

**LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT**

**MEMORANDUM**

**DATE:** February 22, 2022

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

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

**SUBJECT:** **FISCAL YEAR 2021-22 FINANCIAL STATEMENTS AND CASH AND INVESTMENT REPORT FOR THE QUARTER ENDED DECEMBER 31, 2021**

**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 2021-22, covering the period through December 31, 2021.

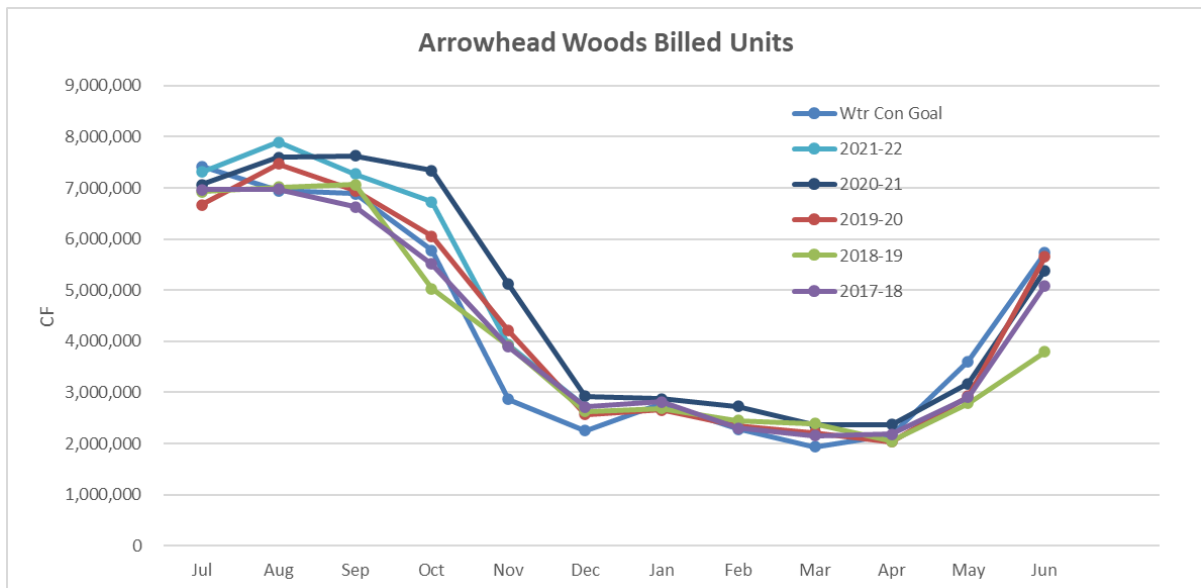
Summary of Significant Items – Financial Statements

Districtwide operating revenue as of December 31, 2021, of \$7.7 million, was essentially flat as compared to the same period last year. Additional detail is below:

- Water operating revenue was \$3,812,000 or flat as compared to the same period last year. As compared to budget, water operating revenue was 10%

or \$336,000 higher primarily due to actual consumption exceeding budget estimates.

- Wastewater operating revenue was 1% or \$42,000 higher as compared to the same period last year. As compared to current year budget, wastewater operating revenue was essentially equal.
- Deer Lodge Park operating revenue was down 1% when compared to the same period last year and was 16% or \$12,000 above budget.
- Rimforest operating revenue was 3% or \$4,300 lower as compared to the same period last year and was 4% or \$4,700 below to budget.



Consumption as of December 31, 2021, is as follows:

- Water billed units were 10.3% higher than the water conservation goal 2013 but reflected a decrease of 4.9% in consumption as compared to the same period last year.
- Deer Lodge Park year-to-date billed units were 1.0% higher as compared to the same period last year.
- Rimforest year-to-date billed units were 6.5% lower as compared to the same period last year.

**Operating Expenses through December 2021**

Expense	FYTD 2020-21	PYTD 2019-20	PY Var	PY var %	YTD Bgt	Bgt Var	Bgt Var %
Wages	2,225,277	2,138,208	87,069	4%	2,560,050	(334,773)	-13%
Health Ins	557,592	562,066	(4,474)	-1%	671,460	(113,868)	-17%
Retirement	502,204	516,895	(14,691)	-3%	602,358	(100,154)	-17%
FICA	163,300	149,974	13,326	9%	175,950	(12,650)	-7%
Employer Ins	53,647	47,200	6,447	14%	69,582	(15,935)	-23%
Training	98,524	87,722	10,802	12%	72,102	26,422	37%
Supplies	101,649	104,209	(2,559)	-2%	130,974	(29,325)	-22%
Equipment	269,008	298,067	(29,060)	-10%	442,542	(173,534)	-39%
Fleet	52,922	36,087	16,835	47%	89,214	(36,292)	-41%
Chemicals	124,870	84,120	40,750	48%	106,542	18,328	17%
Meters	37,607	7,782	29,826	383%	63,240	(25,633)	-41%
Liability Ins	132,211	140,267	(8,057)	-6%	118,206	14,005	12%
Outside Services	296,856	450,900	(154,044)	-34%	493,590	(196,734)	-40%
IT Services	134,988	68,798	66,190	96%	185,922	(50,934)	-27%
Legal	25,578	39,895	(14,317)	-36%	102,960	(77,382)	-75%
Electric	315,369	322,817	(7,448)	-2%	330,126	(14,757)	-4%
Utilities	206,678	289,223	(82,545)	-29%	224,196	(17,518)	-8%
Permits	108,200	99,819	8,381	8%	74,070	34,130	46%
Other	12,734	10,164	2,570	25%	15,126	(2,392)	-16%
Subtotal	5,419,214	5,454,212	(34,998)	-1%	6,528,210	(1,108,996)	-17%
Water Purchase	67,111	113,289	(46,178)	-41%	275,736	(208,625)	-76%
Grand Total	5,486,325	5,567,501	(81,176)	-1%	6,803,946	(1,317,621)	-19%

Overall operating expenses as of December 31, 2021, were 1% lower than prior year and 19% below budget. Significant increases as compared to budget include increases in insurances, chemicals and permits.

