



**LOS ANGELES COUNTY
SANITATION DISTRICTS**
Converting Waste Into Resources

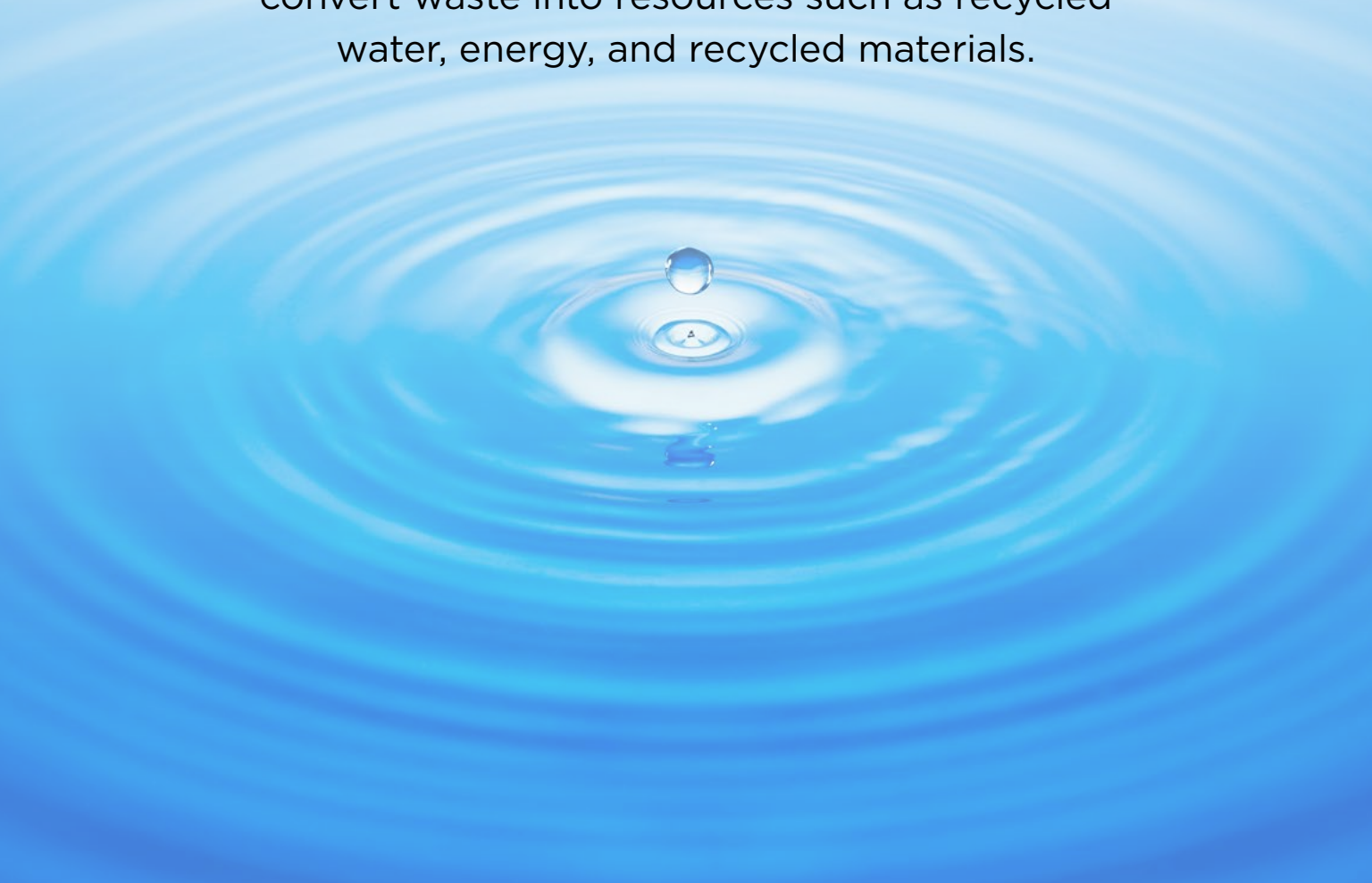
2020

Comprehensive Annual Financial Report



MISSION

To protect public health and the environment through innovative and cost-effective wastewater and solid waste management and, in doing so, convert waste into resources such as recycled water, energy, and recycled materials.



CORE VALUES

INTEGRITY

We are committed to ethical standards and accountability in our work

LEADERSHIP

We are committed to the advancement of excellence in wastewater and solid waste management

SERVICE

We are committed to reliable, responsive, and courteous service

Los Angeles County Sanitation Districts, California

Comprehensive Annual Financial Report

Year Ended: June 30, 2020

Prepared by the Accounting Section

Mr. Alan C. Nyberg

Chief Accountant

Financial Management Department



Plant maintenance continues despite COVID-19.

Continuing to Fulfill Our Mission

In 2020, the novel coronavirus disrupted our world. Nonetheless, the Los Angeles County Sanitation Districts have continued to provide essential services—wastewater and solid waste management—for approximately 5.6 million people and carry out their mission to protect public health and the environment.

Our wastewater treatment plants have multiple treatment steps that kill or inactivate bacteria and viruses including the novel coronavirus. Our solid waste management facilities provide for the controlled management of trash, which stems the spread of disease.

FRONT COVER: Sewer maintenance using a Hydrojetter.

BACK COVER: A well-deserved Thank You to our staff who continued to provide essential service through difficult times.

Prior to the COVID-19 pandemic, the Sanitation Districts had already implemented many safety measures to protect our staff from pathogens in solid waste and sewage. As the coronavirus became a concern in California, many additional safety measures were enacted. These included requiring physical distancing, closing offices to non-critical visitors, requiring staff and visitors to wear face coverings, and having office staff work from home.

Sanitation Districts of Los Angeles County
 Comprehensive Annual Financial Report
 June 30, 2020

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We Are Essential

Our personnel continue to work every day to keep our wastewater treatment operations running smoothly. They are safely able to do so by adhering to the variety of COVID-19 protective measures that were implemented.



An operator at the Lancaster Water Reclamation Plant.



LOS ANGELES COUNTY SANITATION DISTRICTS

Converting Waste Into Resources

December 18, 2020

Boards of Directors
Los Angeles County Sanitation Districts

Directors:

In accordance with the California Government Code, we hereby submit the Comprehensive Annual Financial Report (CAFR) of the Los Angeles County Sanitation Districts (Districts) for the fiscal year ended June 30, 2020. The CAFR contains a complete set of financial statements presented in conformity with generally accepted accounting principles and audited in accordance with generally accepted auditing standards.

This report consists of representations by Districts’ management concerning the finances of the Districts. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. Management has established a comprehensive internal control framework that is designed to ensure that the assets of the Districts are adequately protected from loss, theft, or misuse, and that sufficient reliable information is compiled for the preparation of the Districts’ financial statements in conformance with accounting principles generally accepted in the United States of America. Recognizing that the costs of internal controls should not outweigh their benefits, the Districts’ comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

The Districts’ financial statements have been audited by Moss, Levy & Hartzheim, LLP, a firm of licensed certified public accountants. The independent auditor concluded that the Districts’ financial statements for the fiscal year ended June 30, 2020, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditor’s report is presented as the first component of the Financial Section of this report.

Management’s Discussion and Analysis (MD&A) can be found immediately following the report of the independent auditor and provides a narrative introduction, overview, and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

INTRODUCTION

Profile of the Districts

SERVING
5.6 million people **850** square miles **78** cities

The Los Angeles County Sanitation Districts are a confederation of 24 independent special districts created under the County Sanitation District Act, California Health & Safety Code Section 4700, et seq., to provide sanitation services. The Districts provide environmentally sound, cost-effective wastewater and solid waste management to approximately 5.6 million people in Los Angeles County. The Districts’ service area covers approximately 850 square miles and encompasses 78 cities and unincorporated territory within the County, excluding the majority of the City of Los Angeles.

Each District is governed by a Board of Directors generally comprised of the mayors of the cities within each District’s boundaries and the chair of the County Board of Supervisors for unincorporated territory. The Boards are responsible for, among other things, adopting budgets, establishing user charges, and establishing policies. All of the Districts, under the terms of the Amended Joint Administration Agreement, are served by one administrative staff, led by the Chief Engineer & General Manager and the Assistant Chief Engineer & Assistant General Manager. The Districts employ nearly 1,700 full-time monthly and hourly employees, organized into seven departments. The workforce is diverse, with the largest concentration of employees assigned to the operation and maintenance of the Districts’ wastewater and solid waste management facilities.



Due to the pandemic, we changed from in-person to virtual meetings and tours using Microsoft Teams and Zoom.

The wastewater management system consists of approximately 1,400 miles of trunk sewers, 48 pumping plants, 11 wastewater treatment plants, and one biosolids composting facility. Through a Joint Powers Agreement, the Districts also participate in the operation of a second biosolids composting facility. Of these facilities, 1,200 miles of sewers, 47 pumping plants, and 7 wastewater treatment plants make up the Joint Outfall System, which manages the wastewater for 16 of the Districts in the Los Angeles basin. In total, the Districts’ facilities convey and treat approximately 390 million gallons per day (mgd) of wastewater, of which approximately 80 mgd is beneficially reused, and an additional 45 mgd is available for reuse.

The solid waste management system, with 15 participating Districts, owns and/or operates two active sanitary landfills, one recycling center, three materials recovery/transfer facilities, two gas-to-energy facilities, and four closed sanitary landfill sites. The Districts have also developed a waste-by-rail system consisting of one remote landfill and two intermodal facilities. The waste-by-rail system remains in standby mode while more cost-effective landfill capacity is used in the region. Through a Joint Powers Agreement, the Districts have participated in the development and operation of two refuse-to-energy facilities, one of which ceased operation in June 2018. The solid waste management facilities process an average of 5,000 tons per day of refuse and recyclable materials.

The Districts are party to 10 Joint Powers Agreements that form the basis of the following authorities or agreements: (1) the Southern California Coastal Water Research Project Authority; (2) the Commerce Refuse-to-Energy Authority (dissolved December 2019); (3) the Southeast Resource Recovery Facility Authority; (4) the Puente Hills Native Habitat Preservation Authority; (5) Puente Hills Landfill Joint Powers Agreement; (6) the Inland Empire Regional Composting Authority; (7) the Los Angeles County Sanitation Districts Financing Authority; (8) Joint Powers Agreement – Scholl Canyon; (9) Calabasas Landfill Joint Powers Agreement; and (10) Palos Verdes Landfill Joint Powers Agreement. The governing bodies of these authorities are appointed pursuant to each of the Joint Powers Agreements. Except as discussed below, the budgeting and financing functions are maintained by the individual authorities.

Los Angeles County Sanitation Districts Financing Authority

The Los Angeles County Sanitation Districts Financing Authority was created for the sole purpose of facilitating the issuance of long-term debt on behalf of the member Districts. It has no daily operations and does not conduct business on its own behalf. Since the Authority’s governing body is comprised of the chairs of the

member Districts' Boards of Directors and because the Authority provides services only to the Districts, the Authority's financial activities have been consolidated with the Districts' financial activities for financial reporting purposes and are included in this CAFR.

Budgets

Each District annually adopts a wastewater budget that outlines the major elements of the forthcoming fiscal year's operating and capital programs. From that, management allocates the funds necessary for the next year's specific activities and projects. Additionally, an annual budget is prepared for solid waste management activities. The annual operating budgets serve as a basis for monitoring financial progress and determining future wastewater and solid waste user rates. During each fiscal year, operating and capital programs may be amended as circumstances dictate. The wastewater and solid waste management budgets for fiscal year 2019-20 were \$773 million and \$188 million, respectively. Actual expenses for wastewater and solid waste management were \$622 million and \$171 million, respectively.

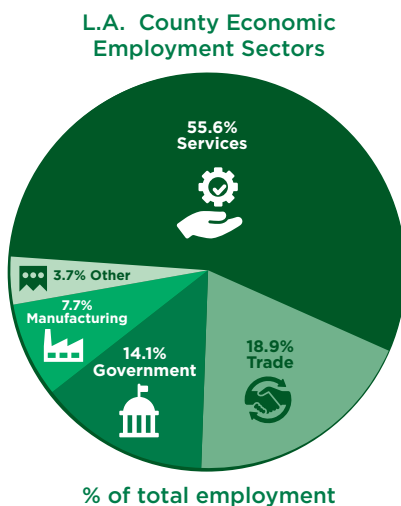
GENERAL FACTORS IMPACTING ECONOMIC CONDITION

Overview of Los Angeles County

Starting in March 2020, the COVID-19 pandemic and resulting business shutdowns and slowdowns, along with changes in behavior by residents, had significant impacts on the local economy. Outside of the COVID-19 impacts, the County's population and economy have been relatively stable in recent years, and although there

will likely be some short-term drop in growth due to COVID-19, a trend of modest long-term growth is expected to continue. According to the UCLA Anderson Forecast, residential building permits are expected to return to normal levels by the end of 2020 after a drop in mid-2020 and will continue to climb in future years. Population growth has been relatively flat in recent years, with no change between 2016 and 2020 and only a 3.6% increase in the past ten years, and the California Department of Finance forecasts that population will continue to be relatively stable. Per capita personal income has increased by approximately 3.4% per year in the past ten years, and is forecast to continue to increase at this pace in the coming years. A table showing more economic indicators is provided in Schedule 19 of the Statistical Section.

The local economy is dominated by the service sector. From 2018 to 2019, overall employment decreased by 52,000 jobs, primarily due to a large drop in the self-employment/other sector. The UCLA Anderson Forecast expects that the full recovery from the short-term unemployment impacts of COVID-19 will not occur before 2022.

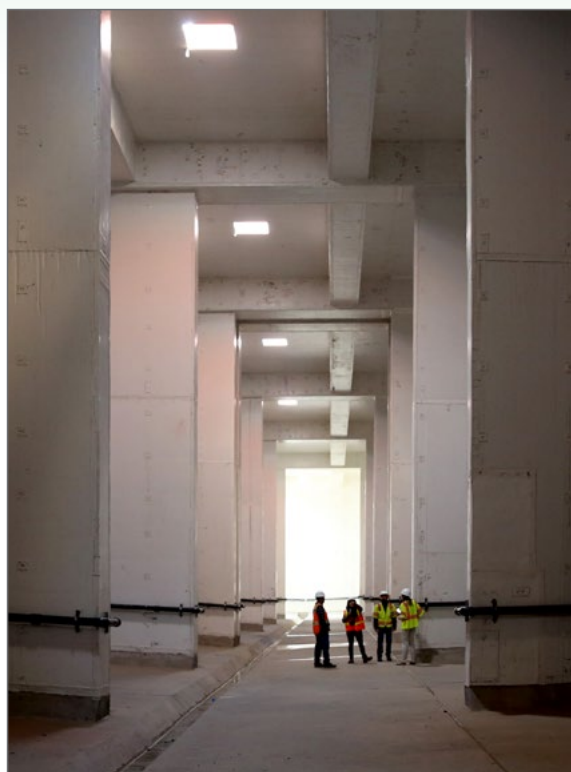


Source: U.S. Department of Labor,
Bureau of Labor Statistics

WASTEWATER SYSTEM

Operational Undertakings and Capital Projects

Treated effluent from the Joint Water Pollution Control Plant (JWPCP) in Carson is conveyed to the ocean through two tunnels, one completed in 1937 and the other in 1958. Both tunnels have had continual flow since they were placed into operation and cannot be taken out of service under any circumstances. A new tunnel is being constructed pursuant to the Clearwater Project Master Facilities Plan that will ensure the overall reliability of the effluent disposal system and allow the existing tunnels to be taken out of service



Inside of the 8-million-gallon flow equalization tank at the San Jose Creek Water Reclamation Plant before the tank was put into service.

and rehabilitated as necessary. Construction of the tunnel began in April 2019 and will take approximately 6.5 years to complete, at a cost of approximately \$700 million. The Districts are pursuing Clean Water State Revolving Fund (SRF) and Water Infrastructure Finance and Innovation Act (WIFIA) loans to fund the majority of the project, with the balance paid for using capital improvement and other surplus funds.

