stated rates of 1.00% to 3.2%. The District’s interest income was 59% or \$222,000 lower as compared to the same time in the prior year due to falling interest rates and higher yielding investments being called prior to maturity.

D. FISCAL IMPACT

This is an information item only.

E. ENVIRONMENTAL IMPACT

This is an information item only.

F. ATTACHMENTS

- Q2 2020-21 Statement of Revenues, Expenses and Changes in Net Position
- Q2 2020-21 Statement of Net Position
- Q2 2020-21 Cash Flow Statement
- Q2 2020-21 Cash and Investment Report

Lake Arrowhead Community Services District

Preliminary Fiscal Year 2019-20 Statement of Revenues, Expenses and Changes in Net Position and Fund Balances

	Water						
	Dec - 20 YTD	DEC -19 YTD	PY Var	%	YTD Budget	Bgt Var	%
Charges for Services	3,710,405	3,411,836	298,569	9%	3,347,339	363,066	11%
Other Op Income	107,086	112,004	(4,917)	-4%	96,180	10,906	11%
Total Revenue	3,817,491	3,523,840	293,651	8%	3,443,519	373,972	11%
Operations	868,897	893,498	(24,601)	-3%	940,848	(71,951)	-8%
Water Purchases	57,244	51,275	5,968	12%	223,686	(166,442)	-74%
Field Operations	441,585	455,648	(14,064)	-3%	475,080	(33,495)	-7%
Physical Plant	53,998	67,840	(13,842)	-20%	93,486	(39,488)	-42%
Administration	771,420	660,438	110,982	17%	868,542	(97,122)	-11%
Engineering	68,086	69,440	(1,354)	-2%	69,552	(1,466)	-2%
Water Conservation	93,142	94,159	(1,017)	-1%	143,328	(50,186)	-35%
Total Op Expense	2,354,371	2,292,299	62,073	3%	2,814,522	(460,151)	-16%
Net Operating Income	1,463,120	1,231,541	231,579	19%	628,997	834,123	133%
SWF or Prop Taxes	20,883	23,235	(2,352)	-10%	-	20,883	100%
Connection Fees	127,169	105,366	21,803	21%	25,002	102,167	409%
Contributed Capital	-	-	-	100%	-	-	100%
Interest Income	76,027	184,465	(108,438)	-59%	116,154	(40,127)	-35%
Interest Expense	(123,760)	(128,881)	5,121	4%	(144,078)	20,318	14%
Depreciation	(804,964)	(825,498)	20,534	2%	(765,552)	(39,412)	-5%
Amortization	6,902	6,902	-	0%	6,906	(4)	0%
Other Expense	(1,104)	(1,075)	(29)	-3%	(804)		
Other Income	200	1,165	(965)	100%	3,036	(2,836)	-93%
Total Non-Op Income	(698,646)	(634,321)	(64,326)	-10%	(759,336)	60,989	8%
Net Income	764,474	597,220	167,253	28%	(130,339)	895,112	687%
Beginning Net Position	55,089,180	54,380,093	709,087	1%	55,089,180	-	0%
Change in Net Position	764,474	597,220	167,253	28%	(130,339)	894,813	687%
Ending Net Position	55,853,654	54,977,313	876,340	2%	54,958,841	894,813	2%

Fund Balances	Water						
	Dec - 20 YTD	DEC -19 YTD	PY Var	%	FY 20/21 Bgt	Bgt Var	%
-00 Operating Fund	2,751,416	2,387,114	364,302	15%	1,359,783	1,391,633	102%
-10 Capital Improvemnt	3,521,570	2,458,913	1,062,657	43%	202,656	3,318,914	1638%
-20 Rate Stabilztn Fund	1,361,545	1,112,224	249,321	22%	1,116,951	244,594	22%
Total Pooled Cash	7,634,531	5,958,252	1,676,279	28%	2,679,390	4,955,141	185%
-50 New Facilities Fund	173,594	156,330	17,264	11%	211,318	(37,724)	-18%
160 Supplemental Wtr	12,393,287	13,057,631	(664,345)	-5%	9,417,571	2,975,716	32%
161, 270 Debt Reserve	-	-	-	100%	-	-	100%
271 Bond Proceeds	-	-	-	100%	-	-	100%
Assessment Districts	-	-	-	100%	-	-	100%
Total Restricted Cash	12,566,880	13,213,961	(647,081)	-5%	9,628,889	2,937,991	31%
Total Cash	20,201,411	19,172,213	1,029,198	5%	12,308,279	7,893,132	64%

Lake Arrowhead Community Services District

Preliminary Fiscal Year 2019-20 Statement of Revenues, Expenses and Changes in Net Position and Fund Balances