The District purchased 123.85 acre-feet of 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 2.53 acre-feet and Rimforest purchased 8.44 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, 2021, the District’s market value of cash and investments totaled \$43.8 million and are allocated to the following accounts:

- Checking Account - \$7.8 million or 17.8% of portfolio allocation
- Local Agency Investment Fund (LAIF) – \$28.0 million or 63.9% of portfolio allocation
- Corporate Bonds - \$2.9 million or 6.7% of portfolio allocation
- Negotiable CDs - \$5.1 million or 11.6% of portfolio allocation

The majority of District funds are held in LAIF which has a current rate of .21%. All investments held by the District outside of LAIF have stated rates of .95% to 3.2%. The District’s interest income was 44% or \$70,000 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 2021-22 Statement of Revenues, Expenses and Changes in Net Position
- Q2 2021-22 Statement of Net Position
- Q2 2021-22 Cash Flow Statement
- Q2 2021-22 Cash and Investment Report

**Lake Arrowhead Community Services District**  
**Preliminary Combining Statement of Net Position as of December 31, 2021**

<b>Assets</b>	<b>Water</b>	<b>Wastewater</b>	<b>DLP</b>	<b>Rimforest</b>	<b>Total</b>
<b>Current Assets:</b>					
Pooled Cash and Investments	9,395,673	20,642,141	160,397	(39,645)	30,158,565
Restricted Cash and Investments	11,697,050	1,718,806	429,821	-	13,845,676
Accounts Receivable	543,492	2,541,845	10,705	30,626	3,126,668
Restricted Accounts Receivable	39,763	-	-	-	39,763
Tax Roll Receivable	-	844,194	-	-	844,194
Interest Receivable	5,650	10,493	-	-	16,143
Unbilled Accounts Receivable	-	-	-	-	-
Other Receivables & Deposits	37,448	1,700	-	-	39,148
Parts Inventory	224,791	37,790	-	-	262,581
Prepaid Expenses	281,112	371,284	1,356	2,712	656,463
Prepaid Water	2,313,794	-	-	-	2,313,794
Interfund Receivable	1,880,220	-	-	-	1,880,220
<b>Total Current Assets</b>	<b>26,418,991</b>	<b>26,168,253</b>	<b>602,279</b>	<b>(6,308)</b>	<b>53,183,215</b>
<b>Capital Assets:</b>					
Fixed Assets	62,622,826	84,868,111	2,019,488	476,984	149,987,409
Accumulated Depreciation	(26,375,369)	(41,282,966)	(928,142)	(103,391)	(68,689,868)
Intangible Asset	1,000,000	-	-	-	1,000,000
Accum Amortization of Intangible	(116,162)	-	-	-	(116,162)
Construction in Progress	1,810,118	5,929,218	-	895	7,740,231
<b>Net Capital Assets</b>	<b>38,941,413</b>	<b>49,514,363</b>	<b>1,091,346</b>	<b>374,488</b>	<b>89,921,611</b>
<b>Total Assets</b>	<b>65,360,404</b>	<b>75,682,616</b>	<b>1,693,625</b>	<b>368,180</b>	<b>143,104,825</b>
Deferred Outflows	2,545,633	3,452,556	43,343	43,343	6,084,876
<b>Liabilities</b>					
<b>Current Liabilities:</b>					
Accounts Payable	181,651	699,046	2,463	2,602	885,762
Accrued Payroll and Benefits	468	-	-	-	468
Compensated Absences	286,502	452,622	-	-	739,124
Deferred Revenue	-	1,079,999	-	-	1,079,999
Deposits & Retentions	65,168	197,485	-	-	262,653
Interest Payable	57,821	112,241	-	-	170,063
SRF Loan & Notes Payable	-	-	-	14,282	14,282
Bonds Payable	-	-	-	-	-
Interfund Payable	827,297	1,052,923	-	-	1,880,220
<b>Total Current Liabilities</b>	<b>1,418,908</b>	<b>3,594,316</b>	<b>2,463</b>	<b>16,884</b>	<b>5,032,571</b>
<b>Non-Current Liabilities:</b>					
Compensated Absences	120,920	186,060	-	-	306,980
Net Pension Liability	2,791,074	3,008,087	59,002	42,002	5,900,165
SRF Loan & Notes Payable	-	-	-	-	-
Bonds Payable	5,599,800	10,870,200	-	-	16,470,000
Bond Premium	836,765	1,624,308	-	-	2,461,073
<b>Net Non-Current Liabilities</b>	<b>9,348,559</b>	<b>15,688,656</b>	<b>59,002</b>	<b>42,002</b>	<b>25,138,219</b>
<b>Total Liabilities</b>	<b>10,767,467</b>	<b>19,282,972</b>	<b>61,465</b>	<b>58,886</b>	<b>30,170,790</b>
Deferred Inflows - Pension	497,197	585,581	11,049	11,049	1,104,875
<b>Net Position</b>					
Restricted	14,050,606	1,718,806	429,821	-	16,199,232
Unrestricted	9,249,154	18,903,651	143,288	(18,616)	28,277,476
Capital Assets	33,341,613	38,644,163	1,091,346	360,205	73,437,328
<b>Total Net Position</b>	<b>56,641,373</b>	<b>59,266,619</b>	<b>1,664,455</b>	<b>341,589</b>	<b>117,914,036</b>
<b>Liabilities, Deferrals &amp; Net Position</b>	<b>67,906,037</b>	<b>79,135,172</b>	<b>1,736,968</b>	<b>411,523</b>	<b>149,189,701</b>
<b>Beginning net position</b>	<b>55,895,058</b>	<b>57,417,365</b>	<b>1,664,931</b>	<b>340,041</b>	<b>115,317,395</b>
Change in Net Position (NI)	746,316	1,849,255	(478)	1,547	2,596,641
<b>Ending net position</b>	<b>56,641,374</b>	<b>59,266,620</b>	<b>1,664,453</b>	<b>341,588</b>	<b>117,914,036</b>