In 2020, the Districts completed construction of a Flow Equalization Project at the San Jose Creek Water Reclamation Plant (WRP) that enhances the treatment process, provides for more reliable operations at higher wastewater flows, and makes more recycled water available to customers during peak demand periods. The project cost approximately \$50 million, with \$3 million coming from a Proposition 84 grant and \$14.8 million coming from a Proposition 1 grant.

The Santa Clarita Valley Sanitation District (SCVSD) owns and operates the Saugus and Valencia WRPs, which discharge their tertiary-level treated effluent to the Santa Clara River. In 2007, the Los Angeles Regional Water Quality Control Board mandated the SCVSD to reduce chloride levels in treated effluent entering the river. As a result, the SCVSD is implementing the Chloride Compliance Project, which will cost approximately \$135 million and will include

ultra-violet light (UV) disinfection at both the Saugus and the Valencia WRPs and advanced water treatment facilities at the Valencia WRP. The Chloride Compliance Project was challenged on California Environmental Quality Act (CEQA) grounds and delayed by approximately two years until additional CEQA documentation was certified by the District and approved by the Los Angeles County Superior Court. Two additional legal challenges are pending in Los Angeles County Superior Court and Court of Appeal. Construction contracts for the UV disinfection facilities were awarded in August 2018 and startup is expected in 2021. A construction contract for the advanced water treatment facilities was awarded in January 2019 and startup is expected in early 2022. To fund the Chloride Compliance Project, SCVSD approved a series of service charge rate increases in 2014. Additionally, SCVSD has secured \$7.8 million in Proposition 84 grant funding for the UV disinfection facilities and SCVSD qualifies for \$130.6 million in Clean Water State Revolving Fund loans, with \$5.2 million eligible for principal forgiveness.

Water Conservation, Wastewater Flows, and Water Reuse

California’s water supply continues to be a concern due to climate change impacts and extended periods of drought. Many residents and businesses have continued water conservation efforts that were put in place during the early- to mid-2010’s drought, reducing both landscape irrigation and indoor water usage. The reduction of indoor water usage results in less wastewater entering the sewer system, resulting in less recycled water available for beneficial reuse applications at a time when there is increased interest in new recycled water projects. Increases in ammonia concentration have been observed with the decrease in flows to the wastewater treatment plants, which has required Districts’ staff to modify operations at its WRPs in an effort to maintain

compliance with effluent discharge requirements. The trend of decreasing flows has significantly impacted all of the Districts' WRPs, with a 37% decrease in recycled water production from a peak of 199 mgd in fiscal year 2000-01 to 125 mgd in 2019-20.

The Districts are continuing to evaluate ways to manage flows that take into consideration this new reality while maintaining their commitment to recycled water programs. In addition to the previously discussed flow equalization project at the San Jose Creek WRP, new projects are being considered that would further displace the use of imported water with recycled water and, at the same time, give consideration to the need to maintain sensitive habitat areas downstream of the Districts' WRP discharge points. In fiscal year 2019-20, roughly 62% of the recycled water produced was beneficially reused, with almost half of that going to recharge groundwater basins. In total, approximately 80 mgd of recycled water was used at 931 different sites. New irrigation and industrial reuse sites continue to be added.

Efforts are underway to expand groundwater recharge. In late 2015, the Districts and the Metropolitan Water District of Southern California (MWD) entered into an agreement to potentially develop a regional recycled water program with the goal of producing up to 150 mgd (168,000 acre feet per year) of advanced treated water from the Districts' JWPCP for groundwater recharge. Construction of a 0.5 mgd demonstration plant started in October 2017 and was completed in September 2019. If the demonstration plant is successful, MWD proposes to build an advanced water treatment plant adjacent to JWPCP, along with distribution lines, that would help replenish groundwater basins in Los Angeles and Orange counties.

The Districts worked with the Water Replenishment District of Southern California on the Groundwater Reliability Improvement Program to supply recycled water to the Albert Robles Center for Water Recycling and Environmental Learning, which was completed in mid-2019 and can produce 10,000 acre feet per year of advanced treated water for replenishment of the Central Groundwater Basin.

The Districts are also working with WRD on a project to supply the Leo J. Vander Lans Advanced Water Treatment Facility with effluent from the Los Coyotes WRP to supply the Alamitos Seawater Barrier and replenish the Central Groundwater Basin via injection wells. Additionally, the Districts are also working with the Palmdale Water District on a project to recharge groundwater basins in the Antelope Valley with recycled water from the Palmdale WRP.



The San Gabriel Spreading Grounds have been used to replenish groundwater for over 50 years.

User Charge Rates and Funding

All of the Districts that have implemented a service charge program have adopted rates pursuant to Section 5471 of the California Health and Safety Code and Article XIII D of the State Constitution (Proposition 218). Each rate increase follows an extensive public outreach program and a formal public hearing. As it becomes necessary to increase rates in the future, the Districts will go through the same process again before adopting multi-year rate ordinances. A table reflecting each District's 10-year service charge rate history is provided in

Schedule 8 of the Statistical Section. Overall, the Districts’ rates remain very favorable when compared to similar agencies.

In the spring of 2017, nearly all of the Joint Outfall Districts adopted four-year rate ordinances covering fiscal years 2017-18 through 2020-21. Rate increases enacted by these ordinances were driven by the need to upgrade treatment facilities and infrastructure, to comply with increasingly stringent regulatory requirements, and to continue a phased approach to replenishing reserves to targeted levels. The average increase was approximately \$3.80 per year per single-family home.

In 2014, the Santa Clarita Valley Sanitation District adopted a 6-year rate ordinance, covering fiscal years 2014-15 through 2019-20 in support of the Chloride Compliance Project. The rates were designed so that the rate in fiscal year 2019-20 would provide sufficient debt coverage for repayment of the SRF loans scheduled to begin the following year. The average annual increase over the 6-year period is \$20.50 per single-family home.

In May 2019, District No. 14 adopted a 4-year rate ordinance, covering fiscal years 2019-20 through 2022-23. During this period, rates were set to increase by \$11.88 per year per single-family home, or approximately 2.4% per year, but in June 2020, the Board updated the rate ordinance to keep rates flat for fiscal year 2020-21 to minimize impacts to rate payers due to the COVID-19 pandemic. The updated ordinance calls for rates in 2021-22 and 2022-23 that are the same as the rates originally adopted in May 2019. The rate increases are driven by several significant capital improvement projects and increases in ongoing operations costs.

In May 2019, District No. 20 adopted a new 4-year rate ordinance, covering fiscal years 2019-20 through 2022-23. During this period, rates were set to increase by \$11.88 per year per single-family home, or approximately 2% per year, but in June 2020, the Board updated the rate ordinance to keep rates flat for fiscal year 2020-21 to minimize impacts to rate payers due to the COVID-19 pandemic. The updated ordinance calls for rates in 2021-22 and 2022-23 that are the same as the rates originally adopted in May 2019. The rate increases are driven by several significant capital improvement projects, including a possible additional storage reservoir, and increases in ongoing operations costs.

In addition to service charges, the Districts collect connection fees from new users, and existing users with increased discharge, of the wastewater collection and treatment systems. Up until June 2020, the rate was based on the unit cost of expanding the wastewater facilities serving the new users, and the funds collected were restricted to paying for projects that increased the capacity of facilities. In spring of 2020, the boards considered revisions of the connection fee ordinances that modified the calculation of the fee such that it would be based on the per unit value of the assets of the Districts. There are several benefits of the new structure: the per unit fee is based actual values, rather than projections of future expansion needs and costs; collected fees can be used for any capital projects, not only projects that increase capacity; and the rate is lower for new users. New connection fee ordinances were adopted by all Districts with the new rates effective July 1, 2020. District Nos. 4, 9 and 27, which contract with city of Los Angeles for wastewater disposal, did not adopt new connection fee ordinances.

The Districts have aggressively pursued SRF loans offered by the State of California, which provide wastewater agencies 100% of eligible capital construction costs at an interest rate equal to one half of the State’s current general obligation bond for a period of 30 years, to supplement the financing of capital upgrades. During fiscal year 2019-20, the Districts received approximately \$3.8 million in SRF and \$1.1 million in Proposition 1 loans.

OUTREACH

- 57** school tours
- 5** virtual school tours
- 14** speakers bureau events
- 7** public tours
- 2** virtual public tours
- 7** environmental fairs
- 9** bixby marshland events
- 4** virtual bixby marshland events

In addition, the Districts also received \$3.0 million in Proposition 1 and \$6.0 million in Proposition 84 grant funding. In addition, the Districts executed two SRF loan agreements during fiscal year 2019-20 for a total funding amount of \$130.6 million.

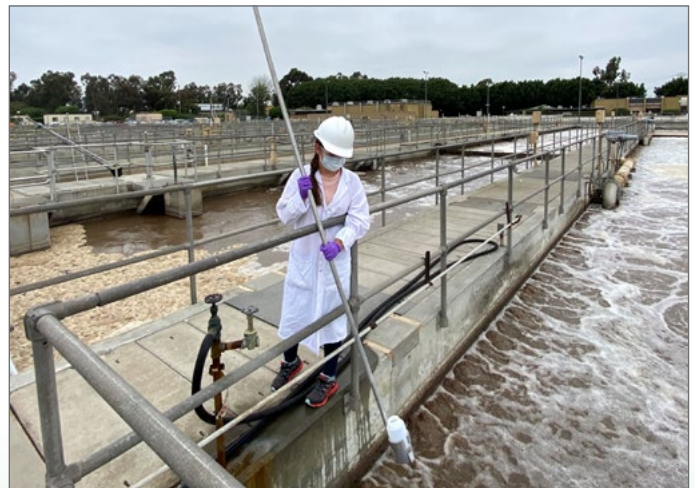
Impact of COVID-19 on Districts' Operations

In early March 2020, the Districts began monitoring for potential impacts of COVID-19 and by mid-March, it became apparent that significant actions would be required. Shortly thereafter, County, State, and Federal authorities and health experts issued guidance and emergency orders that had major impacts on Districts operations, as well as industries, commercial businesses, and residences served by the Districts.

In formulating a response to the new guidance and requirements, the Districts focused on the safety of employees, with an understanding that continued operation of Districts facilities was a critical, essential public service that could not be interrupted.

- ◆ Measures taken to protect employees and to ensure continued operation included: Operations and maintenance staff schedules were modified to stagger start times, crews were consolidated to avoid excessive interaction, and for a limited time paid administrative leave was used to minimize exposure.
- ◆ Operating hours of solid waste facilities were temporarily reduced to limit the need for overlapping shifts.
- ◆ Office employees that could work from home were directed to do so. Technical support for remote work was arranged including remote computer access, software, and call forwarding.
- ◆ Face coverings were required at Districts facilities.
- ◆ Self-screening for symptoms or potential exposure was required by all employees and visitors before entering any facility.
- ◆ A system for reporting and tracking COVID-19 tests, symptoms, and exposure was developed to reduce risk of exposing employees to other potentially infected employees.
- ◆ Tours, board meetings, meetings between staff, and interactions with others outside the agency were conducted over the phone or video conference.
- ◆ Physical modifications such as improved HVAC filters, plexiglass partitions, and other office modifications were implemented where possible.
- ◆ Enhanced cleaning measures were instituted, included complete disinfection of work areas by specialized contractors when called for.
- ◆ Stocks of supplies such as disinfection spray, hand sanitizer, face coverings, and gloves were prudently increased to ensure uninterrupted availability for staff.

Starting in early April 2020, the Districts also began investigating coronavirus in wastewater from two perspectives: 1) does the virus survive the treatment processes at the Districts' facilities, and 2) can the virus be measured in incoming untreated wastewater and can this data be used as an indicator of infections in the community. The Districts, along with other agencies and regulators, were able to quickly confirm that the virus was not present in treated wastewater,



Collecting a sample to confirm that the treatment process is running well.

which is consistent with other viruses. The Districts technical staff was successful in developing a test method to measure for the virus in incoming wastewater and began testing on a weekly basis starting in mid-April. The results followed the general trend of other measures of the prevalence in the community, including new infections and hospitalizations. Information about the testing was shared with health officials, other wastewater agencies, and regulators.

The COVID-19 emergency orders and guidance also had a significant impact on the users of the Districts' facilities and the Districts took several actions in response. Flexibility was given to certain industrial waste surcharge customers with payments due in March. A rebate program was implemented for commercial customers whose businesses were shut down or reduced. Throughout this entire period, Districts staff continued to assist customers and process all routine applications with minimal delays.

The Districts' wastewater revenue streams have remained relatively stable since the beginning of the pandemic, with the possible exception of a small decrease in industrial waste surcharge revenue and a short-term drop in connection fee revenue. The Districts' solid waste facilities have experienced more significant and sustained reductions in revenue as a result of COVID-19. Since mid-March, weekly tonnage received at the facilities has been 10-15% lower than in the weeks leading up to the COVID-19 restrictions.

SOLID WASTE SYSTEM

Operational Undertakings and Capital Projects

The Districts are continuing to expand their efforts to recycle materials such as paper, cardboard, metal, plastics, green waste, and food waste. In response to state laws increasing requirements on recycling, including AB 341, which increased the statewide recycling goal from 50 to 75 percent, the Districts have been implementing a number of projects to assist member cities and the County with programs and facilities needed for compliance with the new laws. These include a new materials recovery sorting line at the Puente Hills Materials Recovery Facility (PHMRF) using the latest recycling equipment technology capable of processing mixed waste and commingled recyclables. The new sorting line is highly automated with three times the processing capacity of the previous system and produces higher quality recyclables. Construction on the new line, at a cost of approximately \$25 million, was completed in the last quarter of 2019 and became fully operational in January 2020. The new sorting line is capable of processing approximately 500 tons per day of mixed waste and commingled recyclables.



A new automated sorting line has improved cost-effectiveness and increased the purity of recyclables.