	Wastewater						
	Dec - 20 YTD	DEC -19 YTD	PY Var	%	YTD Budget	Bgt Var	%
Charges for Services	3,541,169	3,463,729	77,440	2%	3,514,825	26,344	1%
Other Op Income	61,203	63,422	(2,219)	-3%	58,500	2,703	5%
Total Revenue	3,602,372	3,527,151	75,220	2%	3,573,325	29,047	1%
Operations	1,376,148	1,287,846	88,302	7%	1,437,474	(61,326)	-4%
Water Purchases	-	-	-	0%	-	-	0%
Field Operations	544,675	531,735	12,939	2%	692,868	(148,193)	-21%
Physical Plant	98,695	105,798	(7,103)	-7%	173,088	(74,393)	-43%
Administration	881,552	809,878	71,674	9%	968,112	(86,560)	-9%
Engineering	111,410	110,608	803	1%	116,100	(4,690)	-4%
Water Conservation	-	-	-	0%	-	-	0%
Total Op Expense	3,012,480	2,845,865	166,615	6%	3,387,642	(375,162)	-11%
Net Operating Income	589,892	681,286	(91,394)	-13%	185,683	404,209	218%
SWF or Prop Taxes	1,946,873	1,894,398	52,474	3%	1,886,234	60,639	3%
Connection Fees	77,652	34,512	43,140	125%	12,498	65,154	521%
Contributed Capital	-	-	-	100%	-	-	100%
Interest Income	79,200	189,166	(109,966)	-58%	98,496	(19,296)	-20%
Interest Expense	(240,240)	(250,181)	9,941	4%	(266,100)	25,860	10%
Depreciation	(983,959)	(898,985)	(84,974)	-9%	(924,000)	(59,959)	-6%
Amortization	13,398	13,398	-	0%	13,398	0	0%
Other Expense	(2,146)	(2,175)	29	1%	(3,576)		
Other Income	83,019	90,580	(7,561)	-8%	62,934	20,085	32%
Total Non-Op Income	973,797	1,070,714	(96,917)	-9%	879,884	92,483	11%
Net Income	1,563,689	1,752,000	(188,312)	-11%	1,065,567	496,692	47%
Beginning Net Position	52,509,207	48,609,658	3,899,549	8%	52,509,207	-	0%
Change in Net Position	1,563,689	1,752,000	(188,312)	-11%	1,065,567	498,122	47%
Ending Net Position	54,072,896	50,361,658	3,711,237	7%	53,574,774	498,122	1%

Fund Balances	Wastewater						
	Dec - 20 YTD	DEC -19 YTD	PY Var	%	FY 20/21 Bgt	Bgt Var	%
-00 Operating Fund	2,532,593	2,743,058	(210,466)	-8%	1,750,049	782,544	45%
-10 Capital Improvemnt	15,075,721	14,405,268	670,453	5%	3,982,374	11,093,347	279%
-20 Rate Stabilztn Fund	1,563,940	1,511,422	52,519	3%	1,917,207	(353,267)	-18%
Total Pooled Cash	19,172,254	18,659,748	512,506	3%	7,649,630	11,522,624	151%
-50 New Facilities Fund	90,998	48,382	42,616	88%	57,251	33,747	59%
160 Supplemental Wtr	-	-	-	100%	-	-	100%
161, 270 Debt Reserve	-	-	-	100%	-	-	100%
271 Bond Proceeds	2	122	(120)	-98%	-	2	100%
Assessment Districts	1,596,413	1,577,260	19,153	1%	1,482,599	113,814	8%
Total Restricted Cash	1,687,413	1,625,765	61,648	4%	1,539,850	147,563	10%
Total Cash	20,859,667	20,285,512	574,155	3%	9,189,480	11,670,187	127%

Lake Arrowhead Community Services District

Preliminary Fiscal Year 2019-20 Statement of Revenues, Expenses and Changes in Net Position and Fund Balances

Deer Lodge Park							
	Dec - 20 YTD	DEC -19 YTD	PY Var	%	YTD Budget	Bgt Var	%
Charges for Services	82,766	75,041	7,726	10%	71,279	11,487	16%
Other Op Income	6,982	7,311	(329)	-4%	3,000	3,982	133%
Total Revenue	89,748	82,351	7,397	9%	74,279	15,469	21%
Operations	28,995	27,652	1,343	5%	42,684	(13,689)	-32%
Water Purchases	21,926	16,099	5,827	36%	14,910	7,016	47%
Field Operations	8,235	8,689	(453)	-5%	11,730	(3,495)	-30%
Physical Plant	960	1,158	(199)	-17%	1,824	(864)	-47%
Administration	19,904	17,340	2,564	15%	21,894	(1,990)	-9%
Engineering	1,826	1,763	63	4%	1,884	(58)	-3%
Water Conservation	-	-	-	0%	-	-	0%
Total Op Expense	81,846	72,700	9,146	13%	94,926	(13,080)	-14%
Net Operating Income	7,902	9,651	(1,749)	-18%	(20,647)	28,549	138%
SWF or Prop Taxes	-	-	-	0%	-	-	0%
Connection Fees	15,579	15,579	-	0%	-	15,579	0%
Contributed Capital	-	-	-	0%	-	-	0%
Interest Income	2,155	5,611	(3,456)	-62%	3,612	(1,457)	-40%
Interest Expense	-	-	-	0%	(432)	432	100%
Depreciation	(21,484)	(19,404)	(2,080)	-11%	(21,000)	(484)	-2%
Amortization	-	-	-	0%	-	-	0%
Other Expense	-	-	-	-	-	-	-
Other Income	(0)	-	(0)	100%	-	(0)	100%
Total Non-Op Income	(3,750)	1,786	(5,536)	-310%	(17,820)	14,070	79%
Net Income	4,152	11,437	(7,285)	-64%	(38,467)	42,619	111%
Beginning Net Position	1,653,056	1,647,366	5,690	0%	1,653,056	-	0%
Change in Net Position	4,152	11,437	(7,285)	-64%	(38,467)	42,619	111%
Ending Net Position	1,657,208	1,658,803	(1,595)	0%	1,614,589	42,619	3%

