


LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT

MEMORANDUM

**DATE:** September 22, 2015  
**TO:** BOARD OF DIRECTORS  
Lake Arrowhead Community Services District  
**FROM:**   
CATHERINE CERRI, Finance Manager

  
LEO HAVENER, General Manager

**SUBJECT:** Preliminary Fiscal Year 2015/2016 Water Revenue Projections

**A. RECOMMENDATION**

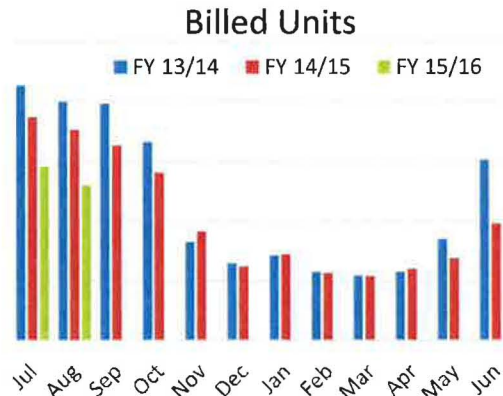
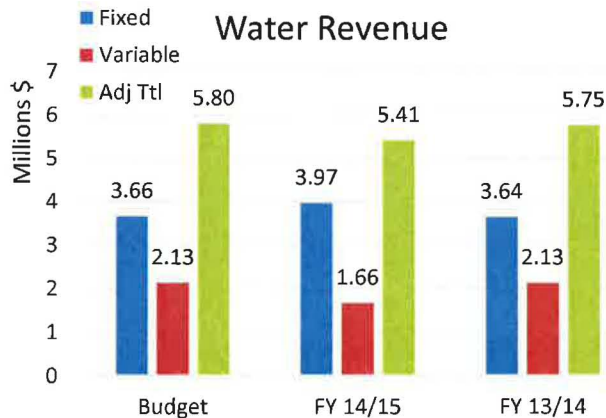
This is an information item only.

**B. REASON FOR RECOMMENDATION**

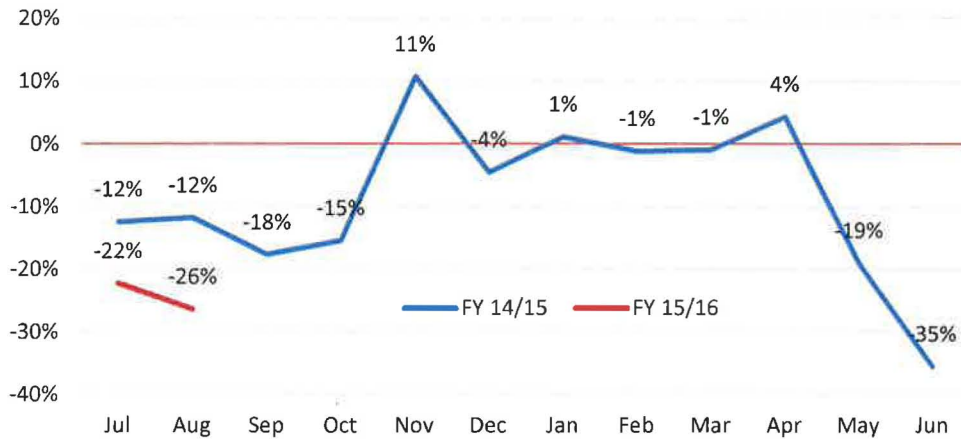
This is an information item only.

**C. BACKGROUND INFORMATION**

Water sales have declined dramatically in recent months due to the drought and the proactive response from the Lake Arrowhead community. The last three months (June, 2015 through August, 2015) show the greatest decline suggesting that FY 15/16 will produce even lower results.



### Monthly Conservation Rates compared to prior year



Variable revenue in FY 15/16 is expected to be approximately \$490k lower than in FY 14/15 which was \$462k lower than FY 13/14. The anticipated increase to the fixed fee will recover approximately \$245k in revenue leaving the Water Enterprise approximately \$232k short of the FY 15/16 Budget. Most of the District's variable revenue is realized in the first three months of the fiscal year. Implementing the proposed Stage 1 drought fee effective January 1, 2016 would generate approximately \$120k between January and June, 2016.

Updates will be provided as the year progresses.

#### **D. FISCAL IMPACT**

This is an information item only.

#### **E. ATTACHMENTS**