The new materials recovery sorting line is critical for meeting the more stringent material quality standards imposed on recyclables in recent years. The majority of recyclable materials from California are exported. The higher quality standards are the result of mandates by foreign governments and were initially implemented by China and were subsequently implemented by other countries. In July 2017, the Chinese government notified

the World Trade Organization that it would no longer allow importation of 24 types of recycled materials and would increase their quality standards for other recycled materials. The Chinese government called this ban the “National Sword 2017,” which went into effect at the beginning of 2018. China was the world’s largest importer of recyclables and imported more than 60 percent of California’s recyclables. Until the National Sword 2017 was implemented, brokers selling to mills in China had consistently offered the best pricing due to low shipping rates from the Ports of Long Beach and Los Angeles. Since the National Sword 2017, the prices of fibers, such as cardboard and mixed paper, dropped by more than half. It has also made some materials such as mixed rigid plastics worthless. This required the Districts to modify their recyclables processing practices to ensure the resulting commodities have a much higher quality. There is no indication that the Chinese government and the other countries will relax these higher standards.

The state passed several laws recently requiring the diversion of organic waste away from landfills. These laws include SB 1383, which requires a 50 percent reduction in disposal of organics by 2020 and a 75 percent reduction by 2025, and AB1594, which requires that, effective January 1, 2020, green waste used as alternative daily cover at landfills will no longer be considered recycling. Food waste makes up approximately half of the organic waste stream, and there are few facilities in Los Angeles County capable of recycling food waste. The Districts are currently implementing new projects to recycle food waste using a combination of solid waste and wastewater facilities. The Districts own both types of facilities, which provides a unique opportunity to provide food-waste recycling services, since most companies and public agencies only have either solid waste or wastewater facilities. Food waste processing began in April 2018 at the PHMRF by producing a slurry from the food waste, which is transported by tanker trucks to JWPCP where it is pumped into the headworks of the facility. Food waste slurry stations are being constructed at JWPCP to allow the slurry to be pumped directly into digesters, which will increase the production of digester gas. The receiving stations are estimated to cost \$3 million and are anticipated to be completed in early 2021. To manage the additional digester gas from the food waste slurry, a pipeline is being constructed to bring digester gas to a new biogas conditioning system (BCS). The BCS will purify the methane in the digester gas so that it can be used to fuel passenger and commercial vehicles. The purified gas will be dispensed at the Districts’ Compressed Natural Gas Facility currently in operation at the JWPCP. The pipeline is estimated to cost \$2.4 million and the BCS is estimated to have a total cost \$3.1 million, which will be partially offset by a \$2.5 million grant from the California Energy Commission. Both projects were completed in November 2020. In response to AB1594, the Districts entered into agreements with composting and reuse facilities to recycle green waste from the Districts’ active landfills and materials recovery facilities. These agreements allow the Districts to continue to successfully divert significant quantities of green waste for use as mulch and other beneficial uses while providing much-needed organic waste diversion options for our member cities.

Tipping Fee Rates

The Board of Directors of District No. 2 sets solid waste disposal tipping fees by ordinance for all Districts-operated facilities, except for the Calabasas Landfill. Calabasas Landfill rates are set by the Board of Supervisors of Los Angeles County after discussion with and recommendations by the Districts. On July 1, 2019, and January 1, 2020, rates at the PHMRF,



A truck driver checking in at PHMRF.

Downey Area Recycling and Transfer Facility (DART), and South Gate Transfer Station (SGTS) were increased to offset increased disposal and transportation costs to Orange County landfills, increased labor costs, new materials recovery sorting line costs, and significant stormwater improvement costs required under the new stormwater permit issued by the State. On January 1, 2020, green waste rates at Scholl Canyon and Calabasas Landfills were increased to offset increased recycling and transportation costs due to AB1594.

The ordinance prescribing fee and charge rates for solid waste management activities at PHMRF, DART, and SGTS authorizes the District to enter into waste disposal and processing agreements (WDPAs) for guaranteed quantities of waste at negotiated rates to increase the use of these facilities. The additional tonnage that the facilities receive through use of the WDPAs provides a consistent stream of waste and materials that enables more efficient use of resources at the facilities such as equipment and labor. The agreements also help the District get a lower tipping fee at Orange County landfills, the location for disposal of residuals from PHMRF, DART and SGTS. New WDPAs with companies were negotiated and executed in June 2020.

STORMWATER

In 2015, SB 485 expanded the Districts' authority to include the ability to assist local jurisdictions with stormwater and urban runoff projects. The legislation, which was signed by the governor on October 10, 2015, gives the Districts the authority to acquire, construct, operate, and maintain facilities to divert, manage, discharge, and beneficially use stormwater and dry weather runoff from the stormwater drainage system. The Districts will provide these services to cities on a case-by-case, reimbursable basis.

During fiscal year 2019-20, the Districts continued work under a Stormwater Services Agreement with the City of Carson to assist the city with designing, permitting, and constructing a project at Carriage Crest Park in Carson. The project is currently under construction and, when completed, will divert stormwater from the storm drain to storage facilities underneath the park and subsequently pump the captured stormwater to the sewer when capacity is available. In addition, the Districts have provided sewer capacity analyses to several entities developing or considering projects including Los Angeles County Department of Public Works and the Port of Long Beach.



Diversion structure construction at Carriage Crest Park.

RELEVANT FINANCIAL POLICIES

Each District has adopted an investment policy with safety of principal as the primary objective, while maintaining liquidity and achieving a market rate of return. The Districts' investment policies are governed by and are in full compliance with the California Government Code. The Districts' Treasurer matches investments with anticipated cash flow requirements and does not invest in securities maturing more than five years from the date of purchase unless approved by the Districts' Boards of Directors. This policy is adopted annually by the respective Boards of Directors. See accompanying Note 3 to the basic financial statements for additional information.

Each District has also adopted Debt Management and Wastewater Financial Reserve Policies, and District No. 2 has adopted a Solid Waste Financial Reserve Policy covering reserves for solid waste facilities owned by the Districts.

The Debt Management Policy establishes guidelines under which the Districts may take on debt. The Policy focuses on the types of debt instruments that are allowable and provides metrics that can be used to assess the Districts' level of debt. Some of those same metrics can be used to help determine appropriate service charge rates and maximize the Districts' credit rating (which provides the lowest interest rates).

The Wastewater and Solid Waste Financial Reserve Policies establish guidelines for accumulating and expending reserve funds and ensure that funds are available as needed so that the Districts can provide vital services to the public without interruption. Reserves are also used to smooth out rates as expenses vary from year to year. Lastly, the Policies reinforce the concept that prudent reserves guard against adverse financial impacts from unforeseen circumstances such as natural disasters or other emergencies without jeopardizing service or requiring immediate, severe rate increases.

AWARDS AND ACKNOWLEDGMENTS

Peer Recognition

The National Association of Clean Water Agencies Peak Performance Awards recognize member agency facilities for outstanding compliance of their National Pollutant Discharge Elimination System (NPDES) permit limits. This recognition program consists of three categories: Platinum, which recognizes facilities that have achieved 100% compliance with NPDES permit limits for five or more consecutive years; Gold, which recognizes facilities that have achieved 100% compliance with NPDES permit limits within the calendar year; and Silver, which recognizes eligible facilities that have received no more than five NPDES permit violations within the calendar year. For calendar year 2019, the Districts received Platinum Awards for the Lancaster WRP and Los Coyotes WRP; Gold Awards for the JWPCP, La Cañada WRP, Long Beach WRP, Palmdale WRP, and Whittier Narrows WRP; and Silver Awards for the Pomona WRP and San Jose Creek WRP (West) WRP. In 2019, the Lancaster WRP was recognized as Plant of the Year by the Los Angeles Basin Section of the California Water Environment Association. This recognition was based on compliance, innovation, and cost effectiveness.

In 2019, the Districts were awarded first in Research Achievement by the Los Angeles Basin Section of the California Water Environment Association.

In 2019, the Districts were also recognized as a Utility of the Future Today, an award that honors water resource recovery facilities for community engagement, watershed stewardship, and recovery of resources such as water, energy, and nutrients.

Districts-created public service announcements and outreach films received the highest honor in the state in 2019 from the California Water Environment Association for providing information on issues relating to the field of wastewater treatment.

Districts' wastewater plant operators placed third in the nation in the 2019 Water Environment Federation Operations Challenge. This event tests the diverse skills required to operate and maintain a wastewater treatment plant.



Platinum

Los Coyotes, Lancaster

Gold

JWPCP, La Cañada, Long Beach, Palmdale, Whittier Narrows

Silver

Pomona, San Jose Creek West



Research Achievement

Los Angeles Basin Section

Plant of the Year

Lancaster WRP



Superior Achievement

Tulare Lake Compost

In 2020, the Districts received both the Superior Achievement and Grand Prize Awards for air quality innovations at the Tulare Lake Compost facility. These awards were issued by American Academy of Environmental Engineers and Scientists (AAEES).

Certificate of Achievement

The Districts' CAFR for the fiscal year ended June 30, 2020, has been completed by Districts' staff and audited by Moss, Levy & Hartzheim, LLP. The CAFR details all of the Districts' financial activities for the entire agency. The independent auditor concluded that the Districts' financial statements present fairly, in all material respects, the financial position of the Districts in accordance with generally accepted accounting principles. The Districts have also received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for the past 36 consecutive years and have submitted this year's CAFR for consideration as well.

Acknowledgments

In submitting this 2019-20 CAFR, appreciation is expressed to all Districts' departments and personnel that participated in preparing this report, and particularly to the Accounting Section staff.

Very truly yours,



Robert C. Ferrante
Chief Engineer and General Manager



Matthew A. Eaton
Department Head,
Financial Management Department

Boards of Directors

(as of June 30, 2020)

Alhambra DIST. 2, 16	Ross J. Maza; <i>David Mejia</i>
Arcadia DIST. 15, 22	Roger Chandler; <i>Sho Tay</i>
Artesia DIST. 2, 18, 19	Ali Sajjad Taj; <i>Rene J. Trevino</i>
Azusa DIST. 22	Robert Gonzales; <i>Edward J. Alvarez</i>
Baldwin Park DIST. 15, 22	Manuel Lozano; <i>Monica Garcia</i>
Bell DIST. 1, 2	Ali Saleh
Bell Gardens DIST. 2	Alejandra Cortez; <i>Marco Barcena</i>
Bellflower DIST. 2, 3, 18 DIST. 2, 18 DIST. 3	Juan Garza; <i>Dan Koops</i> <i>Sonny R. Santa Ines</i>
Beverly Hills DIST. 4	Lester J. Friedman; <i>Robert Wunderlich</i>
Bradbury DIST. 15, 22	Richard T. Hale; <i>Richard Barakat</i>
Carson DIST. 8	Albert Robles; <i>Cedric Hicks</i>
Cerritos DIST. 2, 3, 18, 19	Naresh Solanki; <i>Bruce Barrows</i>
Claremont DIST. 21	Larry Schroeder; <i>Jennifer Stark</i>
City of Commerce DIST. 2	Ivan Altamirano; <i>John Soria</i>
Compton DIST. 1, 2, 8	Aja Brown; <i>Michelle Chambers</i>
Covina DIST. 22	Victor Linares; <i>Jorge A. Marquez</i>
Cudahy DIST. 1	Elizabeth Alcantar; <i>Jose R. Gonzalez</i>
Culver City DIST. 5	Goran Eriksson; <i>Alex Fisch</i>
Diamond Bar DIST. 21	Steve Tye; <i>Nancy Lyons</i>
Downey DIST. 2, 18	Blanca Pacheco; <i>Claudia Frometa</i>
Duarte DIST. 15, 22	Samuel Kang; <i>Margaret Finlay</i>
El Monte DIST. 15	Andre Quintero; <i>Victoria Martinez</i>
El Segundo DIST. 5, SBC	Drew Boyles; <i>Chris Pimentel</i>
Gardena DIST. 5	Tasha Cerda; <i>Paulette C. Francis</i>
Glendora DIST. 22	Michael Allawos; <i>Karen Davis</i>
Hawaiian Gardens DIST. 19	Jesse Alvarado; <i>Luis Roa</i>
Hawthorne DIST. 5	Alex Vargas; <i>Alex Monteiro</i>
Hermosa Beach SBC	Mary Campbell; <i>Justin Massey</i>
Huntington Park DIST. 1	Manuel Avila; <i>Karina Macias</i>
City of Industry DIST. 15, 18, 21	Cory Moss
Inglewood DIST. 5	James T. Butts
Irwindale DIST. 15, 22	Albert F. Ambriz; <i>Mark A. Breceda</i>
La Cañada Flintridge DIST. 28, 34	Michael A. Davitt Jonathan C. Curtis; <i>Teresa Walker</i> Keith Eich; <i>Richard B. Gunter III</i>
La Habra Heights DIST. 18	Brian Bergman; <i>Dennis Laherty</i>
La Mirada DIST. 18	John Lewis; <i>Steve De Ruse</i>
La Puente DIST. 15, 21	Charlie Klinakis; <i>Dan Holloway</i>
La Verne DIST. 21, 22	Tim Hepburn; <i>Muir Davis</i>
Lakewood DIST. 3, 19	Todd Rogers; <i>Jeff Wood</i>
Lancaster DIST. 14	R. Rex Parris; <i>Marvin Crist</i>
Lawndale DIST. 5	Robert Pullen-Miles; <i>Pat Kearney</i>
Lomita DIST. 5	James Gazeley
Long Beach DIST. 1, 2, 3, 8, 19	Robert Garcia; <i>Dee Andrews</i>
Los Angeles City DIST. 1, 2, 3, 4, 5, 8, 9, 16	Nury Martinez <i>Joe Buscaino</i>
Los Angeles County (unincorporated) DIST. 1, 2, 3, 8, 9, 14, 15, 16, 17, 18, 19, 20, 21, 22, SCV	Kathryn Barger; <i>Sheila Kuehl</i> Kathryn Barger; <i>Janice Hahn</i> <i>Hilda Solis, Mark Ridley-Thomas</i> Sheila Kuehl; <i>Hilda Solis</i>
DIST. 5, 27, NR	
DIST. 9, 17 (2nd DIR)	
Lynwood DIST. 1	Aide Castro; <i>Jose Luis Solache</i>
Manhattan Beach DIST. 5, SBC	Richard Montgomery <i>Suzanne Hadley</i>
Maywood DIST. 1	Eddie de la Riva; <i>Ramon Medina</i>
Monrovia DIST. 15, 22	Tom Adams; <i>Becky A. Shevlin</i>
Montebello DIST. 2, 15	Salvador Melendez; <i>Jack Hadjinian</i>
Monterey Park DIST. 2, 15	Hans Liang; <i>Peter Chan</i>
Norwalk DIST. 2, 18	Jennifer Perez; <i>Tony Ayala</i>
Palmdale DIST. 14, 20 DIST. 20 (2nd DIR)	Steven Hofbauer; <i>Austin Bishop</i> Richard J. Loa; <i>Austin Bishop</i>
Palos Verdes Estates DIST. 5, SBC	David McGowan <i>Michael Kemps</i>
Paramount DIST. 1, 2	Peggy Lemons; <i>Brenda Olmos</i>
Pasadena DIST. 15, 16, 17	Terry Tornek
Pico Rivera DIST. 2, 18	Gustavo Camacho; <i>Raul Elias</i>
Pomona DIST. 21	Tim Sandoval; <i>Steve Lustru</i>
Rancho Palos Verdes DIST. 5, SBC	John Cruikshank <i>David Bradley</i>
Redondo Beach DIST. 5, SBC	Bill Brand; <i>Nils Nehrenheim</i>
Rolling Hills DIST. 5	Jeff Pieper; <i>Patrick Wilson</i>
Rolling Hills Estates DIST. 5, SBC	Velveth Schmitz <i>Steve Zuckerman</i>
Rosemead DIST. 15	Sandra Armenta; <i>Margaret Clark</i>
San Dimas DIST. 21, 22	Emmett Badar; <i>Denis Bertone</i>
San Gabriel DIST. 2, 15	Denise Menchaca; <i>Chin Ho Liao</i>
San Marino DIST. 15, 16	Gretchen Shepherd Romey; <i>Ken Ude</i>
Santa Clarita SCV SCV (2nd DIR)	Cameron Smyth; <i>Marsha McLean</i> Laurene Weste
Santa Fe Springs DIST. 18	William K. Rounds
Sierra Madre DIST. 15	John Capoccia; <i>Rachelle Arizmendi</i>
Signal Hill DIST. 3, 29 DIST. 29	Robert D. Copeland; <i>Tina Hansen</i> Lori Y. Woods; <i>Keir Jones</i> Edward H. J. Wilson; <i>Tina Hansen</i>
South El Monte DIST. 15	Gloria Olmos; <i>Richard Angel</i>
South Gate DIST. 1, 2	Maria Davila; <i>Gil Hurtado</i>
South Pasadena DIST. 16	Robert S. Joe; <i>Diana Mahmud</i>
Temple City DIST. 15	Tom Chavez; <i>Cynthia Sternquist</i>
Torrance DIST. 5, SBC	Patrick J. Furey
Vernon DIST. 1, 2, 23 DIST. 1, 2 DIST. 23	Leticia Lopez <i>William J Davis</i> Carol Menke; <i>Melissa Ybarra</i> ; William J. Davis; <i>Diana Morales Gonzales</i>
Walnut DIST. 21, 22	Robert Pacheco; <i>Eric Ching</i>
West Covina DIST. 15, 21, 22	Tony Wu
West Hollywood DIST. 4	John D'Amico; <i>Lindsey P. Horvath</i>
Whittier DIST. 2, 15, 18	Joe Vinatieri; <i>Cathy Warner</i>