Deer Lodge Park							
Fund Balances	Dec - 20 YTD	DEC -19 YTD	PY Var	%	FY 20/21 Bgt	Bgt Var	%
-00 Operating Fund	59,800	70,320	(10,519)	-15%	24,359	35,441	145%
-10 Capital Improvemnt	54,730	46,298	8,433	18%	-	54,730	100%
-20 Rate Stabilztn Fund	26,981	26,655	325	1%	26,775	206	1%
Total Pooled Cash	141,511	143,273	(1,761)	-1%	51,134	90,377	177%
-50 New Facilities Fund	28,215	24,845	3,370	14%	24,948	3,267	13%
160 Supplemental Wtr	-	-	-	100%	-	-	100%
161, 270 Debt Reserve	-	-	-	100%	-	-	100%
271 Bond Proceeds	-	-	-	100%	-	-	100%
Assessment Districts	397,891	393,121	4,770	1%	166,615	231,276	139%
Total Restricted Cash	426,106	417,965	8,141	2%	191,563	234,543	122%
Total Cash	567,617	561,238	6,379	1%	242,697	324,920	134%

Lake Arrowhead Community Services District

Preliminary Fiscal Year 2019-20 Statement of Revenues, Expenses and Changes in Net Position and Fund Balances

	Rimforest						
	Dec - 20 YTD	DEC -19 YTD	PY Var	%	YTD Budget	Bgt Var	%
Charges for Services	121,593	121,427	165	0%	120,283	1,310	1%
Other Op Income	3,533	5,382	(1,849)	-34%	5,148	(1,615)	-31%
Total Revenue	125,126	126,809	(1,684)	-1%	125,431	(306)	0%
Operations	16,761	15,468	1,293	8%	20,112	(3,351)	-17%
Water Purchases	34,119	26,963	7,156	27%	28,104	6,015	21%
Field Operations	25,531	20,420	5,112	25%	22,764	2,767	12%
Physical Plant	1,929	2,310	(381)	-16%	1,638	291	18%
Administration	37,074	32,304	4,770	15%	38,892	(1,818)	-5%
Engineering	3,389	3,270	119	4%	3,876	(487)	-13%
Water Conservation	-	-	-	0%	-	-	0%
Total Op Expense	118,804	100,735	18,069	18%	115,386	3,418	3%
Net Operating Income	6,322	26,075	(19,753)	-76%	10,045	(3,723)	-37%
SWF or Prop Taxes	-	-	-	0%	-	-	0%
Connection Fees	-	-	-	0%	-	-	0%
Contributed Capital	-	-	-	0%	-	-	0%
Interest Income	62	616	(554)	-90%	456	(394)	-86%
Interest Expense	(2,889)	(4,607)	1,718	37%	(2,442)	(447)	-18%
Depreciation	(7,950)	(7,950)	-	0%	(7,950)	0	0%
Amortization	-	-	-	0%	-	-	0%
Other Expense	-	-	-	-	(36)	-	-
Other Income	-	0	(0)	0%	-	-	100%
Total Non-Op Income	(10,777)	(11,941)	1,164	10%	(9,972)	(841)	-8%
Net Income	(4,455)	14,133	(18,588)	-132%	73	(4,564)	-6252%
Beginning Net Position	279,268	327,419	(48,151)	-15%	279,268	-	0%
Change in Net Position	(4,455)	14,133	(18,588)	-132%	73	(4,528)	-6203%
Ending Net Position	274,813	341,552	(66,739)	-20%	279,341	(4,528)	-2%

Fund Balances	Rimforest						
	Dec - 20 YTD	DEC -19 YTD	PY Var	%	FY 20/21 Bgt	Bgt Var	%
-00 Operating Fund	(32,770)	26,707	(59,477)	-223%	-	(32,770)	100%
-10 Capital Improvemnt	31,052	31,106	(55)	0%	6,286	24,766	394%
-20 Rate Stabilztn Fund	-	-	-	100%	-	-	100%
Total Pooled Cash	(1,718)	57,813	(59,531)	-103%	6,286	(8,004)	-127%
-50 New Facilities Fund	-	-	-	100%	-	-	100%
160 Supplemental Wtr	-	-	-	100%	-	-	100%
161, 270 Debt Reserve	-	-	-	100%	-	-	100%
271 Bond Proceeds	-	-	-	100%	-	-	100%
Assessment Districts	-	-	-	100%	-	-	100%
Total Restricted Cash	-	-	-	100%	-	-	100%
Total Cash	(1,718)	57,813	(59,531)	-103%	6,286	(8,004)	-127%

Lake Arrowhead Community Services District

Preliminary Fiscal Year 2019-20 Statement of Revenues, Expenses and Changes in Net Position and Fund Balances