# Lake Arrowhead Community Services District

## Preliminary Fiscal Year 2021-22

### Statement of Revenues, Expenses and Changes in Net Position and Fund Balances

	Water						
	DEC - 21 YTD	DEC -20 YTD	PY Var	%	YTD Budget	Bgt Var	%
Charges for Services	3,704,071	3,710,405	(6,334)	0%	3,379,071	325,000	10%
Other Op Income	107,510	107,086	423	0%	96,180	11,330	12%
<b>Total Revenue</b>	<b>3,811,581</b>	<b>3,817,491</b>	<b>(5,911)</b>	<b>0%</b>	<b>3,475,251</b>	<b>336,330</b>	<b>10%</b>
Operations	892,540	867,189	25,351	3%	1,005,180	(112,640)	-11%
Water Purchases	16,032	57,244	(41,212)	-72%	231,516	(215,484)	-93%
Field Operations	529,278	441,585	87,693	20%	516,132	13,146	3%
Physical Plant	67,017	53,998	13,019	24%	97,758	(30,741)	-31%
Administration	724,244	771,420	(47,176)	-6%	916,710	(192,466)	-21%
Engineering	61,150	68,086	(6,937)	-10%	62,760	(1,610)	-3%
Water Conservation	107,130	93,142	13,988	15%	154,656	(47,526)	-31%
<b>Total Op Expense</b>	<b>2,397,390</b>	<b>2,352,664</b>	<b>44,726</b>	<b>2%</b>	<b>2,984,712</b>	<b>(587,322)</b>	<b>-20%</b>
<b>Net Operating Income</b>	<b>1,414,191</b>	<b>1,464,827</b>	<b>(50,636)</b>	<b>-3%</b>	<b>490,539</b>	<b>923,652</b>	<b>188%</b>
SWF or Prop Taxes	26,707	20,883	5,824	28%	-	26,707	100%
Connection Fees	128,527	127,169	1,358	1%	25,002	103,525	414%
Contributed Capital	-	-	-	100%	-	-	100%
Interest Income	42,502	76,027	(33,525)	-44%	108,054	(65,552)	-61%
Interest Expense	(118,384)	(123,760)	5,376	4%	(135,132)	16,748	12%
Depreciation	(804,429)	(804,964)	535	0%	(815,052)	10,623	1%
Amortization	6,902	6,902	-	0%	6,906	(4)	0%
Other Expense	(1,105)	(1,104)	(1)	0%	(804)		
Other Income	51,405	200	51,205	100%	3,036	48,369	1593%
<b>Total Non-Op Income</b>	<b>(667,875)</b>	<b>(698,646)</b>	<b>30,771</b>	<b>4%</b>	<b>(807,990)</b>	<b>140,416</b>	<b>17%</b>
<b>Net Income</b>	<b>746,316</b>	<b>766,181</b>	<b>(19,865)</b>	<b>-3%</b>	<b>(317,451)</b>	<b>1,064,068</b>	<b>335%</b>
Beginning Net Position	55,089,180	54,380,093	709,087	1%	55,089,180	-	0%
Change in Net Position	746,316	766,181	(19,865)	-3%	(317,451)	1,063,767	335%
Ending Net Position	55,835,496	55,146,274	689,222	1%	54,771,729	1,063,767	2%

Fund Balances	Water						
	DEC - 21 YTD	DEC -20 YTD	PY Var	%	FY 20/21 Bgt	Bgt Var	%
-00 Operating Fund	2,882,705	2,751,416	131,289	5%	1,359,783	1,522,922	112%
-10 Capital Improvemnt	5,078,080	3,521,570	1,556,511	44%	202,656	4,875,424	2406%
-20 Rate Stabilztn Fund	1,434,887	1,361,545	73,342	5%	1,116,951	317,936	28%
<b>Total Pooled Cash</b>	<b>9,395,673</b>	<b>7,634,531</b>	<b>1,761,142</b>	<b>23%</b>	<b>2,679,390</b>	<b>6,716,283</b>	<b>251%</b>
-50 New Facilities Fund	192,092	173,594	18,498	11%	211,318	(19,226)	-9%
160 Supplemental Wtr	11,504,958	12,393,287	(888,329)	-7%	9,417,571	2,087,387	22%
161, 270 Debt Reserve	-	-	-	100%	-	-	100%
271 Bond Proceeds	-	-	-	100%	-	-	100%
Assessment Districts	-	-	-	100%	-	-	100%
<b>Total Restricted Cash</b>	<b>11,697,050</b>	<b>12,566,880</b>	<b>(869,831)</b>	<b>-7%</b>	<b>9,628,889</b>	<b>2,068,161</b>	<b>21%</b>
<b>Total Cash</b>	<b>21,092,722</b>	<b>20,201,411</b>	<b>891,311</b>	<b>4%</b>	<b>12,308,279</b>	<b>8,784,443</b>	<b>71%</b>

# Lake Arrowhead Community Services District

## Preliminary Fiscal Year 2021-22

### Statement of Revenues, Expenses and Changes in Net Position and Fund Balances

	Wastewater						
	DEC - 21 YTD	DEC -20 YTD	PY Var	%	YTD Budget	Bgt Var	%
Charges for Services	3,574,917	3,541,169	33,748	1%	3,576,334	(1,417)	0%
Other Op Income	69,329	61,203	8,126	13%	58,500	10,829	19%
<b>Total Revenue</b>	<b>3,644,246</b>	<b>3,602,372</b>	<b>41,874</b>	<b>1%</b>	<b>3,634,834</b>	<b>9,412</b>	<b>0%</b>
Operations	1,260,757	1,376,148	(115,391)	-8%	1,539,888	(279,131)	-18%
Water Purchases	-	-	-	0%	-	-	0%
Field Operations	542,403	544,675	(2,272)	0%	746,484	(204,081)	-27%
Physical Plant	125,514	98,695	26,820	27%	180,312	(54,798)	-30%
Administration	867,676	881,552	(13,876)	-2%	1,021,590	(153,914)	-15%
Engineering	97,943	111,410	(13,467)	-12%	103,944	(6,001)	-6%
Water Conservation	-	-	-	0%	-	-	0%
<b>Total Op Expense</b>	<b>2,894,293</b>	<b>3,012,480</b>	<b>(118,187)</b>	<b>-4%</b>	<b>3,592,218</b>	<b>(697,925)</b>	<b>-19%</b>
<b>Net Operating Income</b>	<b>749,953</b>	<b>589,892</b>	<b>160,061</b>	<b>27%</b>	<b>42,616</b>	<b>707,337</b>	<b>1660%</b>
SWF or Prop Taxes	2,119,659	1,946,873	172,786	9%	1,938,105	181,554	9%
Connection Fees	98,419	77,652	20,767	27%	12,498	85,921	687%
Contributed Capital	-	-	-	100%	-	-	100%
Interest Income	43,864	79,200	(35,336)	-45%	91,890	(48,026)	-52%
Interest Expense	(229,804)	(240,240)	10,436	4%	(251,118)	21,314	8%
Depreciation	(1,028,615)	(983,959)	(44,656)	-5%	(936,000)	(92,615)	-10%
Amortization	13,398	13,398	-	0%	13,398	0	0%
Other Expense	(2,145)	(2,146)	1	0%	(3,576)		
Other Income	84,526	83,019	1,507	2%	62,934	21,592	34%
<b>Total Non-Op Income</b>	<b>1,099,302</b>	<b>973,797</b>	<b>125,505</b>	<b>13%</b>	<b>928,131</b>	<b>169,740</b>	<b>18%</b>
<b>Net Income</b>	<b>1,849,255</b>	<b>1,563,689</b>	<b>285,567</b>	<b>18%</b>	<b>970,747</b>	<b>877,077</b>	<b>90%</b>
Beginning Net Position	52,509,207	48,609,658	3,899,549	8%	52,509,207	-	0%
Change in Net Position	1,849,255	1,563,689	285,567	18%	970,747	878,508	90%
Ending Net Position	54,358,462	50,173,347	4,185,116	8%	53,479,954	878,508	2%