Alternate Directors in italics

Los Angeles County Sanitation Districts

ORGANIZATION CHART

CHIEF ENGINEER & GENERAL MANAGER

Robert C. Ferrante

ASSISTANT CHIEF ENGINEER & ASSISTANT GENERAL MANAGER

Charles E. Boehmke

DEPARTMENTS & SECTIONS

ENGINEERING	FACILITIES PLANNING	FINANCIAL MANAGEMENT	HUMAN RESOURCES	SOLID WASTE MANAGEMENT	TECHNICAL SERVICES	WASTEWATER MANAGEMENT
Construction Management	Information Services	Accounting	Employee Benefits	Energy Recovery	Air Quality	Industrial Waste
Electrical & Instrumentation Design	Information Technology	Budget & Finance	Employment Services	Fleet Management	Environmental Health & Safety	Joint Water Pollution Control Plant
Sewer Design	Planning & Property Management	Purchasing	Payroll	Solid Waste Operations & Engineering	Laboratories	Wastewater Collection Systems
Structural, Architectural, & Geotechnical Design	Wastewater Planning				Legislative & Regulatory Programs	Water Reclamation Plants
Wastewater & Solid Waste Design					Reuse & Compliance	
					Wastewater Research	
					Water Quality	

ENGINEERING

Design and construction oversight of Sanitation Districts' facilities

FACILITIES PLANNING

Long range planning, environmental review, environmental permitting, property management, information technology, public relations, security, facilities management, and document management

FINANCIAL MANAGEMENT

Budgeting, accounting, purchasing, revenue collection, and insurance

HUMAN RESOURCES

Hiring employees, payroll, benefits, and compliance with State and Federal employment laws

SOLID WASTE MANAGEMENT

Operation and maintenance of the solid waste management facilities and energy recovery facilities

TECHNICAL SERVICES

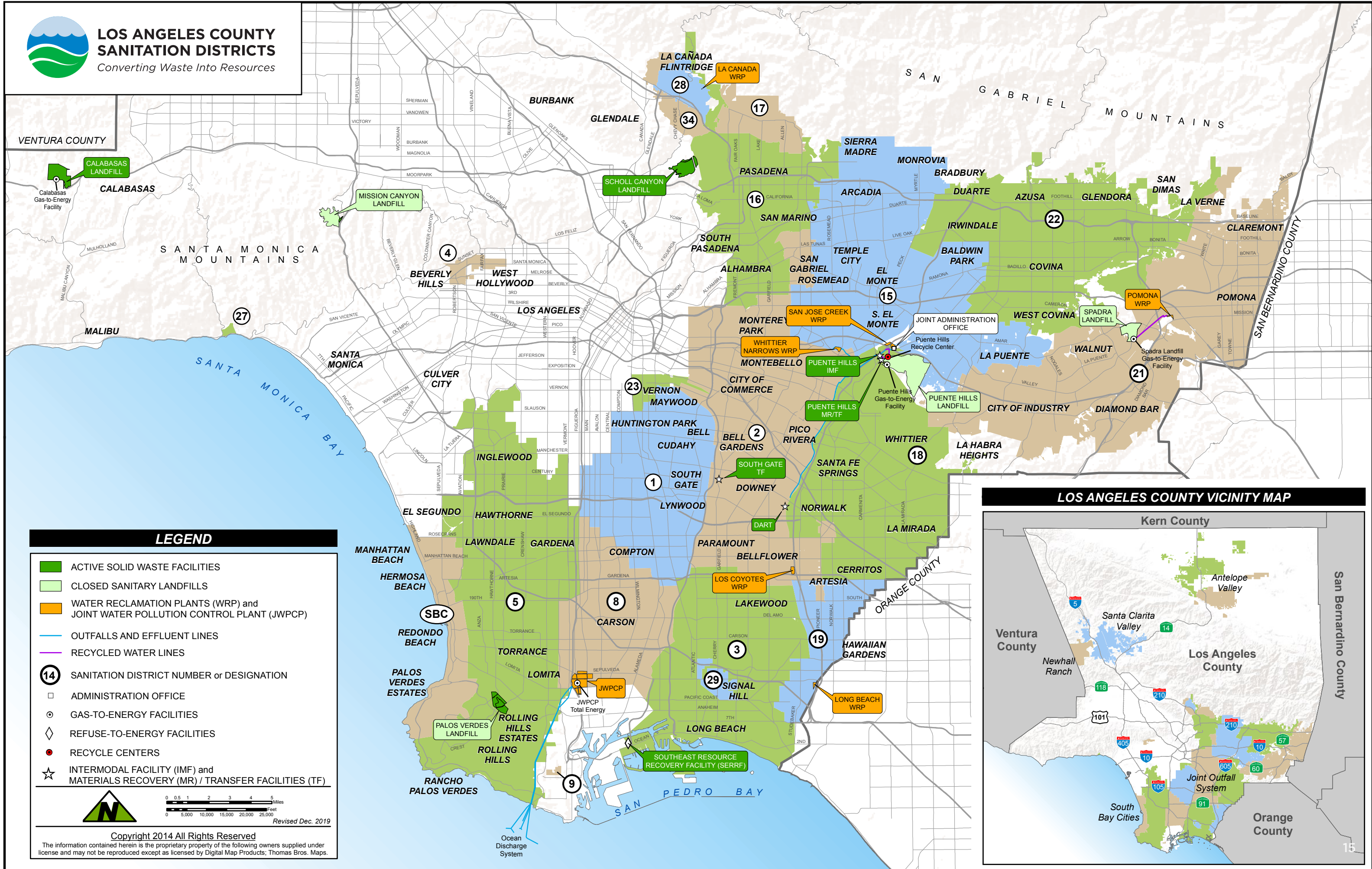
Water recycling, biosolids management, water and air permit compliance, research, laboratory processes, regulatory advocacy, and legislative advocacy

WASTEWATER MANAGEMENT

Operation and maintenance of wastewater management facilities and regulating industrial discharges to the Sanitation Districts' sewer system

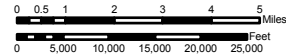


**LOS ANGELES COUNTY
SANITATION DISTRICTS**
Converting Waste Into Resources



LEGEND

- ACTIVE SOLID WASTE FACILITIES
- CLOSED SANITARY LANDFILLS
- WATER RECLAMATION PLANTS (WRP) and JOINT WATER POLLUTION CONTROL PLANT (JWPCP)
- OUTFALLS AND EFFLUENT LINES
- RECYCLED WATER LINES
- 14 SANITATION DISTRICT NUMBER or DESIGNATION
- ADMINISTRATION OFFICE
- GAS-TO-ENERGY FACILITIES
- REFUSE-TO-ENERGY FACILITIES
- RECYCLE CENTERS
- INTERMODAL FACILITY (IMF) and MATERIALS RECOVERY (MR) / TRANSFER FACILITIES (TF)