	LACSD Total						
	Dec - 20 YTD	DEC -19 YTD	PY Var	%	YTD Budget	Bgt Var	%
Charges for Services	7,455,933	7,072,033	383,900	5%	7,053,726	402,207	6%
Other Op Income	178,804	188,119	(9,315)	-5%	162,828	15,976	10%
Total Revenue	7,634,736	7,260,152	374,585	5%	7,216,554	418,182	6%
Operations	2,290,801	2,224,464	66,337	3%	2,441,118	(150,317)	-6%
Water Purchases	113,289	94,337	18,951	20%	266,700	(153,411)	-58%
Field Operations	1,020,026	1,016,492	3,534	0%	1,202,442	(182,416)	-15%
Physical Plant	155,581	177,106	(21,525)	-12%	270,036	(114,455)	-42%
Administration	1,709,950	1,519,959	189,991	12%	1,897,440	(187,490)	-10%
Engineering	184,712	185,081	(369)	0%	191,412	(6,700)	-4%
Water Conservation	93,142	94,159	(1,017)	-1%	143,328	(50,186)	-35%
Total Op Expense	5,567,501	5,311,599	255,902	5%	6,412,476	(844,975)	-13%
Net Operating Income	2,067,236	1,948,553	118,682	6%	804,078	1,263,158	157%
SWF or Prop Taxes	1,967,756	1,917,634	50,122	3%	1,886,234	81,522	4%
Connection Fees	220,400	155,457	64,943	42%	37,500	182,900	488%
Contributed Capital	-	-	-	100%	-	-	100%
Interest Income	157,444	379,857	(222,413)	-59%	218,718	(61,274)	-28%
Interest Expense	(366,889)	(383,670)	16,781	4%	(413,052)	46,163	11%
Depreciation	(1,818,357)	(1,751,836)	(66,521)	-4%	(1,718,502)	(99,855)	-6%
Amortization	20,301	20,301	-	0%	20,304	(3)	0%
Other Expense	(3,250)	(3,250)	-	0%	(4,416)		
Other Income	83,219	91,745	(8,526)	-9%	65,970	17,249	26%
Total Non-Op Income	260,623	426,238	(165,614)	-39%	92,756	166,701	180%
Net Income	2,327,859	2,374,791	(46,932)	-2%	896,834	1,429,859	159%

Beginning Net Position	109,530,711	104,964,536	4,566,175	4%	109,530,711	-	0%
Change in Net Position	2,327,859	2,374,791	(46,932)	-2%	896,834	1,431,025	160%
Ending Net Position	111,858,570	107,339,327	4,519,243	4%	110,427,545	1,431,025	1%

Fund Balances	LACSD Total						
	Dec - 20 YTD	DEC -19 YTD	PY Var	%	FY 20/21 Bgt	Bgt Var	%
-00 Operating Fund	5,311,039	5,227,199	83,840	2%	3,134,191	2,176,848	69%
-10 Capital Improvemnt	18,683,073	16,941,585	1,741,488	10%	4,191,316	14,491,757	346%
-20 Rate Stabilztn Fund	2,952,466	2,650,301	302,165	11%	3,060,933	(108,467)	-4%
Total Pooled Cash	26,946,578	24,819,085	2,127,493	9%	10,386,440	16,560,138	159%
-50 New Facilities Fund	292,807	229,557	63,250	28%	293,517	(710)	0%
160 Supplemental Wtr	12,393,287	13,057,631	(664,345)	-5%	9,417,571	2,975,716	32%
161, 270 Debt Reserve	-	-	-	100%	-	-	100%
271 Bond Proceeds	2	122	(120)	-98%	-	2	100%
Assessment Districts	1,994,304	1,970,381	23,923	1%	1,649,214	345,090	21%
Total Restricted Cash	14,680,400	15,257,691	(577,292)	-4%	11,360,302	3,320,098	29%
Total Cash	41,626,978	40,076,776	1,550,201	4%	21,746,742	19,880,236	91%

Lake Arrowhead Community Services District

Preliminary Combining Statement of Net Position as of December 31, 2020

Assets	Water	Wastewater	DLP	Rimforest	Total
Current Assets:					
Pooled Cash and Investments	7,634,531	19,172,254	141,511	(1,718)	26,946,578
Restricted Cash and Investments	12,566,880	1,687,413	426,106	-	14,680,400
Accounts Receivable	558,433	682,899	13,098	31,547	1,285,977
Restricted Accounts Receivable	56,401	-	-	-	56,401
Tax Roll Receivable	-	872,378	-	-	872,378
Interest Receivable	16,319	28,701	-	-	45,020
Unbilled Accounts Receivable	-	-	-	-	-
Other Receivables & Deposits	35,648	1,450	-	-	37,098
Parts Inventory	203,286	37,449	-	-	240,735
Prepaid Expenses	228,855	226,129	1,535	3,069	459,588
Prepaid Water	2,313,794	-	-	-	2,313,794
Interfund Receivable	2,225,843	-	-	-	2,225,843
Total Current Assets	25,839,990	22,708,674	582,250	32,898	49,163,812
Capital Assets:					
Fixed Assets	62,297,792	82,160,816	2,019,488	476,984	146,955,080
Accumulated Depreciation	(25,030,006)	(39,390,440)	(885,174)	(87,492)	(65,393,111)
Intangible Asset	1,000,000	-	-	-	1,000,000
Accum Amortization of Intangible	(106,061)	-	-	-	(106,061)
Construction in Progress	1,282,798	5,366,417	-	895	6,650,110
Net Capital Assets	39,444,523	48,136,793	1,134,314	390,387	89,106,018
Total Assets	65,284,513	70,845,467	1,716,565	423,285	138,269,830
Deferred Outflows	2,160,536	3,065,952	34,803	69,606	5,330,897
Liabilities					
Current Liabilities:					
Accounts Payable	119,848	144,659	3,157	3,332	270,996
Accrued Payroll and Benefits	294	-	-	-	294
Compensated Absences	266,763	415,965	-	-	682,728
Deferred Revenue	-	781,783	-	-	781,783
Deposits & Retentions	31,909	217,099	-	-	249,007
Interest Payable	60,563	117,563	864	-	178,989
SRF Loan & Notes Payable	-	-	-	26,907	26,907
Bonds Payable	-	-	-	-	-
Interfund Payable	971,767	1,236,794	17,282	-	2,225,843
Total Current Liabilities	1,451,143	2,913,862	21,303	30,239	4,416,547
Non-Current Liabilities:					
Compensated Absences	111,852	169,219	-	-	281,071
Net Pension Liability	3,184,123	3,573,080	69,662	139,324	6,966,188
SRF Loan & Notes Payable	-	-	-	42,125	42,125
Bonds Payable	5,819,100	11,295,900	-	-	17,115,000
Bond Premium	884,580	1,717,126	-	-	2,601,706
Net Non-Current Liabilities	9,999,655	16,755,325	69,662	181,449	27,006,091
Total Liabilities	11,450,797	19,669,187	90,965	211,688	31,422,638
Deferred Inflows - Pension	140,597	169,356	3,195	6,391	319,539
Net Position					
Restricted	14,937,075	1,687,413	426,106	-	17,050,594
Unrestricted	7,291,156	15,544,569	96,787	(46,543)	22,885,970
Capital Assets	33,625,423	36,840,893	1,134,314	321,355	71,921,985
Total Net Position	55,853,654	54,072,876	1,657,207	274,812	111,858,549
Liabilities, Deferrals & Net Position	67,445,048	73,911,419	1,751,368	492,891	143,600,726
Beginning net position	55,089,180	52,509,207	1,653,056	279,268	109,530,711
Change in Net Position (NI)	764,473	1,563,689	4,152	(4,455)	2,327,859
Ending net position	55,853,653	54,072,896	1,657,208	274,813	111,858,570