Fund Balances	Wastewater						
	DEC - 21 YTD	DEC -20 YTD	PY Var	%	FY 20/21 Bgt	Bgt Var	%
-00 Operating Fund	3,000,631	2,532,593	468,038	18%	1,750,049	1,250,582	71%
-10 Capital Improvemnt	16,053,313	15,075,721	977,592	6%	3,982,374	12,070,939	303%
-20 Rate Stabilztn Fund	1,588,197	1,563,940	24,256	2%	1,917,207	(329,010)	-17%
<b>Total Pooled Cash</b>	<b>20,642,141</b>	<b>19,172,254</b>	<b>1,469,887</b>	<b>8%</b>	<b>7,649,630</b>	<b>12,992,511</b>	<b>170%</b>
-50 New Facilities Fund	113,855	90,998	22,857	25%	57,251	56,604	99%
160 Supplemental Wtr	-	-	-	100%	-	-	100%
161, 270 Debt Reserve	-	-	-	100%	-	-	100%
271 Bond Proceeds	2	2	0	2%	-	2	100%
Assessment Districts	1,604,948	1,596,413	8,535	1%	1,482,599	122,349	8%
<b>Total Restricted Cash</b>	<b>1,718,806</b>	<b>1,687,413</b>	<b>31,392</b>	<b>2%</b>	<b>1,539,850</b>	<b>178,956</b>	<b>12%</b>
<b>Total Cash</b>	<b>22,360,946</b>	<b>20,859,667</b>	<b>1,501,279</b>	<b>7%</b>	<b>9,189,480</b>	<b>13,171,466</b>	<b>143%</b>

# Lake Arrowhead Community Services District

## Preliminary Fiscal Year 2021-22

### Statement of Revenues, Expenses and Changes in Net Position and Fund Balances

	Deer Lodge Park						
	DEC - 21 YTD	DEC -20 YTD	PY Var	%	YTD Budget	Bgt Var	%
Charges for Services	81,801	82,766	(965)	-1%	73,417	8,384	11%
Other Op Income	6,695	6,982	(287)	-4%	3,000	3,695	123%
<b>Total Revenue</b>	<b>88,496</b>	<b>89,748</b>	<b>(1,252)</b>	<b>-1%</b>	<b>76,417</b>	<b>12,079</b>	<b>16%</b>
Operations	26,598	28,995	(2,397)	-8%	45,660	(19,062)	-42%
Water Purchases	22,518	21,926	592	3%	15,132	7,386	49%
Field Operations	11,342	8,235	3,107	38%	12,720	(1,378)	-11%
Physical Plant	1,321	960	361	38%	1,878	(557)	-30%
Administration	20,914	19,904	1,010	5%	23,166	(2,252)	-10%
Engineering	1,619	1,826	(208)	-11%	1,704	(85)	-5%
Water Conservation	-	-	-	0%	-	-	0%
<b>Total Op Expense</b>	<b>84,312</b>	<b>81,846</b>	<b>2,466</b>	<b>3%</b>	<b>100,260</b>	<b>(15,948)</b>	<b>-16%</b>
<b>Net Operating Income</b>	<b>4,184</b>	<b>7,902</b>	<b>(3,717)</b>	<b>-47%</b>	<b>(23,843)</b>	<b>28,027</b>	<b>118%</b>
SWF or Prop Taxes	-	-	-	0%	-	-	0%
Connection Fees	15,579	15,579	-	0%	-	15,579	0%
Contributed Capital	-	-	-	0%	-	-	0%
Interest Income	1,194	2,155	(961)	-45%	3,354	(2,160)	-64%
Interest Expense	-	-	-	0%	-	-	100%
Depreciation	(21,484)	(21,484)	-	0%	(21,000)	(484)	-2%
Amortization	-	-	-	0%	-	-	0%
Other Expense	-	-	-	-	-	-	-
Other Income	49	(0)	49	100%	-	49	100%
<b>Total Non-Op Income</b>	<b>(4,662)</b>	<b>(3,750)</b>	<b>(912)</b>	<b>-24%</b>	<b>(17,646)</b>	<b>12,984</b>	<b>74%</b>
<b>Net Income</b>	<b>(478)</b>	<b>4,152</b>	<b>(4,629)</b>	<b>-112%</b>	<b>(41,489)</b>	<b>41,011</b>	<b>99%</b>
Beginning Net Position	1,653,056	1,647,366	5,690	0%	1,653,056	-	0%
Change in Net Position	(478)	4,152	(4,629)	-112%	(41,489)	41,011	99%
Ending Net Position	1,652,578	1,651,518	1,061	0%	1,611,567	41,011	3%

Fund Balances	Deer Lodge Park						
	DEC - 21 YTD	DEC -20 YTD	PY Var	%	FY 20/21 Bgt	Bgt Var	%
-00 Operating Fund	64,065	59,800	4,264	7%	24,359	39,706	163%
-10 Capital Improvemnt	69,209	54,730	14,479	26%	-	69,209	100%
-20 Rate Stabilztn Fund	27,123	26,981	143	1%	26,775	348	1%
<b>Total Pooled Cash</b>	<b>160,397</b>	<b>141,511</b>	<b>18,886</b>	<b>13%</b>	<b>51,134</b>	<b>109,263</b>	<b>214%</b>
-50 New Facilities Fund	29,797	28,215	1,582	6%	24,948	4,849	19%
160 Supplemental Wtr	-	-	-	100%	-	-	100%
161, 270 Debt Reserve	-	-	-	100%	-	-	100%
271 Bond Proceeds	-	-	-	100%	-	-	100%
Assessment Districts	400,024	397,891	2,133	1%	166,615	233,409	140%
<b>Total Restricted Cash</b>	<b>429,821</b>	<b>426,106</b>	<b>3,715</b>	<b>1%</b>	<b>191,563</b>	<b>238,258</b>	<b>124%</b>
<b>Total Cash</b>	<b>590,218</b>	<b>567,617</b>	<b>22,600</b>	<b>4%</b>	<b>242,697</b>	<b>347,521</b>	<b>143%</b>