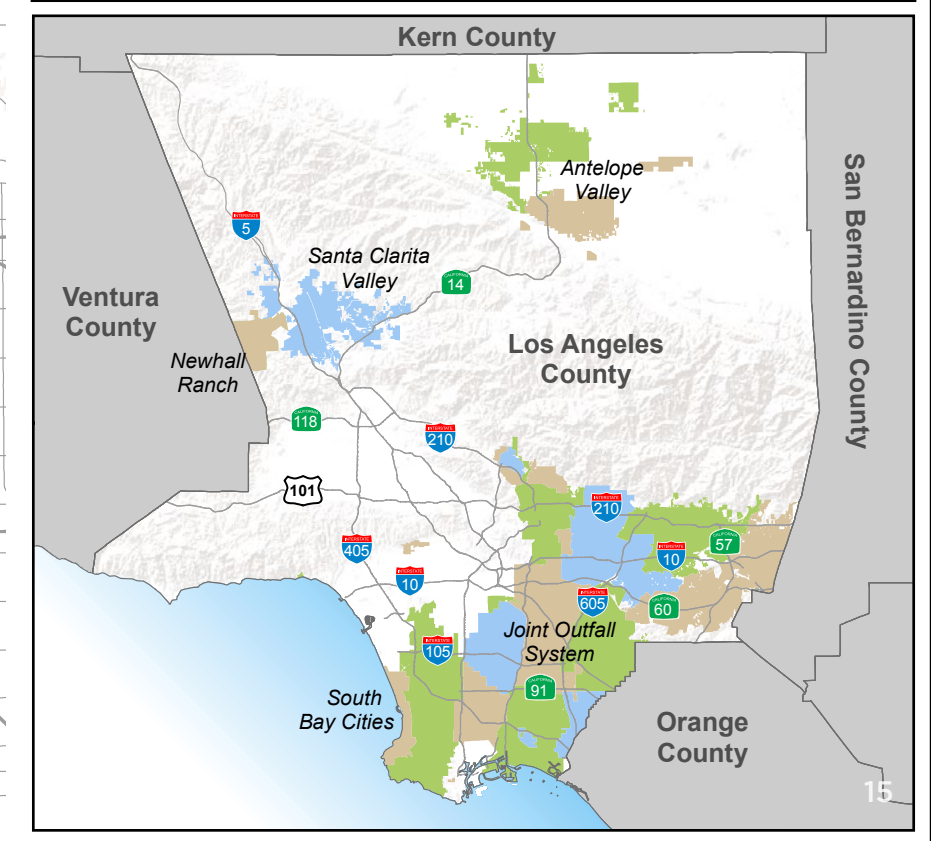


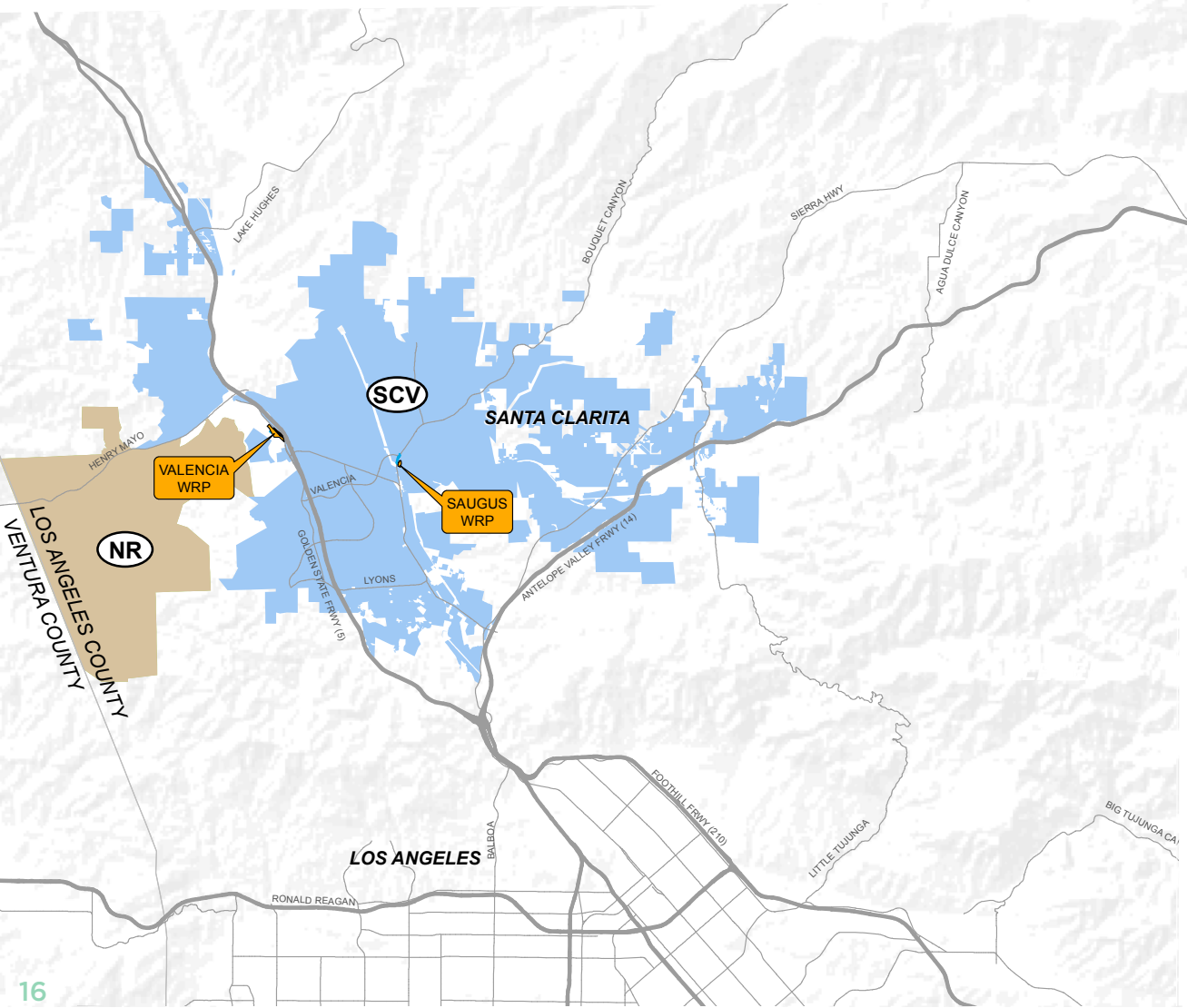
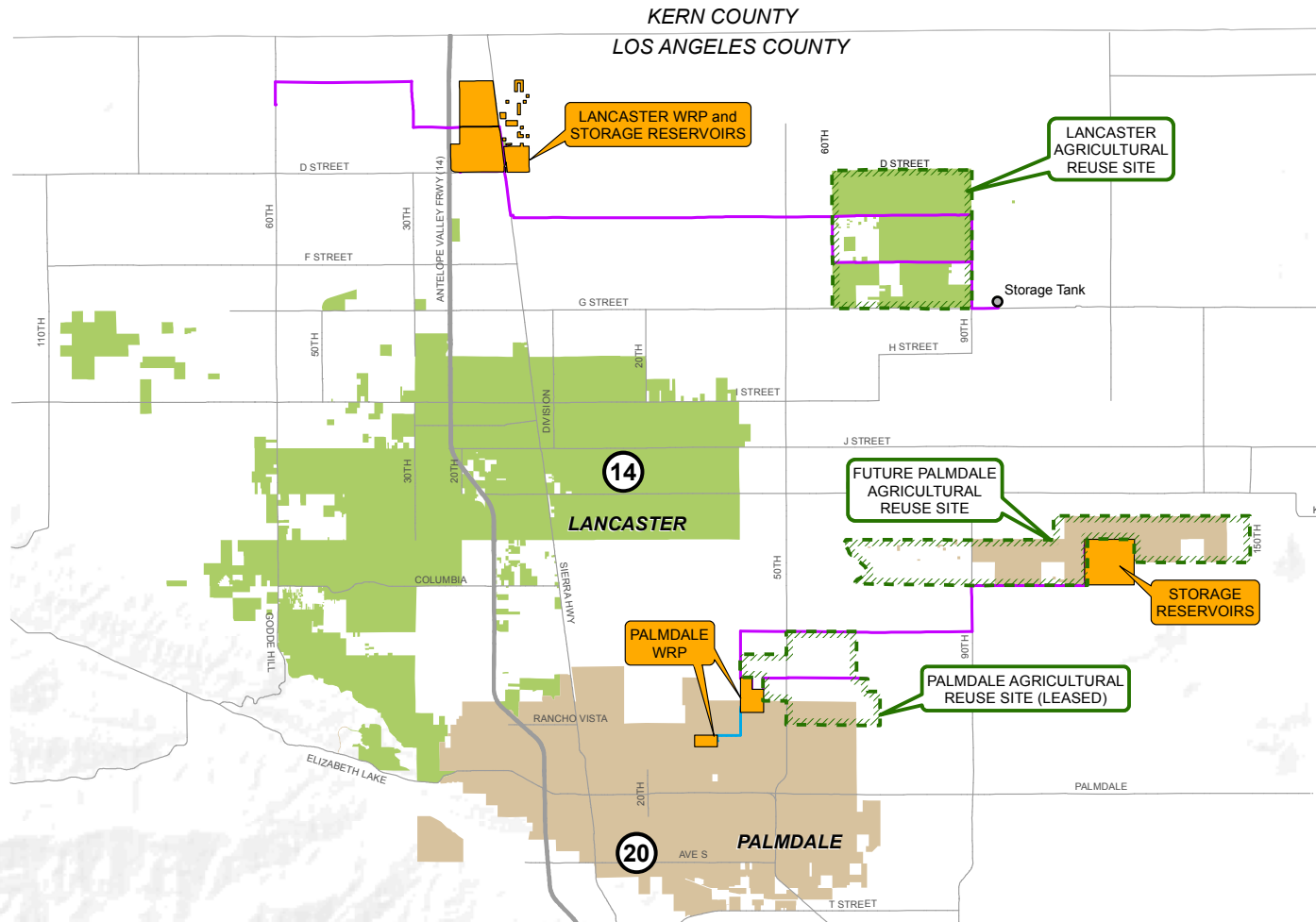
Revised Dec. 2019

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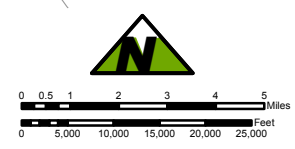
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LOS ANGELES COUNTY VICINITY MAP





LEGEND	
	SOLID WASTE FACILITY
	WATER RECLAMATION FACILITY
	AGRICULTURAL REUSE SITE
	COMPOSTING FACILITY
	SANITATION DISTRICT NUMBER or DESIGNATION
	PUMPING PLANT
	OUTFALL and EFFLUENT LINE



SOLID WASTE FACILITIES

Sanitary Landfill	Operational	Area in Acres	Status
Palos Verdes	5/15/1957	288	Closed 12/31/1980
Spadra	7/15/1957	338	Closed 4/8/2000
Puente Hills	5/19/1958	1,368	Closed 10/31/2013
Mission Canyon	6/1/1960	373	Closed 1/9/1982
Scholl Canyon	3/22/1961	431	Operational
Calabasas	2/14/1961	500	Operational
Mesquite	Operational 2009	2,290	Operational

Other Solid Waste Facilities	Operational
South Gate TF	1/2/1958
Puente Hills Recycle Center	10/25/1982
DART MR/TF	3/2/1998
Puente Hills MR/TF	7/11/2005
Puente Hills IMF	Under Construction

Energy Facility	Operational	Net Electricity Production
Puente Hills Gas-to-Energy	1/1/1987	46 MW
SERRF Refuse-to-Energy	12/1/1988	30 MW
Calabasas Gas-to-Energy	7/12/2010	5.6 MW

WASTEWATER FACILITIES

Facility	Operational	Permitted Capacity (MGD)	Area in Acres
JWPCP	2/4/1928	400.0	381
Long Beach	5/22/1973	25.0	17
Los Coyotes	10/14/1970	37.5	36
Whittier Narrows	7/27/1962	15.0	27
San Jose Creek	6/29/1971	100.0	51
Pomona	4/15/1954	15.0	12
La Cañada	11/2/1962	0.2	0
Valencia	3/25/1966	21.6	26
Saugus	7/1/1962	6.5	4
Palmdale	11/28/1952	12.0	278
Lancaster	10/1/1959	18.0	1,392

Energy Facility	Operational	Net Electricity Production
JWPCP Total Energy	12/20/1985	22 MW

COMPOSTING FACILITIES

Facility	Operational
Inland Empire	4/16/2007
Tulare Lake	Operational 2015

SANITATION DISTRICTS DATA

District	Date of Formation	Placed in Operation	Area (Sq.Miles)	Population 2020	Cities/ Partial Cities	Miles of District Sewers 2020	Pump Stations	Wastewater Management
1	11/17/1924	2/13/1928	41.3	578,445	11	105.4	1	Joint Outfall System
2	2/25/1924	2/13/1928	76.1	691,806	19	219.1	2	Joint Outfall System
3	5/19/1924	5/20/1948	52.3	510,478	4	77.1	6	Joint Outfall System
4	3/17/1924	12/9/1926	1.9	36,940	2	6.3	0	L.A. City Sewerage System
5	3/31/1924	2/13/1928	87.8	742,800	15	181.0	10	Joint Outfall System
8	9/21/1925	2/13/1928	31.3	142,014	4	88.5	3	Joint Outfall System
9	8/16/1926	5/10/1927	0.2	2,331	1	0.0	0	L.A. City Sewerage System
14	8/31/1938	12/2/1941	59.0	199,321	2	75.4	0	Lancaster Sewerage System
15	1/2/1945	2/27/1948	77.6	587,113	20	145.5	2	Joint Outfall System
16	1/2/1946	2/27/1948	37.4	273,311	5	42.4	0	Joint Outfall System
17	1/2/1946	11/23/1949	7.7	56,214	1	5.2	0	Joint Outfall System
18	11/23/1948	7/1/1950	60.1	340,094	11	83.6	3	Joint Outfall System
19	3/28/1950	5/19/1951	14.2	91,845	5	34.4	2	Joint Outfall System
20	8/7/1951	9/8/1952	41.3	129,733	1	44.9	0	Palmdale Sewerage System
21	11/13/1951	8/21/1954	84.7	415,018	9	86.9	4	Joint Outfall System
22	9/22/1953	12/6/1954	64.1	335,153	12	101.8	0	Joint Outfall System
23	7/10/1956	7/14/1959	2.5	50	1	2.1	0	Joint Outfall System
27	4/20/1961	4/2/1962	0.2	2,259	0	0.4	0	L.A. City Sewerage System
28	9/14/1961	11/2/1962	4.1	11,399	1	4.1	0	Joint Outfall System
29	9/20/1962	11/12/1964	2.2	11,712	1	36.8	3	Joint Outfall System
34	10/31/1967	Inactive	4.0	7,674	1	0.0	0	Inactive
NR	6/14/2006	Inactive	18.7	4	0	0.0	0	Inactive
SBC	12/24/1923	9/12/1926	14.6	115,745	8	25.0	11	Joint Outfall System
SCV	1/2/1961	5/10/1962	63.3	269,170	1	43.1	1	Santa Clarita Valley Sewerage System
TOTAL			846.6	5,550,629	135	1,409.0	48	



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Sanitation Districts of Los Angeles County
California**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

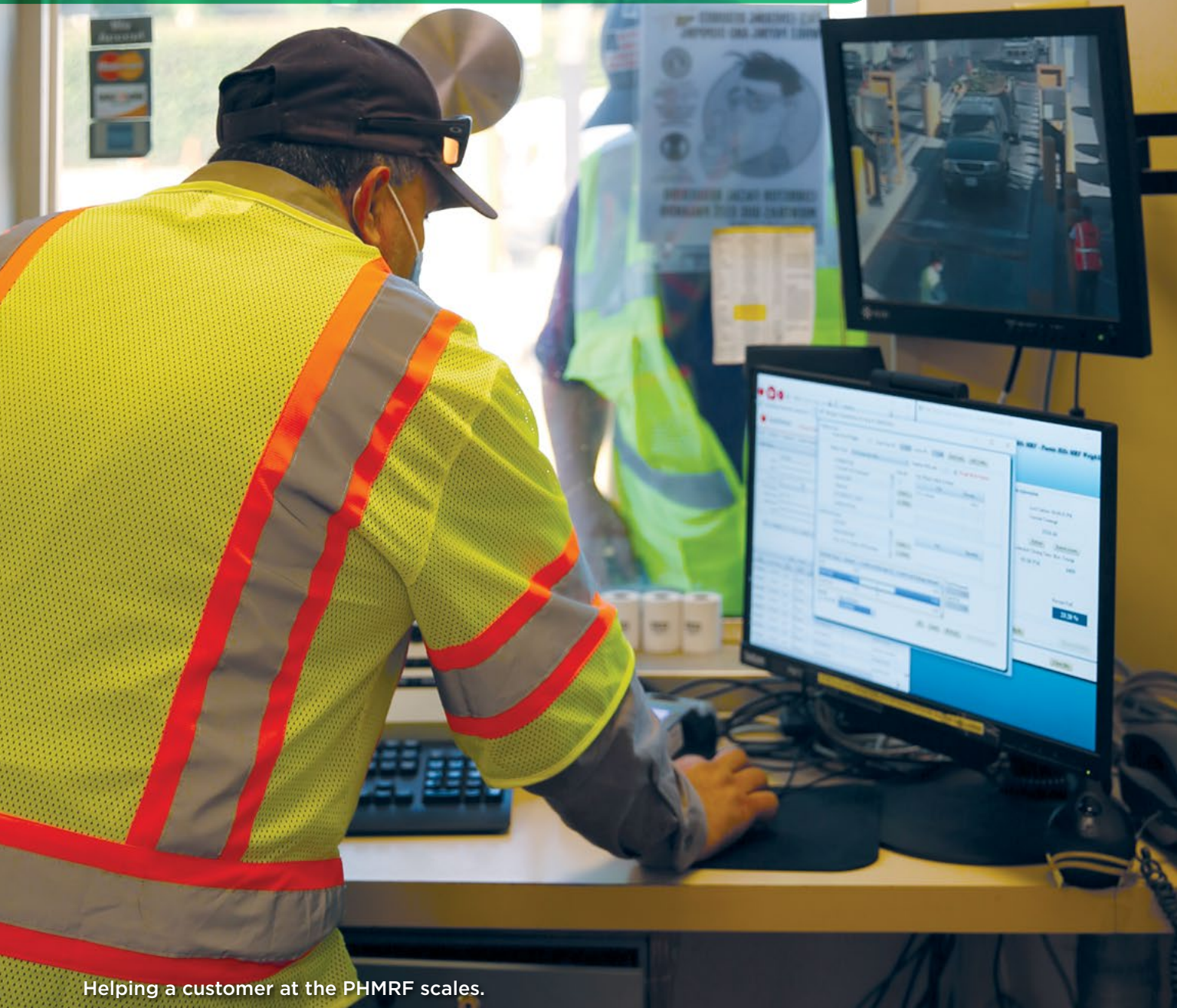
June 30, 2019

Christopher P. Morrill

Executive Director/CEO

Technology Promotes Safety

At our solid waste facilities, we curtailed some operations early in the pandemic. We later returned to full capacity and normal operating hours after implementing additional measures to protect our staff. New automated sorting equipment at our Puente Hills Materials Recovery Facility has quadrupled the amount of recycled material we can recover while producing recycled material with very low contamination.



Helping a customer at the PHMRF scales.

FINANCIAL SECTION



MOSS, LEVY & HARTZHEIM LLP

CERTIFIED PUBLIC ACCOUNTANTS

PARTNERS

RONALD A LEVY, CPA
CRAIG A HARTZHEIM, CPA
HADLEY Y HUI, CPA
ALEXANDER C HOLM, CPA
ADAM V GUISE, CPA
TRAVIS J HOLE, CPA

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BEVERLY HILLS, CA 90212
TEL: 310.273.2745
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GOVERNMENTAL AUDIT SERVICES
5800 E. HANNUM, SUITE E
CULVER CITY, CA 90230
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www.mlhcpas.com

Independent Auditor's Report

The Honorable Boards of Directors
County Sanitation Districts
of Los Angeles County:

Report on the Financial Statements

We have audited the accompanying financial statements of the County Sanitation Districts of Los Angeles County, California (Districts), as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which comprise the Districts' basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the County Sanitation Districts of Los Angeles County as of June 30, 2020, and the changes in financial position and cash flows for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the Schedule of Changes in the Net Pension Liability and Related Ratios, Schedule of Pension Contributions, the Schedule of Changes in the Net Other Postemployment Benefits Liability and Related Ratios, and the Schedule of Other Postemployment Benefits Contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Districts' basic financial statements. The introductory section, combining and individual supplemental schedules, statistical section, and bond disclosure information are presented for purposes of additional analysis and are not required parts of the financial statements.