Lake Arrowhead Community Services District Cash Flow Statement

Preliminary Fiscal Year 2020-21

	<u>Water</u>	<u>Wastewater</u>	<u>DLP</u>	<u>RF</u>	<u>YTD 2019-20</u>
Change in Net Position (Net Income)	764,473	1,563,689	4,152	(4,455)	2,327,859
Depreciation & Amortization	799,914	752,876	21,484	7,950	1,582,223
Asset Disposal	-	-	-	-	-
Net Cash from Income Statement	<u>1,564,387</u>	<u>2,316,565</u>	<u>25,636</u>	<u>3,495</u>	<u>3,910,082</u>
Customer Accounts Receivable	693,103	(309,977)	16,618	11,113	410,857
Other Receivables	4,230	(502)	-	-	3,728
Prepaid Expenses	(114,185)	(212,058)	-	-	(326,243)
Prepaid Water	-	-	-	-	-
Accounts Payable	(252,232)	(625,573)	(1,410)	(4,388)	(883,603)
Net Pension Liability	(629,000)	(1,020,000)	(17,000)	(34,000)	(1,700,000)
Accrued Liabilities	(121,938)	644,307	(3,242)	(8,310)	510,817
Deposits & Retentions	(12,274)	97,361	-	-	85,087
Parts Inventory	-	-	-	-	-
Total Sources (Uses) of Cash	<u>(432,296)</u>	<u>(1,426,442)</u>	<u>(5,034)</u>	<u>(35,585)</u>	<u>(1,899,356)</u>
Net Cash Flow from Operating Activities	1,132,091	890,123	20,602	(32,091)	2,010,726
CASH FLOW FROM FINANCING ACTIVITIES:					
Additions to Fixed Assets	(26,705)	261,493	-	-	234,788
Construction in Progress	(409,367)	(2,680,334)	-	(300)	(3,090,001)
Bond Principal	(234,708)	(455,609)	-	-	(690,316)
Contributions to Financing Activities	17,005	33,010	-	-	-
SRF Loan & Notes Payable	-	-	-	(26,003)	(26,003)
Interfund Payable/Receivable	-	-	-	-	-
Interest Payable	(2,635)	(5,115)	-	-	(7,750)
Net Cash Flow from Financing Activities	<u>(656,410)</u>	<u>(2,846,554)</u>	<u>-</u>	<u>(26,303)</u>	<u>(3,579,283)</u>
CASH FLOW FROM INVESTING ACTIVITIES:					
Interest Receivable	27,924	51,858	-	-	79,782
Net Cash Flow from Investing Activities	<u>27,924</u>	<u>51,858</u>	<u>-</u>	<u>-</u>	<u>79,782</u>
Net Increase (Decrease) in Cash	503,605	(1,904,573)	20,602	(58,394)	(1,438,759)
Cash at Beginning of Period	19,697,806	22,764,240	547,015	56,676	43,065,737
Cash and Equivalents at End of Period	<u>20,201,411</u>	<u>20,859,667</u>	<u>567,617</u>	<u>(1,718)</u>	<u>41,626,978</u>



Lake Arrowhead Community Services District
Cash and Investment Report
as of December 31, 2020

Summary of Portfolio Assets

Category	Book Value	Adj Book Value	Market Value	Percent of Portfolio	Current Quarterly Yield
Checking Account	6,632,688	6,632,688	6,632,688	16.1%	0.00%
LAIF	27,926,781	27,926,781	27,926,781	67.6%	0.54%
Corporate Bonds	1,000,000	1,000,000	978,710	2.4%	1.00%
Negotiable CDs	5,500,000	5,500,000	5,717,750	13.9%	2.46%
Total Cash & Investments	41,059,469	41,059,469	41,255,929	100.0%	0.72%