# Lake Arrowhead Community Services District

## Preliminary Fiscal Year 2021-22

### Statement of Revenues, Expenses and Changes in Net Position and Fund Balances

	Rimforest						
	DEC - 21 YTD	DEC -20 YTD	PY Var	%	YTD Budget	Bgt Var	%
Charges for Services	117,807	121,593	(3,785)	-3%	120,283	(2,476)	-2%
Other Op Income	2,971	3,533	(562)	-16%	5,148	(2,177)	-42%
<b>Total Revenue</b>	<b>120,779</b>	<b>125,126</b>	<b>(4,347)</b>	<b>-3%</b>	<b>125,431</b>	<b>(4,652)</b>	<b>-4%</b>
Operations	16,241	16,761	(520)	-3%	21,546	(5,305)	-25%
Water Purchases	28,561	34,119	(5,559)	-16%	29,088	(527)	-2%
Field Operations	24,062	25,531	(1,470)	-6%	24,792	(730)	-3%
Physical Plant	2,412	1,929	483	25%	1,542	870	56%
Administration	36,049	37,074	(1,025)	-3%	41,286	(5,237)	-13%
Engineering	3,006	3,389	(383)	-11%	3,528	(522)	-15%
Water Conservation	-	-	-	0%	-	-	0%
<b>Total Op Expense</b>	<b>110,331</b>	<b>118,804</b>	<b>(8,473)</b>	<b>-7%</b>	<b>121,782</b>	<b>(11,451)</b>	<b>-9%</b>
<b>Net Operating Income</b>	<b>10,448</b>	<b>6,322</b>	<b>4,126</b>	<b>65%</b>	<b>3,649</b>	<b>6,799</b>	<b>186%</b>
SWF or Prop Taxes	-	-	-	0%	-	-	0%
Connection Fees	-	-	-	0%	-	-	0%
Contributed Capital	-	-	-	0%	-	-	0%
Interest Income	-	62	(62)	-100%	420	(420)	-100%
Interest Expense	(1,049)	(2,889)	1,840	64%	(612)	(437)	-71%
Depreciation	(7,950)	(7,950)	-	0%	(7,950)	0	0%
Amortization	-	-	-	0%	-	-	0%
Other Expense	-	-	-	-	(36)	-	-
Other Income	98	-	98	0%	-	98	100%
<b>Total Non-Op Income</b>	<b>(8,901)</b>	<b>(10,777)</b>	<b>1,876</b>	<b>17%</b>	<b>(8,178)</b>	<b>(759)</b>	<b>-9%</b>
<b>Net Income</b>	<b>1,547</b>	<b>(4,455)</b>	<b>6,002</b>	<b>135%</b>	<b>(4,529)</b>	<b>6,040</b>	<b>133%</b>
Beginning Net Position	279,268	327,419	(48,151)	-15%	279,268	-	0%
Change in Net Position	1,547	(4,455)	6,002	135%	(4,529)	6,076	134%
Ending Net Position	280,815	322,964	(42,149)	-13%	274,739	6,076	2%

	Rimforest						
	DEC - 21 YTD	DEC -20 YTD	PY Var	%	FY 20/21 Bgt	Bgt Var	%
<b>Fund Balances</b>							
-00 Operating Fund	(44,226)	(32,770)	(11,457)	-35%	-	(44,226)	100%
-10 Capital Improvemnt	4,581	31,052	(26,471)	-85%	6,286	(1,705)	-27%
-20 Rate Stabilztn Fund	-	-	-	100%	-	-	100%
<b>Total Pooled Cash</b>	<b>(39,645)</b>	<b>(1,718)</b>	<b>(37,927)</b>	<b>-2207%</b>	<b>6,286</b>	<b>(45,931)</b>	<b>-731%</b>
-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%
<b>Total Restricted Cash</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100%</b>	<b>-</b>	<b>-</b>	<b>100%</b>
<b>Total Cash</b>	<b>(39,645)</b>	<b>(1,718)</b>	<b>(37,927)</b>	<b>-2207%</b>	<b>6,286</b>	<b>(45,931)</b>	<b>-731%</b>