The combining and individual supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual supplemental schedules are fairly stated in all material respects in relation to the financial statements as a whole. The introductory section, statistical section, and bond disclosure information have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 7, 2020 on our consideration of the Districts' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and do not provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Moss, Levy & Hartzheim

Moss, Levy & Hartzheim, LLP
Culver City, California
December 7, 2020

LOS ANGELES COUNTY SANITATION DISTRICTS

Management's Discussion and Analysis

June 30, 2020

Management's Discussion and Analysis (MD&A) is designed to provide an analysis of the Districts' financial condition and operating results and to inform the reader on the Districts' financial issues and activities. The MD&A Section of the CAFR should be read in conjunction with the Transmittal Letter at the beginning of the Introduction Section and the Districts' basic financial statements in the Financials Section.

Financial Highlights

- In early March 2020, the Districts began responding to the impacts of COVID-19. The critical services provided by the Districts are essential to public health and cannot be interrupted. The diverse operations (wastewater collection and treatment, solid waste recycling and disposal, energy recovery, and laboratory operations) necessitated worksite-specific safety protocols and procedures for continuing service while providing for the safety of employees. To the extent possible, employees were mandated to work remotely or stagger work schedules. All facilities implemented social distancing and disinfection routines. The Districts' response was not only defensive, but also included proactively investigating whether COVID-19 could be detected in wastewater and whether it could survive the treatment process.

Solid waste revenues experienced significant reductions as businesses, restaurants, and schools were closed for extended periods. Although wastewater revenues do not appear to have been substantially impacted thus far, it is probable that the full impact of COVID-19 will not be known until future years due to the nature of the Districts' revenue streams. Service charges are mostly collected through property tax bills, the bulk of which are received in December and April. Thus, there may be a delayed impact and the Districts continue to monitor incoming revenues closely.

- In April 2020, the Districts' Boards approved changes to the Master Connection Fee Ordinance. Connection fees are paid by new users of the wastewater collection and treatment systems to fund the cost of expanding facilities to accommodate the incremental discharge from that new user. The changes include calculating fees using a capital buy-in model (as opposed to a future expansion model), allowing connection fee funds to be used for any capital project, not just expansion, and other changes that allow for greater flexibility and reduced fees.
- To help secure a consistent stream of waste for the solid waste disposal facilities, 5-year Waste Disposal and Processing Agreements (WDPAs) were executed with 10 disposal companies. These agreements provided discounted rates for disposal in exchanged for monthly minimum tonnage commitments. The tonnage commitments represent a minimum annual revenue of \$5.9 million.
- To help finance capital improvements, the Districts borrowed \$5 million and received \$9.0 million in capital grants. Additional loan agreements for future borrowing have been executed totaling \$130.6 million.
- The Commerce Refuse to Energy Facility, a joint venture between the Districts and the City of Commerce ceased operations in June 2018. In December 2019, the facility was sold and proceeds of over \$5 million, along with \$6.7 million in cash, were distributed to the Districts based on balances in capital accounts of the joint venture partners.

LOS ANGELES COUNTY SANITATION DISTRICTS

Management's Discussion and Analysis, Continued

Overview of the Basic Financial Statements

The basic financial statements included in this annual report are those of a special-purpose government engaged only in business-type activities. The CAFR consists of: a letter of transmittal; management's discussion and analysis; the basic financial statements; and supplemental information, including combining District-level financial statements, various historical statistical tables designed to give the reader a 10-year financial perspective of the Districts' financial operations; and a bond disclosure section. The basic financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The basic financial statements include the following:

- **Statement of Net Position** — Reports the Districts' assets, deferred outflow of resources, liabilities, and deferred inflow of resources, and net position. Increases or decreases in net position may serve as a useful indicator of the financial position of the Districts.
- **Statement of Revenues, Expenses, and Changes in Net Position** — Reports the Districts' revenues and expenses and resulting change in net position for the current fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. This statement measures the Districts' operating and non-operating results over the past fiscal year and can be useful in determining whether costs have been successfully recovered through user fees and other charges.
- **Statement of Cash Flows** — Reports the Districts' cash flows from operating, investing, capital, and noncapital activities. The primary purpose of this statement is to provide information about the Districts' cash receipts and cash payments over the past fiscal year.

The Districts maintain enterprise funds to account for all their sewerage, stormwater, and solid waste operations. The operations-level financial statements can be found immediately following the Required Supplemental Disclosures, which are found immediately following the Notes to Basic Financial Statements.

LOS ANGELES COUNTY SANITATION DISTRICTS

Management's Discussion and Analysis, Continued

Financial Analysis of the Districts

Net Position

Condensed Statement of Net Position (In millions of dollars)

	FY 2020	FY 2019	Dollar Change	Total Percent Change
Current and Other Assets	\$ 2,594	\$ 2,551	\$ 43	1.7 %
Capital Assets, net	3,521	3,405	116	3.4
Total Assets	<u>6,115</u>	<u>5,956</u>	<u>159</u>	<u>2.7</u>
Deferred Outflow of Resources	<u>105</u>	<u>125</u>	<u>(20)</u>	<u>(16.0)</u>
Current Liabilities	196	178	18	10.1
Other Liabilities	1,122	962	160	16.6
Long-Term Debt	<u>562</u>	<u>631</u>	<u>(69)</u>	<u>(10.9)</u>
Total Liabilities	<u>1,880</u>	<u>1,771</u>	<u>109</u>	<u>6.2</u>
Deferred Inflow of Resources	<u>74</u>	<u>51</u>	<u>23</u>	<u>45.1</u>
Net Investment in Capital Assets	2,894	2,714	180	6.6
Restricted	342	466	(124)	(26.6)
Unrestricted	<u>1,030</u>	<u>1,079</u>	<u>(49)</u>	<u>(4.5)</u>
Total Net Position	\$ <u><u>4,266</u></u>	\$ <u><u>4,259</u></u>	\$ <u><u>7</u></u>	<u><u>0.2</u></u> %

The investment in capital assets consists of net capital assets and deferred loss on refunding of debt, reduced by outstanding capital-related debt. Capital assets are used to provide services to residents and businesses; consequently, these assets are *not* available for future spending.

The restricted net position represents resources that are subject to external restrictions on how they may be used by debt covenants, enabling legislation, or other legal restrictions.

LOS ANGELES COUNTY SANITATION DISTRICTS

Management's Discussion and Analysis, Continued

Revenues, Expenses, and Changes in Net Position

A summary of the key elements that contributed to the change in the Districts' net position is presented below:

Condensed Statement of Revenues, Expenses, and Changes in Net Position (In millions of dollars)

	FY 2020	FY 2019	Dollar Change	Total Percent Change
Operating Revenues:				
Industrial Waste Surcharge	\$ 73	\$ 71	\$ 2	2.8 %
Refuse Tipping Fees	126	138	(12)	(8.7)
Sale of Energy	21	19	2	10.5
Service Charges	390	376	14	3.7
Other	24	23	1	4.3
Total Operating Revenues	634	627	7	1.1
Operating Expenses:				
Depreciation	103	104	(1)	(1.0)
Operations & Maintenance	216	222	(6)	(2.7)
Salaries & Benefits	264	235	29	12.3
Other	168	24	144	600.0
Total Operating Expenses	751	585	166	28.4
Nonoperating Revenues/(Expenses):				
Interest Revenue	44	44	0	0.0
Taxes	88	83	5	6.0
Other	21	35	(14)	(40.0)
Interest Expense	(24)	(27)	3	(11.1)
Tax & Assessment Expense	(11)	(12)	1	(8.3)
Total Net Nonoperating Revenue	118	123	(5)	(4.1)
Income Before Capital				
Contribution Revenue	1	165	(164)	(99.4)
Capital Contribution Revenue	44	47	(3)	(6.4)
Beginning Net Position	4,259	4,051	208	5.1
Prior-Period Adjustment	(38)	(4)	(34)	0.0
Ending Net Position	\$ 4,266	\$ 4,259	\$ 7	0.2 %

Operating Revenues: The Districts' operating revenues were primarily derived from wastewater service charges, industrial waste surcharges, and solid waste disposal tipping fees. These fees and charges were paid by users of the Districts' wastewater and solid waste facilities and collectively account for 93% of the Districts' operating revenue. Service charge fees were increased in fiscal year 2019-2020 for nearly all Districts. The largest increase was \$21 per single family home and the smallest increase was \$2 per single family home.

Solid waste refuse tipping fees decreased by over \$12 million from last year. The dramatic decrease occurred beginning in March 2020 when the County of Los Angeles implemented emergency measures in

LOS ANGELES COUNTY SANITATION DISTRICTS

Management's Discussion and Analysis, Continued

response to COVID-19. The closure of businesses, restaurants, and schools impacted the disposal of solid waste, recyclables, green waste, and food waste.

Operating Expenses: Total expenses for salaries and benefits increased by \$29 million, primarily due to payment of retroactive cost-of-living adjustments in accordance with labor agreements and changes in pension and other postemployment benefit liabilities.

During the 5-year permit review for the Puente Hills Landfill, the cost estimates for postclosure maintenance were revised upward by \$140 million total over the next 30 years.

Nonoperating Revenues/Expenses: Unrealized gains in market values of investments in fiscal year 2019-2020 were approximately 37% less than in fiscal year 2018-2019, resulting in a decrease in other nonoperating revenue of \$14 million.

Capital Analysis of the Districts

As of June 30, 2020, the Districts had \$5.8 billion invested in a broad range of assets, as shown below:

Capital Assets (In millions of dollars)

	FY 2020	FY 2019	Dollar Change	Total Percent Change	
	\$	\$	\$	%	%
Buildings and Equipment	88	85	3	3.5	%
Capital Improvements	546	545	1	0.2	
Composting Facility	124	123	1	0.8	
Construction in Progress	546	404	142	35.1	
Disposal Rights	94	92	2	2.2	
Equipment Pool	75	67	8	11.9	
Gas-to-Energy Facilities	217	217	0	0.0	
Land	221	221	0	0.0	
Other	53	52	1	1.9	
Rail Facilities	111	110	1	0.9	
Recycling and Transfer Stations	74	72	2	2.8	
Treatment Plants	2,126	2,094	32	1.5	
Trunk Lines	1,465	1,443	22	1.5	
Use Rights	70	70	0	0.0	
Subtotal	<u>5,810</u>	<u>5,595</u>	<u>215</u>	3.8	
Less Accumulated Depreciation & Amortization	<u>2,289</u>	<u>2,190</u>	<u>99</u>	4.5	
Net Capital Assets	<u>\$ 3,521</u>	<u>\$ 3,405</u>	<u>\$ 116</u>	<u>3.4</u>	%

Major capital asset projects that were completed and placed in operation during fiscal year 2019-2020 included the following:

- \$41 million – various treatment plant modifications/upgrades
- \$9 million – various trunk sewer rehabilitations

LOS ANGELES COUNTY SANITATION DISTRICTS

Management's Discussion and Analysis, Continued

Expenses to date of ongoing construction in progress of \$546 million as of June 30, 2020, included, in part, the following projects:

- \$204 million – various water reclamation and pumping plant modifications
- \$133 million – Puente Hills Intermodal Facility railroad improvements
- \$126 million – Clearwater Project plan, design, and construction
- \$33 million – various Districts' trunk sewer relief/rehabilitation projects
- \$26 million – Puente Hills Material Recovery Facility recycling modifications and additions
- \$13 million – various solid waste system projects
- \$10 million – Waste-by-Rail Disposal System development

Additional information regarding the Districts' capital assets can be found in Note No. 7 to the Basic Financial Statements.

2020-2021 Capital Spending Plan (In millions of dollars)

Capital Project Category	Amount Planned
Clearwater Tunnel	\$ 80
Treatment Plant	57
Collection System	50
Chloride Compliance	38
Treatment Plant Electrical	27
Solid Waste Fleet Management	14
Administration and Miscellaneous Improvements	14
Material Recovery/Transfer Station	13
Treatment Plant Concrete	8
Energy Recovery	7
Landfill Improvements	4
Sewage Disposal Contracts	3
Total	\$ <u>315</u>

LOS ANGELES COUNTY SANITATION DISTRICTS

Management's Discussion and Analysis, Continued

Outstanding Debt

During the fiscal year, the Districts' revenue bond and state loan obligations decreased by 9.4%.

		Outstanding Debt (In millions of dollars)			
	FY 2020	FY 2019	Dollar Change	Total Percent Change	
Revenue Bonds	\$ 379	\$ 420	\$ (41)	(9.8)	%
Clean Renewable Energy Bonds	3	4	(1)	(25.0)	
State Water Resources Control Board Loans	252	276	(24)	(8.7)	
Total Long-Term Debt	\$ <u>634</u>	\$ <u>700</u>	\$ <u>(66)</u>	<u>(9.4)</u>	%

Revenue bond obligations and Clean Renewable Energy obligations decreased due to scheduled principal payments. State Water Resources Control Board obligations had a net decrease due to new obligations, net of scheduled principal payments.

Bond Debt Ratings As of June 30, 2020

	Standard & Poor's	Moody's Investor Service	Fitch Ratings
2011 Series A Senior Ad Valorem Obligation Bonds	AAA	Aa1	N/A
2013 Series A Senior Ad Valorem Obligation Bonds	AAA	Aa1	N/A
2015 Series A Subordinate Revenue Bonds	AA-	N/A	AA-
2016 Series A Revenue Bonds	A+	N/A	AA-

The 2008 Clean Renewable Energy Bonds are a private placement with Bank of America and, therefore, are not rated. Additional information on the Districts' long-term debt is presented in Note No. 8 to the Basic Financial Statements.

Currently Known Significant Facts

On October 1, 2020, the Districts defeased all outstanding balances of the 2011 Series A Ad Valorem Obligation Bonds and 2013 Series A Ad Valorem Obligation Bonds. The aggregate principal amount defeased was \$24,685,000. This action released the 22 participating Districts from pledges, obligations, and unfavorable covenants, as well as, allowed the Districts to take advantage of low interest rates.

Solid waste disposal revenue began a slight recovery during the first few months of fiscal year 2020-2021, with a 6% increase in revenue over the last quarter of 2019-2020. As restrictions related to COVID-19 have been slowly relaxed, the Districts began to experience a return to normal waste disposal quantities. However, beginning in November 2020, the County of Los Angeles experienced a significant increase in

LOS ANGELES COUNTY SANITATION DISTRICTS

Management's Discussion and Analysis, Continued

COVID-19 cases and more restrictive orders were again implemented, which will likely impact solid waste disposal revenues.

Solid waste disposal revenue will potentially be impacted by the new Waste Disposal and Processing Agreements that become effective in the fall of 2020. These contracts provide for discounted disposal rates for guaranteed minimum tonnage delivery. However, fewer solid waste haulers executed agreements and tonnage commitments were less than previously contracted.

Financial Contact

The Districts' basic financial statements are designed to present users with a general overview of the Districts' finances and to demonstrate the Districts' accountability. If you have any questions about the report or need additional information, please contact Mr. Alan C. Nyberg, Chief Accountant, Los Angeles County Sanitation Districts, P.O. Box 4998, Whittier, California, 90607-4998.