Summary of Portfolio Liquidity

Category	Book Value	Percent of Portfolio	Market Value	Percent of Portfolio	Par Value	Percent of Portfolio
On Demand	34,559,469	84.2%	34,559,469	83.8%	34,559,469	84.2%
Within 2020-21	1,250,000	3.0%	1,266,190	3.1%	1,250,000	3.0%
Within 2021-22	1,500,000	3.7%	1,543,136	3.7%	1,500,000	3.7%
Within 2022-23	1,500,000	3.7%	1,583,197	3.8%	1,500,000	3.7%
Within 2023-24	1,250,000	3.0%	1,325,227	3.2%	1,250,000	3.0%
Within 2024-25	1,000,000	2.4%	978,710	2.4%	1,000,000	2.4%
Total	41,059,469	100.0%	41,255,929	100.0%	41,059,469	100.0%



Lake Arrowhead Community Services District
Portfolio Details
as of December 31, 2020

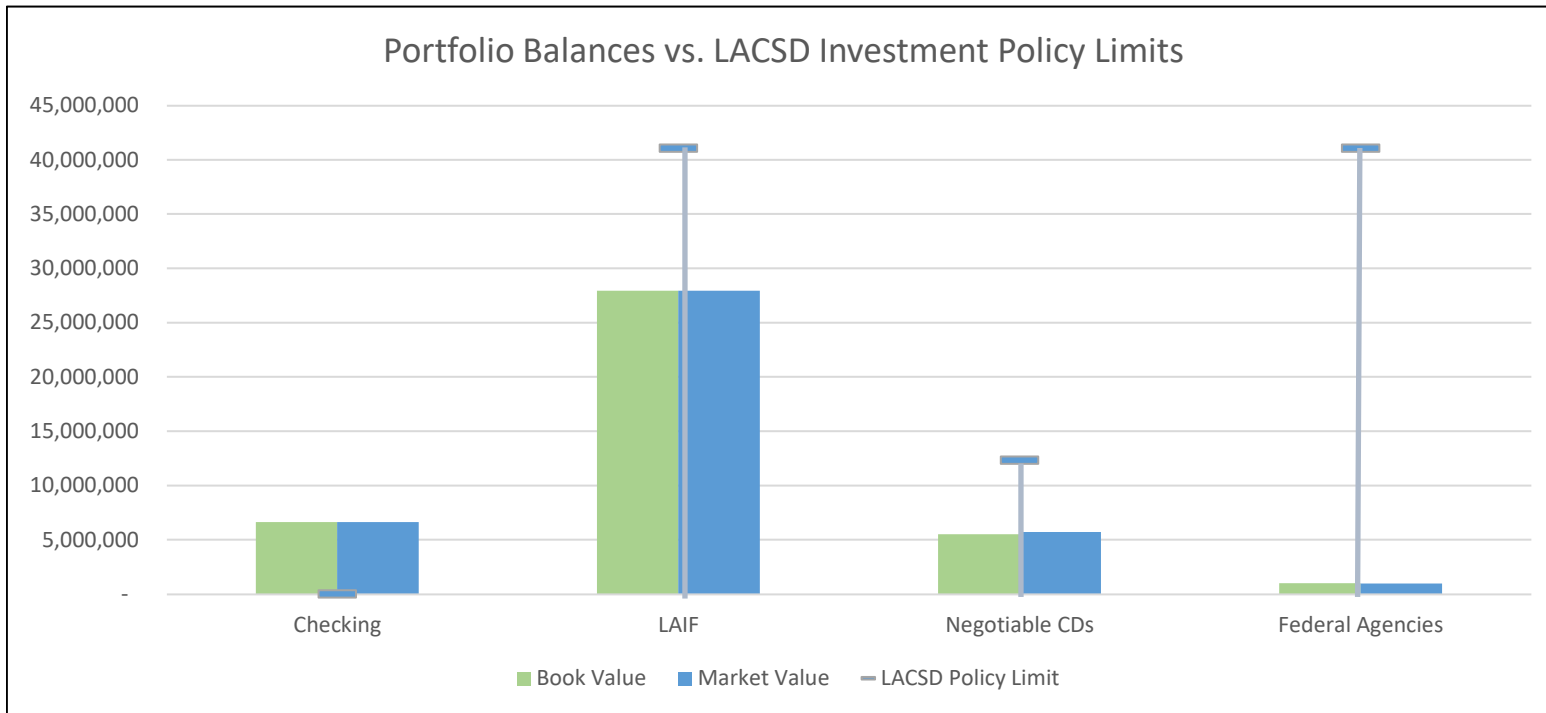
Type	Issuer	CUSIP	Purchase Date	Maturity Date	Par Value	Market Value	Book Value	Stated Rate
Checking Account	Union Bank				\$ 6,632,688	\$ 6,632,688	\$ 6,632,688	
LAIF	LAIF				\$ 27,926,781	\$ 27,926,781	\$ 27,926,781	0.69%
Negotiable CD	Synchrony Bank	87165EJL2	5/6/2016	5/6/2021	\$ 250,000	\$ 251,450	\$ 250,000	1.60%
Negotiable CD	East Boston Savings Bank	27113PCG4	2/8/2018	7/30/2021	\$ 250,000	\$ 253,295	\$ 250,000	2.30%
Negotiable CD	Capital One National Association	14042RHR5	9/1/2017	8/30/2021	\$ 250,000	\$ 253,592	\$ 250,000	2.20%
Negotiable CD	CF Bank Fairlawn Ohio	15721UDE6	8/15/2019	10/12/2021	\$ 250,000	\$ 253,145	\$ 250,000	1.65%
Negotiable CD	Pioneer Bank	723605AS0	4/17/2019	10/18/2021	\$ 250,000	\$ 254,708	\$ 250,000	2.40%
Negotiable CD	Wells Fargo Bank	949763NP7	2/14/2018	2/14/2022	\$ 250,000	\$ 257,118	\$ 250,000	2.60%
Negotiable CD	Merrick Bank	59013J7H6	4/18/2019	4/18/2022	\$ 250,000	\$ 257,730	\$ 250,000	2.45%
Negotiable CD	Ally Bank	02007GKC6	6/6/2019	6/6/2022	\$ 250,000	\$ 258,695	\$ 250,000	2.50%
Negotiable CD	TIAA Bank	87270LBY8	4/17/2019	10/17/2022	\$ 250,000	\$ 261,478	\$ 250,000	2.65%
Negotiable CD	Eaglebank	27002YEJ1	4/18/2019	10/18/2022	\$ 250,000	\$ 261,047	\$ 250,000	2.55%
Negotiable CD	Great Southern Bank	39120VSK1	6/28/2019	12/28/2022	\$ 250,000	\$ 247,068	\$ 250,000	2.38%
Negotiable CD	Sallie Mae Bank	795450K53	2/8/2018	2/8/2023	\$ 250,000	\$ 263,362	\$ 250,000	2.65%
Negotiable CD	Goldman Sachs	38148PXW2	2/14/2018	2/14/2023	\$ 250,000	\$ 263,725	\$ 250,000	2.70%
Negotiable CD	BMW Bank North America	05580AWA8	3/31/2020	3/31/2023	\$ 250,000	\$ 257,453	\$ 250,000	1.45%
Negotiable CD	Mainstreet Bank	56065GAE8	4/26/2019	4/26/2023	\$ 250,000	\$ 264,032	\$ 250,000	2.55%
Negotiable CD	Citibank National Association	17312QL98	5/23/2018	5/23/2023	\$ 250,000	\$ 268,330	\$ 250,000	3.20%
Negotiable CD	Medallion Bank	58404DEL1	6/11/2019	12/11/2023	\$ 250,000	\$ 266,295	\$ 250,000	2.40%
Negotiable CD	Morgan Stanley Private Bank	61760AYR4	4/11/2019	4/11/2024	\$ 250,000	\$ 271,093	\$ 250,000	2.80%
Negotiable CD	Comenity Capital Bank	20033AU38	4/15/2019	4/15/2024	\$ 250,000	\$ 271,162	\$ 250,000	2.80%
Negotiable CD	Celtic Bank	15118RUV7	4/17/2020	4/17/2024	\$ 250,000	\$ 259,695	\$ 250,000	2.80%
Negotiable CD	Suntrust Bank	86789VYH4	4/26/2019	4/26/2024	\$ 250,000	\$ 252,194	\$ 250,000	2.80%
Negotiable CD	Morgan Stanley NA Bank	61690UHB9	6/6/2019	6/6/2024	\$ 250,000	\$ 271,083	\$ 250,000	2.70%
Corporate Bond	Citigroup Inc.	17298CKV9	12/8/2020	12/8/2025	\$ 1,000,000	\$ 978,710	\$ 1,000,000	1.00%