# Lake Arrowhead Community Services District

## Preliminary Fiscal Year 2021-22

### Statement of Revenues, Expenses and Changes in Net Position and Fund Balances

	LACSD Total						
	DEC - 21 YTD	DEC -20 YTD	PY Var	%	YTD Budget	Bgt Var	%
Charges for Services	7,478,597	7,455,933	22,664	0%	7,149,105	329,492	5%
Other Op Income	186,505	178,804	7,701	4%	162,828	23,677	15%
<b>Total Revenue</b>	<b>7,665,102</b>	<b>7,634,736</b>	<b>30,365</b>	<b>0%</b>	<b>7,311,933</b>	<b>353,169</b>	<b>5%</b>
Operations	2,196,135	2,289,093	(92,958)	-4%	2,612,274	(416,139)	-16%
Water Purchases	67,111	113,289	(46,178)	-41%	275,736	(208,625)	-76%
Field Operations	1,107,085	1,020,026	87,058	9%	1,300,128	(193,043)	-15%
Physical Plant	196,264	155,581	40,683	26%	281,490	(85,226)	-30%
Administration	1,648,883	1,709,950	(61,067)	-4%	2,002,752	(353,869)	-18%
Engineering	163,718	184,712	(20,994)	-11%	171,936	(8,218)	-5%
Water Conservation	107,130	93,142	13,988	15%	154,656	(47,526)	-31%
<b>Total Op Expense</b>	<b>5,486,325</b>	<b>5,565,794</b>	<b>(79,469)</b>	<b>-1%</b>	<b>6,798,972</b>	<b>(1,312,647)</b>	<b>-19%</b>
<b>Net Operating Income</b>	<b>2,178,777</b>	<b>2,068,943</b>	<b>109,834</b>	<b>5%</b>	<b>512,961</b>	<b>1,665,816</b>	<b>325%</b>
SWF or Prop Taxes	2,146,366	1,967,756	178,610	9%	1,938,105	208,261	11%
Connection Fees	242,525	220,400	22,125	10%	37,500	205,025	547%
Contributed Capital	-	-	-	100%	-	-	100%
Interest Income	87,560	157,444	(69,884)	-44%	203,718	(116,158)	-57%
Interest Expense	(349,237)	(366,889)	17,652	5%	(386,862)	37,625	10%
Depreciation	(1,862,478)	(1,818,357)	(44,122)	-2%	(1,780,002)	(82,476)	-5%
Amortization	20,301	20,301	-	0%	20,304	(3)	0%
Other Expense	(3,250)	(3,250)	-	0%	(4,416)		
Other Income	136,077	83,219	52,859	64%	65,970	70,107	106%
<b>Total Non-Op Income</b>	<b>417,864</b>	<b>260,623</b>	<b>157,241</b>	<b>60%</b>	<b>94,317</b>	<b>322,381</b>	<b>342%</b>
<b>Net Income</b>	<b>2,596,641</b>	<b>2,329,566</b>	<b>267,074</b>	<b>11%</b>	<b>607,278</b>	<b>1,988,197</b>	<b>327%</b>
Beginning Net Position	109,530,711	104,964,536	4,566,175	4%	109,530,711	-	0%
Change in Net Position	2,596,641	2,329,566	267,074	11%	607,278	1,989,363	328%
Ending Net Position	112,127,352	107,294,102	4,833,249	5%	110,137,989	1,989,363	2%
	<b>LACSD Total</b>						
<u>Fund Balances</u>	<u>DEC - 21 YTD</u>	<u>DEC -20 YTD</u>	<u>PY Var</u>	<u>%</u>	<u>FY 20/21 Bgt</u>	<u>Bgt Var</u>	<u>%</u>
-00 Operating Fund	5,903,174	5,311,039	592,135	11%	3,134,191	2,768,983	88%
-10 Capital Improvemnt	21,205,184	18,683,073	2,522,111	13%	4,191,316	17,013,868	406%
-20 Rate Stabilztn Fund	3,050,207	2,952,466	97,741	3%	3,060,933	(10,726)	0%
<b>Total Pooled Cash</b>	<b>30,158,565</b>	<b>26,946,578</b>	<b>3,211,987</b>	<b>12%</b>	<b>10,386,440</b>	<b>19,772,125</b>	<b>190%</b>
-50 New Facilities Fund	335,744	292,807	42,938	15%	293,517	42,227	14%
160 Supplemental Wtr	11,504,958	12,393,287	(888,329)	-7%	9,417,571	2,087,387	22%
161, 270 Debt Reserve	-	-	-	100%	-	-	100%
271 Bond Proceeds	2	2	0	2%	-	2	100%
Assessment Districts	2,004,972	1,994,304	10,668	1%	1,649,214	355,758	22%
<b>Total Restricted Cash</b>	<b>13,845,676</b>	<b>14,680,400</b>	<b>(834,724)</b>	<b>-6%</b>	<b>11,360,302</b>	<b>2,485,374</b>	<b>22%</b>
<b>Total Cash</b>	<b>44,004,241</b>	<b>41,626,978</b>	<b>2,377,263</b>	<b>6%</b>	<b>21,746,742</b>	<b>22,257,499</b>	<b>102%</b>

# Lake Arrowhead Community Services District Cash Flow Statement

Preliminary Fiscal Year 2021-22

	<u>Water</u>	<u>Wastewater</u>	<u>DLP</u>	<u>RF</u>	<u>YTD 2019-20</u>
<b>Change in Net Position (Net Income)</b>	746,316	1,849,255	(478)	1,547	2,596,641
Depreciation & Amortization	641,326	1,019,587	21,484	7,950	1,690,348
Asset Disposal	-	-	-	-	-
<b>Net Cash from Income Statement</b>	<u>1,387,642</u>	<u>2,868,842</u>	<u>21,006</u>	<u>9,497</u>	<u>4,286,988</u>
Customer Accounts Receivable	761,192	(242,997)	21,840	17,484	557,518
Other Receivables	(1,060)	1,775	20	40	775
Prepaid Expenses	(184,550)	(342,736)	-	-	(527,286)
Prepaid Water	-	-	-	-	-
Accounts Payable	31,595	553,202	(2,928)	(5,646)	576,224
Net Pension Liability	(629,000)	(1,020,000)	(17,000)	(34,000)	(1,700,000)
Accrued Liabilities	(141,975)	638,749	(3,012)	(3,759)	490,003
Deposits & Retentions	23,259	(191,381)	-	-	(168,122)
Parts Inventory	-	-	-	-	-
<b>Total Sources (Uses) of Cash</b>	<u>(140,539)</u>	<u>(603,388)</u>	<u>(1,079)</u>	<u>(25,881)</u>	<u>(770,887)</u>
<b>Net Cash Flow from Operating Activities</b>	<b>1,247,103</b>	<b>2,265,455</b>	<b>19,927</b>	<b>(16,384)</b>	<b>3,516,101</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>					
Additions to Fixed Assets	149,389	(210,693)	-	-	(61,304)
Construction in Progress	(803,992)	(1,078,911)	-	-	(1,882,904)
Bond Principal	(243,208)	(472,109)	-	-	(715,316)
Contributions to Financing Activities	17,005	33,010	-	-	-
SRF Loan & Notes Payable	-	-	-	(27,843)	(27,843)
Interfund Payable/Receivable	-	-	-	-	-
Interest Payable	(2,741)	(5,321)	-	-	(8,062)
<b>Net Cash Flow from Financing Activities</b>	<b>(883,547)</b>	<b>(1,734,024)</b>	<b>-</b>	<b>(27,843)</b>	<b>(2,695,430)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>					
Interest Receivable	8,735	16,222	-	-	24,958
<b>Net Cash Flow from Investing Activities</b>	<b>8,735</b>	<b>16,222</b>	<b>-</b>	<b>-</b>	<b>24,958</b>
<b>Net Increase (Decrease) in Cash</b>	372,291	547,653	19,927	(44,226)	895,645
Cash at Beginning of Period	20,720,431	21,813,293	570,291	4,581	43,108,596
<b>Cash and Equivalents at End of Period</b>	<u><b>21,092,722</b></u>	<u><b>22,360,946</b></u>	<u><b>590,218</b></u>	<u><b>(39,645)</b></u>	<u><b>44,004,241</b></u>



**Lake Arrowhead Community Services District**  
**Cash and Investment Report**  
*as of December 31, 2021*

**Summary of Portfolio Assets**

Category	Book Value	Adj Book Value	Market Value	Percent of Portfolio	Current Quarterly Yield
Checking Account	7,753,546	7,753,546	7,753,546	17.7%	0.00%
LAIF	28,041,422	28,041,422	28,041,422	63.9%	0.21%
Corporate Bonds	3,000,000	3,000,000	2,923,316	6.7%	0.93%
Negotiable CDs	5,000,000	5,000,000	5,080,244	11.6%	2.26%
<b>Total Cash &amp; Investments</b>	<b>43,794,968</b>	<b>43,794,968</b>	<b>43,798,528</b>	<b>100.0%</b>	<b>0.46%</b>