Exhibit A
LOS ANGELES COUNTY SANITATION DISTRICTS
Statement of Net Position
June 30, 2020

Assets

Current assets:

Unrestricted cash and cash equivalents (note 3):	
Cash in bank (note 3)	\$ 36,523,714
Cash on hand (note 3)	46,582
Cash and cash equivalents (note 3)	<u>504,497,793</u>
Total unrestricted cash and cash equivalents	<u>541,068,089</u>

Receivables:

Accounts, net (note 6)	36,809,649
Interest	8,012,358
Service charges	17,187,555
Taxes	<u>6,284,460</u>
Total receivables	<u>68,294,022</u>

Inventory	<u>22,097,550</u>
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Restricted/designated cash and investments (note 3):

Cash and cash equivalents	930,356,465
Specific investments	926,114,905
Bond proceeds with Trustee	
Cash and cash equivalents	<u>7,605</u>

Total restricted/designated cash and investments	<u>1,856,478,975</u>
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Other specific investments (note 3)	<u>66,616,602</u>
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Total current assets	<u>2,554,555,238</u>
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Long-term assets:

Investment in joint ventures (note 17)	39,752,680
Other assets	47,531

Capital assets (note 7):

Buildings & equipment	88,234,435
Improvements	546,295,580
Disposal rights	94,273,627
Equipment pool	75,220,193
Gas-to-energy facilities	217,148,434
Rail facilities	110,371,912
Recycling and transfer facilities	74,399,560
Treatment plants	2,125,389,463
Trunk lines	1,465,109,550
Use rights	69,779,636
Composting facilities	123,415,923
Other capital assets	52,889,253
Construction in progress	546,341,887
Land	220,790,124
Less accumulated depreciation/amortization	<u>(2,288,780,243)</u>

Net capital assets	<u>3,520,879,334</u>
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Total long-term assets	<u>3,560,679,545</u>
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Total assets	<u>\$ 6,115,234,783</u>
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Deferred Outflow of Resources

Deferred loss on refunding	\$ 7,114,314
Deferred pension contribution	72,150,074
Other postemployment benefit deferral	<u>25,308,182</u>

Total deferred outflow of resources	<u>\$ 104,572,570</u>
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(Continued on following page)

Exhibit A-2
LOS ANGELES COUNTY SANITATION DISTRICTS
Statement of Net Position
June 30, 2020

Liabilities

Current liabilities:	
Accounts payable	\$ 63,210,351
Accrued employee absences (notes 1J and 14)	27,000,000
Amounts held for others	9,973,637
Bonds payable (note 8)	39,334,400
Claims liabilities (note 9)	2,376,278
Estimated liability for closure and postclosure care (note 18)	14,260,000
Estimated liability for pollution remediation (note 19)	1,000,000
Interest payable	6,712,108
Loans payable to State of California (note 8)	31,445,792
Other	447,916
	<hr/>
Total current liabilities	195,760,482
Long-term liabilities:	
Accrued employee absences (notes 1J and 14)	15,035,073
Bonds payable, net (note 8)	342,178,757
Claims liabilities (note 9)	7,047,698
Contractual obligations to other governments	38,694,885
Estimated liability for closure and postclosure care (note 18)	448,459,050
Estimated liability for pollution remediation (note 19)	19,000,000
Loans payable to State of California (note 8)	220,350,181
Other postemployment benefits liability (note 12)	186,833,282
Pension liability (note 11)	406,407,828
	<hr/>
Total long-term liabilities	1,684,006,754
	<hr/>
Total liabilities	\$ 1,879,767,236

Deferred Inflow of Resources

Other postemployment benefits deferrals (note 12)	\$ 41,135,170
Pension deferrals (note 11)	32,581,536
	<hr/>
Total deferred inflow of resources	\$ 73,716,706

Net Position

Net position:	
Net investment in capital assets	\$ 2,894,684,518
Restricted for capital projects	291,870,719
Restricted for closure/postclosure maintenance	49,613,310
Unrestricted	1,030,154,864
	<hr/>
Total net position	\$ 4,266,323,411

See accompanying notes to basic financial statements.

Exhibit B
LOS ANGELES COUNTY SANITATION DISTRICTS
Statement of Revenues, Expenses,
and Changes in Net Position
Fiscal year ended June 30, 2020

Operating revenues:	
Commodities	\$ 1,118,784
Contract revenue	22,761,156
Industrial waste surcharge	72,938,213
Refuse/food waste tipping fees	125,589,292
Sale of energy	20,715,448
Service charges (note 4)	389,832,660
Other	<u>816,447</u>
Total operating revenues	<u>633,772,000</u>
Operating expenses:	
Chemicals	38,755,911
Collection charges	1,327,118
Depreciation/amortization (note 7)	102,688,583
Insurance and claims	1,721,087
Landfill closure and postclosure costs (note 18)	159,828,335
Materials and supplies	29,067,168
Operations, repairs, and maintenance	23,103,068
Pollution remediation costs (note 19)	121,704
Salaries and benefits (notes 11 and 12)	263,743,789
Services	104,058,409
Tonnage	5,162,757
Utilities	<u>21,360,380</u>
Total operating expenses	<u>750,938,309</u>
Operating loss	<u>(117,166,309)</u>
Nonoperating revenues (expenses):	
Interest revenue	43,568,428
Investment in joint ventures	(1,361,277)
Property taxes	88,364,794
Amortization of bond premium	4,830,168
Amortization of deferred loss on refunding	(1,993,016)
Interest expense	(23,688,020)
Loss on sale of equipment/assets	(5,699,264)
Other nonoperating revenue	4,188,702
Tax and assessment expense	(10,752,639)
Unrealized gain on investments	<u>20,618,227</u>
Net nonoperating revenues	<u>118,076,103</u>
Income before capital contribution revenue and transfers	909,794
Capital contribution revenue:	
Connection fees	33,465,825
Capital grants	<u>10,427,451</u>
Change in net position	<u>44,803,070</u>
Total net position, July 1, 2019, as previously stated	4,259,370,103
Prior-period adjustments (note 20)	<u>(37,849,762)</u>
Total net position, July 1, 2019, as restated	<u>4,221,520,341</u>
Total net position, June 30, 2020	<u>\$ 4,266,323,411</u>

See accompanying notes to basic financial statements.

Exhibit C
LOS ANGELES COUNTY SANITATION DISTRICTS
Statement of Cash Flows
Fiscal year ended June 30, 2020

Cash flows from operating activities:	
Receipts from customers and users	\$ 642,280,920
Payments to suppliers	(222,396,726)
Payments for salaries/benefits	(250,607,097)
Payments applied to closure/postclosure liability	<u>(10,377,874)</u>
Net cash provided by operating activities	<u>158,899,223</u>
Cash flows from noncapital financing activities:	
Receipts from property taxes	86,944,935
Payments for tax and assessment	<u>(11,873,291)</u>
Net cash provided by noncapital financing activities	<u>75,071,644</u>
Cash flows from capital and related financing activities:	
Borrowings on loans	4,971,751
Purchases of capital assets	(211,060,340)
Connection fees proceeds	33,465,825
Grant proceeds	10,427,451
Interest paid on capital-related debt	(21,810,113)
Principal payments on bonds	(37,564,400)
Principal payments on loans	(31,597,610)
Proceeds from sale of assets/equipment	1,222,988
Receipts from joint venture	<u>11,680,000</u>
Net cash used by capital and related financing activities	<u>(240,264,448)</u>
Cash flows from investing activities:	
Interest received	44,182,149
Purchases of investments	(867,761,310)
Proceeds from maturities of investments	<u>1,246,719,314</u>
Net cash provided by investing activities	<u>423,140,153</u>
Net increase in cash and cash equivalents	416,846,572
Cash and cash equivalents at beginning of fiscal year	<u>1,054,585,587</u>
Cash and cash equivalents at end of fiscal year	<u>\$ 1,471,432,159</u>
Reconciliation of cash and cash equivalents at end of fiscal year:	
Unrestricted cash and cash equivalents	
Cash in bank	\$ 36,523,714
Cash on hand	46,582
Cash and cash equivalents	504,497,793
Restricted/designated cash and investments:	
Cash and cash equivalents	930,356,465
Bond proceeds with Trustee	
Cash and cash equivalents	<u>7,605</u>
	<u>\$ 1,471,432,159</u>

(Continued on following page)

Exhibit C-2
LOS ANGELES COUNTY SANITATION DISTRICTS
Statement of Cash Flows
Fiscal year ended June 30, 2020

Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	\$ <u>(117,166,309)</u>
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation and amortization	102,688,583
Landfill closure/postclosure costs	159,828,335
Nonoperating revenue	1,096,086
Decrease in accounts receivable	9,126,016
Increase in service charge receivable	(2,310,191)
Increase in inventory	(1,254,152)
Decrease in deferred outflow of resources	18,687,213
Decrease in accounts payable	(84,142)
Increase in accrued employee absences	3,959,692
Decrease in estimated liability for closure and postclosure costs	(10,377,874)
Decrease in claims liabilities	(968,687)
Decrease in contractual obligations	(641,134)
Increase in estimated pollution remediation	116,924
Decrease in other postemployment benefits liability	(46,109,535)
Increase in pension liability	16,720,130
Increase in amounts held for others	2,807,302
Decrease in other liabilities	(132,942)
Increase in deferred inflow of resources	<u>22,913,908</u>
Net cash provided by operating activities	<u>\$ 158,899,223</u>
Schedule of noncash investing activities:	
Unrealized gain on fair value of investments	\$ 20,618,227
Amortization of investment premium	3,652,437
Investment in joint ventures	(1,364,821)

See accompanying notes to basic financial statements.

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements

June 30, 2020

(1) Organization and Summary of Significant Accounting Policies

(A) Description of the Reporting Entity

The Los Angeles County Sanitation Districts are a confederation of 24 special districts created for the purpose of providing solid waste, wastewater, and stormwater management and disposal services within the County of Los Angeles. The accompanying basic financial statements include the activities of all 24 Districts. Each District is governed by a Board of Directors generally comprised of the presiding officers (typically the mayor) of the cities within each District's boundaries and the chair of the County Board of Supervisors for unincorporated territory. If there are only one or two jurisdictions within a District, additional members of the city council or County Board of Supervisors also sit on the District's Board of Directors. For purposes of control and daily management, the Districts are governed by a Joint Administration Agreement (see Note 2).

The Districts' accompanying basic financial statements also include the financial activities of the Los Angeles County Sanitation Districts Financing Authority (the Authority). The 22 active Districts (Participating Districts) created the Authority, pursuant to a Joint Exercise of Powers Agreement (see Note 2). The Authority is governed by a Commission that consists of the Chairperson from each Participating District and exists solely to facilitate the issuance of long-term debt. The Authority has no daily operations and does not conduct business on its own behalf. Since the Authority's governing body is entirely comprised of members of the Participating Districts' Boards and the Authority provides services entirely for the Participating Districts, the Authority's financial activities have been consolidated with the Districts' financial activities for financial reporting purposes. Complete separate financial statements for the Authority may be obtained by writing to the Accounting Section, P.O. Box 4998, Whittier, California, 90607-4998 or at the Districts' Joint Administration Office.

The Districts are independent of and overlap many political jurisdictions. There are many governmental entities, including the County of Los Angeles, that operate within the Districts' jurisdictions; however, the financial information for these entities is not included in the accompanying basic financial statements.

(B) District Operations

The Districts' accounting records are maintained in a manner that facilitates compliance with the requirements and guidelines of the Controller of the State of California with whom an annual report is filed for each District as required by Section 53891 of the California Government Code.

(C) Basis of Presentation

The Districts use Enterprise Funds to account for three types of operations: (a) those that are financed and operated in a manner similar to private business enterprises, where the intent of the Boards of Directors is that the costs (expenses, including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges; (b) those where the intent of the Boards of Directors is that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes; or (c) those that account for the financing of services provided by one District to other Districts, or to other governments, on a cost-reimbursement basis.

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

(D) Basis of Accounting

The Districts use the flow of economic resources measurement focus for accounting and financial reporting. Accordingly, all assets and liabilities are included in their respective statement of net position. Reported net position (total reported assets and deferred outflow of resources, less total reported liabilities and deferred inflow of resources) provides an indication of the economic net worth of the respective funds.

The Districts utilize the accrual basis of accounting, whereby revenues are recorded in the period earned and expenses are recorded in the period incurred, regardless of when cash is received or disbursed. As a result, operating income is the difference between the revenues earned and the expenses incurred in earning those revenues.

Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal operations. The principal operating revenues are charges to customers for services, including service charges, industrial waste surcharges, and tipping fees. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The Districts have elected, for all business-type activities (enterprise funds), to apply all applicable Governmental Accounting Standards Board (GASB) pronouncements, as well as the following pronouncements issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations; Accounting Principles Board Opinions; the American Institute of Certified Public Accountants' (AICPA) Accounting Research Bulletins; and any FASB or AICPA pronouncements made applicable by a GASB Statement or Interpretation.

The Districts operate various sub-funds:

<u>Classification</u>	<u>Purpose</u>
Sewerage Operations	To account for wastewater operations of the Districts, including debt service and capital improvement activities.
Stormwater Operations	To account for operations of the Districts' stormwater activities.
Solid Waste Facilities Operations	To account for operations of the Districts' solid waste management system.
Trustee Solid Waste Facilities Operations	To account for operations of the Los Angeles County Refuse Disposal Equipment Pool and for solid waste operations of the Trustee Landfills.
Service Operations	To account for essential services and equipment rental provided to various sites and other governments.

(E) Operating Budgets

Each year, the Districts' personnel prepare annual operating budgets for both the wastewater and solid waste systems. These annual budgets serve as a basis for monitoring financial progress and determining

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

future wastewater service charge rates and solid waste tipping fee rates. During the fiscal year, such plans may be amended as circumstances or levels of operations dictate.

(F) Cash and Investments

The Districts' cash and investments are governed by each District's Investment Policy and Wastewater Financial Reserve Policy and are in compliance with the California Government Code. For purposes of the statement of cash flows, the Districts consider all highly liquid investments with original maturities of three months or less to be cash equivalents.

Securities purchased with original maturities greater than three months are reflected as investments in the accompanying basic financial statements. Investments are generally stated at fair value. Fair value of investments is determined based on market prices at the balance sheet date. The fair value of investments in open-end mutual funds is determined based on the fund's current share price.

(G) Inventory

Inventory is stated at weighted average cost which approximates first-in, first-out.

(H) Capital Assets

Outlays for capital assets, including property, plant, equipment, and construction in progress, are recorded at cost. Capital assets acquired by donation are recorded at acquisition value at the time received. The Districts' capitalization threshold is \$5,000.

Depreciation - General

The accrual basis of accounting requires that capital assets be capitalized and periodically charged against the operations of the Districts through depreciation.

Depreciation expense is provided using the straight-line method over the estimated useful lives of the assets as follows:

	<u>Useful Lives</u>
Buildings and equipment	5 to 20 years
Pumping plants	40 years
Wastewater treatment plants	40 years
Trunk sewer rehabilitations or repairs	50 years
Trunk sewer lines, replacements, relocations, or reliefs	75 years

Depreciation – Districts' and Trustee Solid Waste Facilities

Depreciation of capital improvements at active landfill sites is determined annually, using the ratio of the number of tons disposed during the fiscal year to the total estimated capacity of each landfill and applying this ratio to the gross book value of the capital improvements.

The gas-to-energy facilities, recycling and transfer facilities, and related capital improvements are depreciated over a 40-year period using the straight-line method.