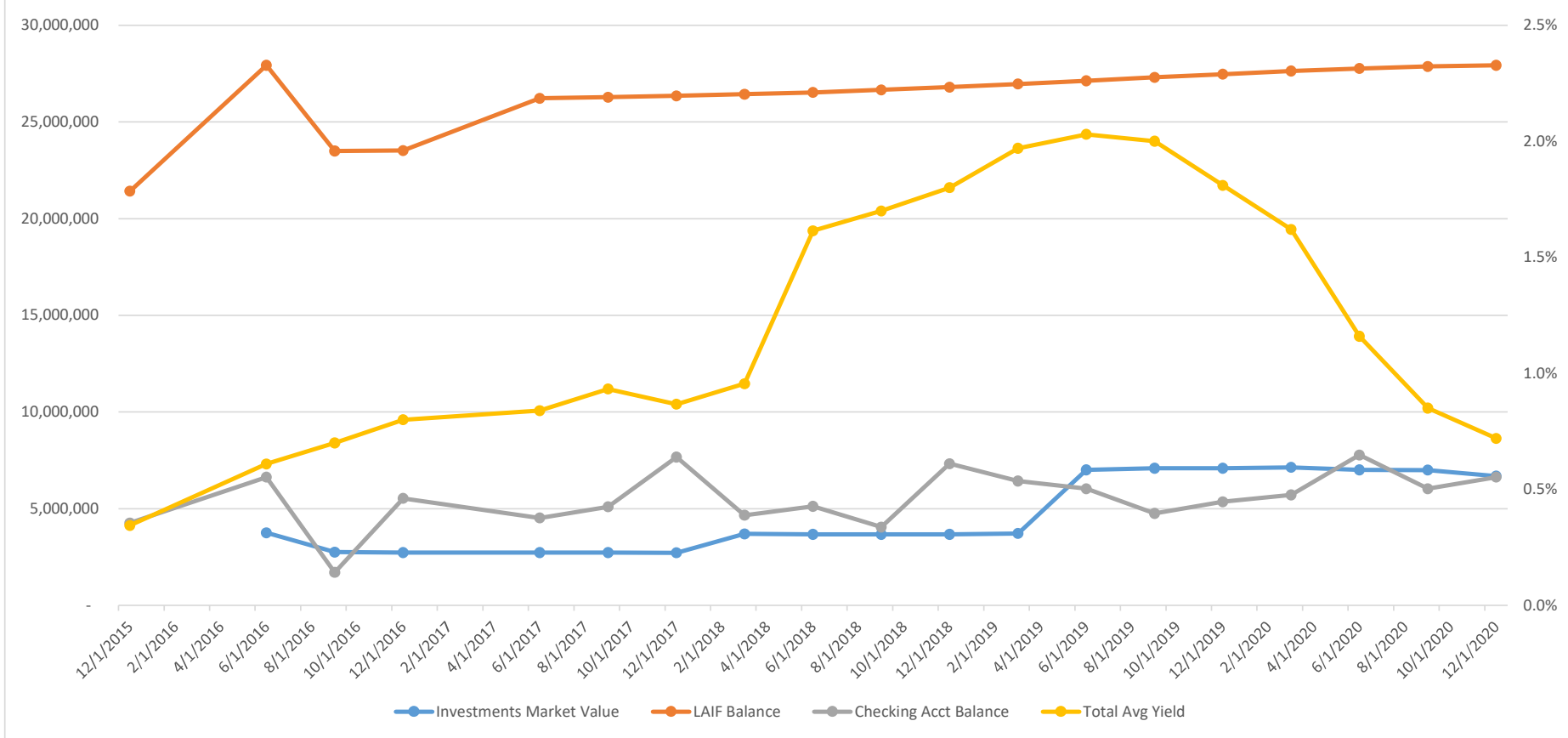
Lake Arrowhead Community Services District Investment Policy Compliance Report