**Summary of Portfolio Liquidity**

Category	Book Value	Percent of Portfolio	Market Value	Percent of Portfolio	Par Value	Percent of Portfolio
On Demand	35,794,968	81.7%	35,794,968	81.7%	35,794,968	81.7%
Within 2021-22	1,500,000	3.4%	1,512,900	3.5%	1,500,000	3.4%
Within 2022-23	1,500,000	3.4%	1,540,856	3.5%	1,500,000	3.4%
Within 2023-24	1,000,000	2.3%	1,039,092	2.4%	1,000,000	2.3%
Within 2024-25	2,000,000	4.6%	1,943,790	4.4%	2,000,000	4.6%
Within 2025-26	2,000,000	4.6%	1,966,922	4.5%	2,000,000	4.6%
<b>Total</b>	<b>43,794,968</b>	<b>100.0%</b>	<b>43,798,528</b>	<b>100.0%</b>	<b>43,794,968</b>	<b>100.0%</b>



**Lake Arrowhead Community Services District**  
**Portfolio Details**  
**as of December 31, 2021**

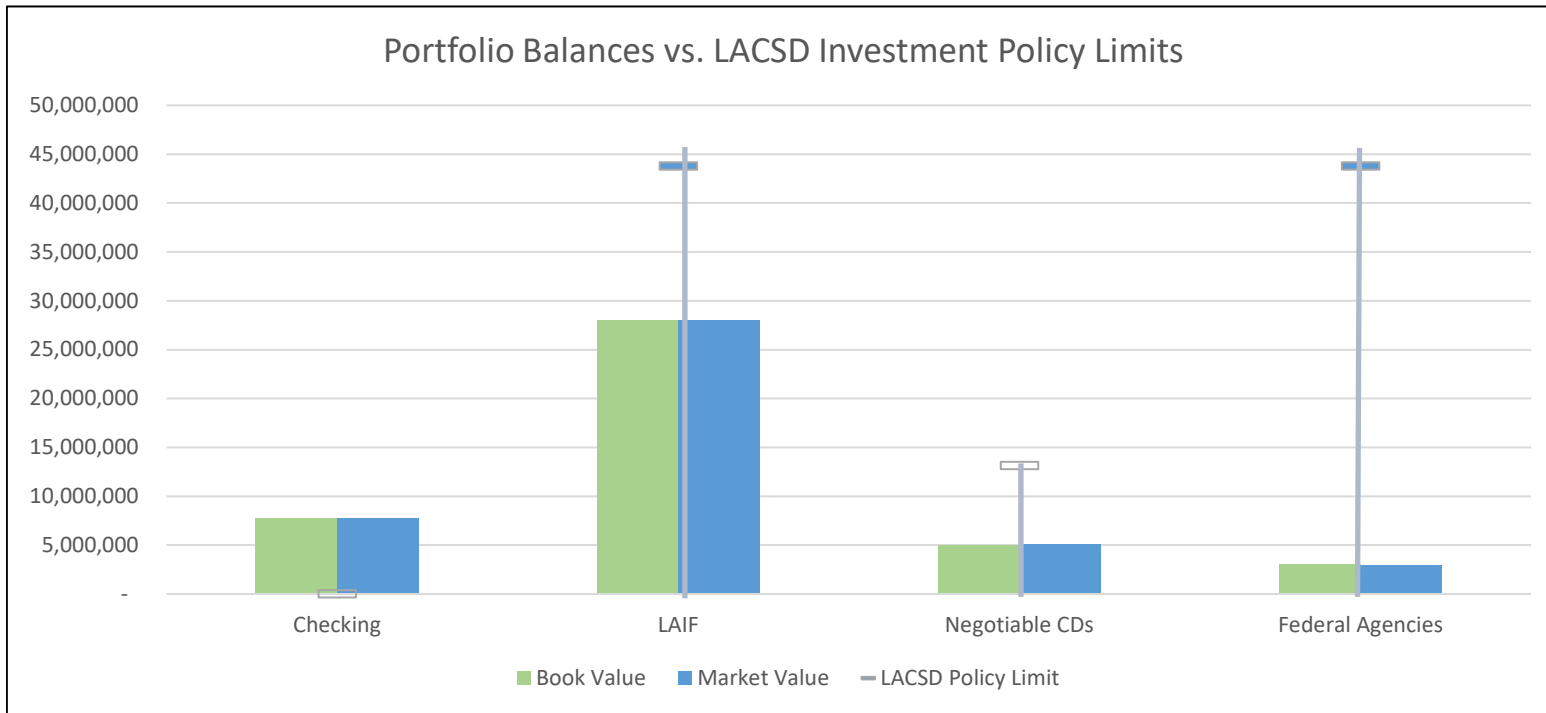
Type	Issuer	CUSIP	Purchase Date	Maturity Date	Par Value	Market Value	Book Value	Stated Rate
Checking Account	Union Bank				\$ 7,753,546	\$ 7,753,546	\$ 7,753,546	
LAIF	LAIF				\$ 28,041,422	\$ 28,041,422	\$ 28,041,422	0.21%
Negotiable CD	Wells Fargo Bank	949763NP7	2/14/2018	2/14/2022	\$ 250,000	\$ 250,717	\$ 250,000	2.60%
Negotiable CD	Merrick Bank	59013J7H6	4/18/2019	4/18/2022	\$ 250,000	\$ 251,650	\$ 250,000	2.45%
Negotiable CD	Ally Bank	02007GKC6	6/6/2019	6/6/2022	\$ 250,000	\$ 252,450	\$ 250,000	2.50%
Negotiable CD	TIAA Bank	87270LBY8	4/17/2019	10/17/2022	\$ 250,000	\$ 254,650	\$ 250,000	2.65%
Negotiable CD	Eaglebank	27002YEJ1	4/18/2019	10/18/2022	\$ 250,000	\$ 254,470	\$ 250,000	2.55%
Negotiable CD	Great Southern Bank	39120VSK1	6/28/2019	12/28/2022	\$ 250,000	\$ 248,963	\$ 250,000	2.38%
Negotiable CD	Sallie Mae Bank	795450K53	2/8/2018	2/8/2023	\$ 250,000	\$ 256,250	\$ 250,000	2.65%
Negotiable CD	Goldman Sachs	38148PXW2	2/14/2018	2/14/2023	\$ 250,000	\$ 256,470	\$ 250,000	2.70%
Negotiable CD	BMW Bank North America	05580AWA8	3/31/2020	3/31/2023	\$ 250,000	\$ 253,180	\$ 250,000	1.45%
Negotiable CD	Mainstreet Bank	56065GAE8	4/26/2019	4/26/2023	\$ 250,000	\$ 256,923	\$ 250,000	2.55%
Negotiable CD	Citibank National Association	17312QL98	5/23/2018	5/23/2023	\$ 250,000	\$ 259,490	\$ 250,000	3.20%
Negotiable CD	Medallion Bank	58404DEL1	6/11/2019	12/11/2023	\$ 250,000	\$ 258,543	\$ 250,000	2.40%
Negotiable CD	Morgan Stanley Private Bank	61760AYR4	4/11/2019	4/11/2024	\$ 250,000	\$ 261,743	\$ 250,000	2.80%
Negotiable CD	Comenity Capital Bank	20033AU38	4/15/2019	4/15/2024	\$ 250,000	\$ 261,802	\$ 250,000	2.80%
Negotiable CD	Celtic Bank	15118RUV7	4/17/2020	4/17/2024	\$ 250,000	\$ 253,850	\$ 250,000	2.80%
Negotiable CD	Morgan Stanley NA Bank	61690UHB9	6/6/2019	6/6/2024	\$ 250,000	\$ 261,697	\$ 250,000	2.70%
Negotiable CD	Toyota Financial Services	89235MLE9	7/29/2021	7/29/2026	\$ 250,000	\$ 246,802	\$ 250,000	0.95%
Negotiable CD	UBS Salt Lake City	90348JS92	9/9/2021	9/9/2026	\$ 250,000	\$ 246,487	\$ 250,000	0.95%
Negotiable CD	Live Oak Bank	538036SV7	10/19/2021	10/19/2026	\$ 250,000	\$ 245,597	\$ 250,000	0.90%
Negotiable CD	State Bank India Chicago	856283U95	10/19/2021	10/19/2026	\$ 250,000	\$ 248,510	\$ 250,000	1.15%
Corporate Bond	Citigroup Inc.	17298CKV9	12/8/2020	12/8/2025	\$ 1,000,000	\$ 963,070	\$ 1,000,000	1.00%