as of December 31, 2020

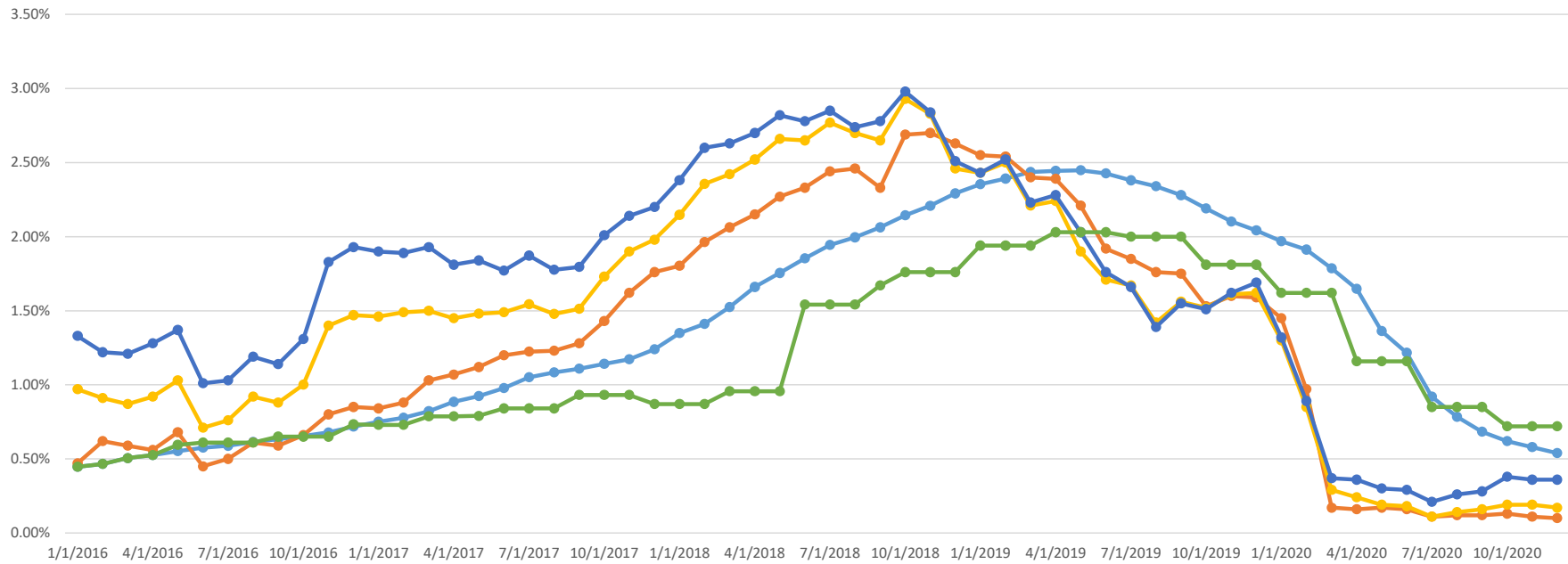
Investment Type	Book Value	Market Value	LACSD Policy Limit	Description of Limit
Checking	6,632,688	6,632,688	None	None
LAIF	27,926,781	27,926,781	41,059,469	Up to 100% of portfolio
Negotiable CDs	5,500,000	5,717,750	12,317,841	Up to 30% of portfolio
Federal Agencies	1,000,000	978,710	41,059,469	Up to 100% of portfolio
Total Portfolio	41,059,469	41,255,929		



5 Year Balance and Yield History



Market Rates



LAIF 1 Yr US Treasury 3 Yr US Treasury 5 Yr US Treasury LACSD