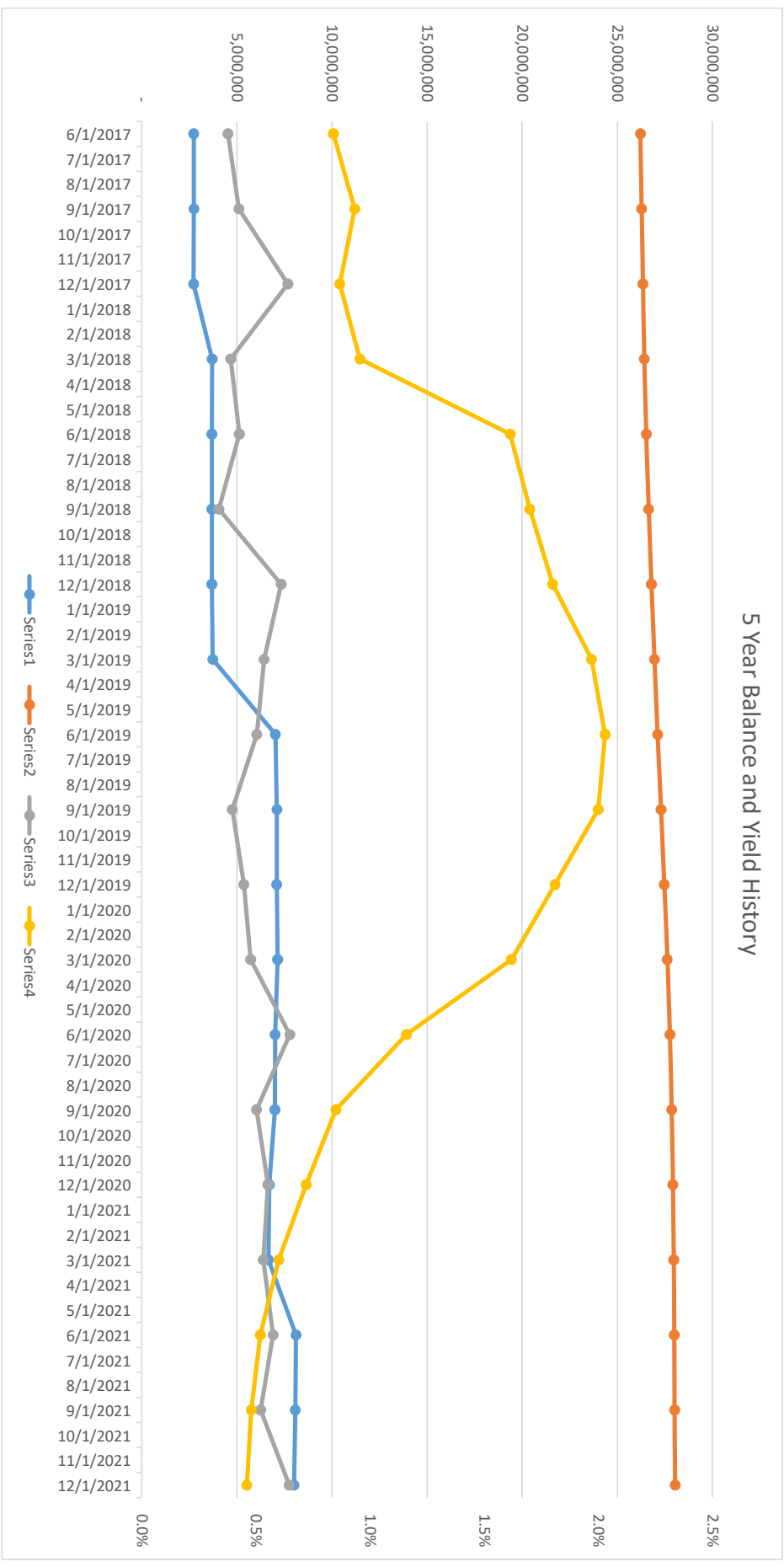
## Lake Arrowhead Community Services District Investment Policy Compliance Report

as of December 31, 2021

Investment Type	Book Value	Market Value	LACSD Policy Limit	Description of Limit
Checking	7,753,546	7,753,546	None	None
LAIF	28,041,422	28,041,422	43,794,968	Up to 100% of portfolio
Negotiable CDs	5,000,000	5,080,244	13,138,490	Up to 30% of portfolio
Federal Agencies	3,000,000	2,923,316	43,794,968	Up to 100% of portfolio
<b>Total Portfolio</b>	<b>43,794,968</b>	<b>43,798,528</b>		



### 5 Year Balance and Yield History



Market Rates