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

Depreciation - Equipment

Depreciation expense is provided using the straight-line method over the estimated useful lives of the assets as follows:

	<u>Useful Lives</u>
Heavy equipment such as dozers, graders, or cranes	6 to 15 years
On-highway transportation equipment	4 to 14 years
Marine equipment	20 years
Other equipment such as forklifts, compressors, generators, or pumps	6 to 15 years

Disposal Rights - Sewerage Operations

Because of geographic conditions, certain Districts have found it advantageous to enter into reciprocal agreements with other public agencies. In these agreements, the public agencies grant the Districts specific sewerage disposal rights and assess the Districts for the cost of the additional capital investment for treatment facilities necessary to dispose of the Districts' discharge. Disposal rights are amortized over a 30-year period using the straight-line method. Such amortization is included as a charge to operations in determining the respective District's change in net position.

Amortization of Use Rights

Use rights, as they apply to Sewerage Operations, are related to ground water adjudication in the Antelope Valley and are amortized over 20-years using the straight-line method.

Use rights, as they apply to the cost of the Districts' landfills and the Trustee landfills, represent the Districts' right to dispose of waste material. Amortization is determined using the ratio of the number of tons disposed of during the fiscal year to the total estimated capacity of each landfill and applying this ratio to the gross book value.

(I) Landfill Site Closure Costs

The Districts have adopted Governmental Accounting Standards Board Statement No. 18, *Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs* (GASB 18). Federal and State laws and regulations require the placement of a final cover on landfill sites when they stop accepting waste and performance of certain maintenance and monitoring functions at the sites for 30 years after closure. GASB 18 requires the recognition of these costs ratably during the useful life of the landfill.

In compliance with GASB 18, the Districts recognize a portion of the closure and postclosure care costs as an operating expense and a liability in each period based on landfill capacity used as of each statement of net position date, although closure and postclosure care cost will be paid only near or after the date the landfills stop accepting waste. Recognition of such costs begins on the date the landfills begin accepting solid waste and continues in each period that the landfill accepts waste. It is intended that the costs of closure and postclosure care will be fully funded by the time the landfills stop accepting waste. The cumulative amounts recognized are reflected in the accompanying basic financial statements (see Note 18).

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

(J) Accrued Employee Absences - Service Operations

Vacation and sick leave pay is recorded as an expense when earned by Districts' employees. As of June 30, 2020, accrued vacation and sick leave aggregated \$42,035,073 and is based upon the following criteria:

Monthly employees earn a maximum of 88 hours of vacation leave during each of the first 5 years of service. After 5 years of service, a maximum of 128 hours are earned each year, and after 10 years of service, 8 additional hours of vacation are earned per year up to 168 hours. After 25 years of service, monthly employees (except those in management positions) earn an additional 40 hours of vacation. In addition, earned vacation leave can be accumulated for one or two years, depending on the employee's representation unit. Upon retirement or termination, monthly employees are paid for all unused accumulated vacation leave. The accrued liability is based upon the full amount of accumulated vacation leave. Hourly employees earn vacation leave based on the number of hours worked in one year and may be used on or after January 1 of the next year in accordance with Subsection 6.2A of the Districts' Salary Resolution.

Monthly employees earn eight hours of sick leave per month with a maximum accumulation for use of 1,440 or 720 hours, depending upon the employee's representation unit. Monthly employees are entitled to sick leave payment upon retirement or termination, but the number of hours subject to payment depends on when the accumulated sick leave was earned and the employee's representation unit. The accrued liability is based upon the sick leave that would be paid upon termination.

(K) Amortization of Premium on Bonds

Original issue premium related to the sale of revenue bonds (see Note 8) is amortized by the effective-interest method over the life of the bonds. The unamortized portion of the bond premium is netted against bonds payable on the accompanying basic financial statements.

(L) Amortization of Gain/Loss on Refunding

The refunding of revenue bonds in 2011, 2013, 2015, and 2016 (see Note 8) resulted in a difference between the reacquisition price and the net carrying amount of the old debt. This difference, reported in the accompanying financial statements as deferred loss on refunding (net), is being amortized by the straight-line method (which approximates the effective-interest method) over the life of the bonds.

(M) Pensions

For purposes of measuring the net pension liability and deferred outflow/inflow of resources related to pensions and pension expense, information about the fiduciary net position of the Districts' California Public Employees' Retirement System (CalPERS) plan and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. For additional information, see Note 11.

(N) Other Postemployment Benefits (OPEB)

For purposes of measuring the net liability and deferred outflow/inflow of resources related to other postemployment benefits, information about the fiduciary net position of the Districts' California

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

Employer's Retiree Benefit Trust Program (CERBT) (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. Investments are reported at fair value. For additional information, see Note 12.

(O) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(P) Net Position

GASB No. 63 requires that the difference between assets added to the deferred outflow of resources and liabilities added to the deferred inflow of resources be reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding principal of related debt. Restricted net position is the portion of net position that has external constraints placed on it by creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of net investment in capital assets or restricted net position.

(2) Organization - Joint Agreements

The operations of the Districts are facilitated by certain Joint Agreements that permit the consolidation of duties and responsibilities.

Joint Administration Agreement

Each District is party to the Joint Administration Agreement wherein an administrative organization has been established to provide or perform the administrative functions for all individual Districts. The Joint Administration Agreement requires that revenues and expenses that can be readily identified by District shall be applied directly to that District. Except for some of the Districts that have a fixed percentage, indirect expenses are apportioned based upon the ratio of each District's sewage units to the sewage units within all Districts. A sewage unit represents the average sewage flow and strength that would be discharged from a single-family home.

Joint Outfall Agreement

The following Districts participate in the Joint Outfall Agreement: 1, 2, 3, 5, 8, 15, 16, 17, 18, 19, 21, 22, 23, 28, 29, 34, and South Bay Cities (Joint Outfall Districts). Under the terms of the Joint Outfall Agreement, they share in the joint ownership, use, and operations of certain trunk sewers, pumping plants, treatment plants, and ocean outfalls. The Joint Outfall Agreement specifies that the revenue and expenses from these activities be proportioned to each District based upon of the ratio of each District's sewage units to the sewage units within all Joint Outfall Districts.

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

Joint Powers Agreements with Los Angeles County

The Districts maintain closed landfills (Mission Canyon and Palos Verdes) and operate open landfills (Calabasas and Scholl Canyon) on behalf of the County of Los Angeles (County). Each landfill is governed by a separate Joint Powers Agreement (JPA) between District No. 2 and the County whereby operations and maintenance expenses are financed by revenues derived from each facility (i.e., at no cost to the Districts). The County of Los Angeles provides funding for the closed sites.

Additionally, the County and 15 of the Joint Outfall Districts participate in a fifth JPA that establishes the Los Angeles County Refuse Disposal Fund and the Los Angeles County Refuse Disposal Equipment Pool. These funds, together with the four County-owned landfills, are collectively reported as the Trustee Landfills.

Program development, future landfill acquisitions, and major capital expenses are financed from the Los Angeles County Refuse Disposal Fund. The Los Angeles County Refuse Disposal Equipment Pool provides equipment to the Trustee Landfills, and the revenue from rental of this equipment is used for operations and maintenance and to purchase new equipment as required.

The JPA's provide that money in excess of short-term operations and maintenance and capital improvement needs resulting from landfill operations be transferred to the Los Angeles County Refuse Disposal Fund. The Scholl Canyon JPA provides for a sharing of revenues (referred to as tonnage expense) between the City of Glendale and the Los Angeles County Refuse Disposal Fund.

In December 2005, the County of Los Angeles, through its Financing Authority, issued \$38.5 million of lease revenue bonds to be used for improvements at Calabasas Landfill. Although the net revenues from the landfill are pledged for repayment of the bonds, the County of Los Angeles is ultimately responsible for all principal and interest payments.

Sanitation Districts Solid Waste Management System Agreement

Districts 1, 2, 3, 5, 8, 15, 16, 17, 18, 19, 21, 22, 23, 29, and South Bay Cities Sanitation District participate in the Solid Waste Management System Agreement. This agreement authorized District No. 2 to have full authority for acquiring, implementing, operating, and maintaining the Palos Verdes, Spadra, Puente Hills, and Mesquite Regional Landfills; the South Gate Transfer Station; the Commerce Refuse-to-Energy Facility; the Southeast Resource Recovery Facility; the Puente Hills, Spadra, Palos Verdes, and Calabasas Gas-to-Energy Facilities; the Downey Area Recycling and Transfer Facility, the Puente Hills Material Recovery Facility; and programs and facilities that may be developed as part of materials recovery and remote disposal system.

Joint Exercise of Powers Agreement

Districts 1, 2, 3, 4, 5, 8, 9, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 27, 28, 29, Santa Clarita Valley Sanitation District, and South Bay Cities Sanitation District participate in a Joint Exercise of Powers Agreement related to the Los Angeles County Sanitation Districts Financing Authority (the Authority) (see Note 1A).

(3) Cash and Investments

The Districts have adopted the provisions of Statement No. 31 of the Governmental Accounting Standards Board, *Accounting and Financial Reporting for Certain Investments and for External*

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

Investment Pools (GASB No. 31), and Statement No. 40 of the Governmental Accounting Standards Board, *Deposit and Investment Risk Disclosures* (GASB No. 40), which require that certain investments and external investment pools be reported at fair value and disclosures be made of certain deposit and investment risks.

The Districts' investment policies are governed by and in compliance with the California Government Code. The investment policies' objectives are to provide for safety of principal, maintain liquidity, and earn a market rate of return. The Districts are authorized to invest funds in the County of Los Angeles Pooled Surplus Investment Fund (County Pool), the State of California Local Agency Investment Fund, and other qualified investments in accordance with each District's individual investment policy and applicable law.

Fair Value of Investments. The Districts measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. All debt securities have been valued using prices quoted in active markets (level 1 fair value hierarchy) for those securities.

As of June 30, 2020, the Districts had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)		
		Less Than 1	1-3	4-5
U.S. Agency Securities	\$ 643,494,101 (1)	101,466,752	153,191,160	388,836,189
AA-Rated Medium Term Corporate Notes	263,388,665 (1)	7,227,264	106,851,468	149,309,933
A-Rated Medium Term Corporate Notes	85,848,741 (1)	-	45,373,260	40,475,481
Los Angeles County Pooled Surplus Investment Fund	1,418,872,090	1,418,872,090	-	-
U.S. Bank Commercial Paper	15,982,168	15,982,168	-	-
First American Government Obligation Mutual Fund	7,605	7,605	-	-
	<u>\$ 2,427,593,370</u>	<u>1,543,555,879</u>	<u>305,415,888</u>	<u>578,621,603</u>

(1) A portion of these securities are callable beginning:

	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
Quarterly	\$ 171,048,528	62,540,973	-	123,098,453	-
Semi-annually	151,872,101	71,557,305	-	-	-
Annually	76,383,343	-	-	-	-
Continuously	51,038,097	-	-	-	17,311,834
One Time	-	26,249,937	4,469,380	-	-
	<u>\$ 450,342,069</u>	<u>160,348,215</u>	<u>4,469,380</u>	<u>123,098,453</u>	<u>17,311,834</u>

Interest Rate Risk. As a means of limiting the Districts' exposure to fair value losses from rising interest rates, the Districts' investment policies prohibit investments in securities with an original term greater five years.

Credit Risk. Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. As of June 30, 2020, the Districts' investment in U.S. Bank Commercial Paper was rated A-1+ by Standard & Poor's and P-1 by Moody's Investors Service. The Districts' investment in the First American Government Obligation Mutual Fund was rated AAA by Standard & Poor's and Aaa by Moody's Investors Service. The Districts' investment in United States Agency securities was rated AA+ at the time of purchase by Standard & Poor's and Aaa by Moody's

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

Investors Service. The Districts' investments in Corporate Bonds were rated A or better at the time of purchase by Standard & Poor's, Moody's Investors Service, or Fitch Ratings. The Los Angeles County Pooled Surplus Investment Fund is not rated.

Concentration of Credit Risk. The investment policies for District Nos. 17, 27, and Newhall Ranch Sanitation District prescribe that all investments are subject to the conditions and limits as set forth in the Los Angeles County Investment Policy. The remaining Districts' investment policies further restrict the concentration of investments in any one United States Agency to no more than 60% of a District's funds. These Districts' policies allow for investments in medium-term AAA-rated, AA-rated, and A-rated corporate and depository institution debt securities with original maturities of five years or less. No individual medium-term AAA-rated or AA-rated security may exceed 10% of a District's funds. No individual medium-term A-rated security may exceed 2% of the District's funds. All medium-term A-rated securities in aggregate may not exceed 10% of a District's funds, and all medium and short-term investments in aggregate may not exceed 20% of a District's funds.

The Districts' cash, cash equivalents, and specific investments at June 30, 2020, are classified on the accompanying statement of net position as follows:

Unrestricted cash and cash equivalents	\$ 504,497,793
Restricted/designated cash equivalents and specific investments	1,856,478,975
Other specific investments	<u>66,616,602</u>
	2,427,593,370
Cash in bank	36,523,714
Cash on hand	<u>46,582</u>
	<u>\$ 2,464,163,666</u>

Restricted cash, cash equivalents, and specific investments are defined as funds that have been established to comply with restrictions that have been imposed externally through law, administrative action, or contractual agreements. Restricted funds can only be used for the purpose for which they were established until the restrictions are removed by the party that imposed them or the contractual agreement that created them has expired or been satisfied.

Designated cash, cash equivalents, and specific investments are defined as funds for which the Districts' Boards have imposed restrictions on the use of the funds for specific purposes such as capital facilities, land acquisition, and repair/replacement of existing assets. The Board may designate these purposes either through specific action or through approval of the annual budget. These funds have no legal constraints and each District's Board has the discretion to amend the actual or intended use of these funds.

Cash, cash equivalents, and specific investments that do not meet the definition of restricted or designated are classified as unrestricted.

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

The total restricted and designated cash, cash equivalents, and specific investments are comprised of the following at June 30, 2020:

	Fund Type	Cash and Cash Equivalents	Specific Investments	Total
Bond Proceeds with Trustee	Restricted	\$ 7,605	-	7,605
Capital Improvement	Restricted	423,247,400	199,179,026	622,426,426
Capital Projects Financial Stability	Designated	132,062,105	81,656,430	213,718,535
Closure/Postclosure Reserves	Restricted	119,973,826	296,473,531	416,447,357
Corrective Action	Restricted	557,094	2,949,987	3,507,081
Emergency	Designated	13,733,637	-	13,733,637
Vacation/Sick Leave	Designated	26,211,461	-	26,211,461
Liability Reserve	Designated	5,647,592	12,946,267	18,593,859
O&M Financial Stability	Designated	92,006,994	152,253,396	244,260,390
Other	Both	11,926,003	-	11,926,003
Site Development	Restricted	34,509,082	3,129,237	37,638,319
Backup Post Closure Reserve	Designated	70,481,271	177,527,031	248,008,302
		<u>\$ 930,364,070</u>	<u>926,114,905</u>	<u>1,856,478,975</u>

Cash in Bank

At June 30, 2020, the Districts' cash in bank deposits was \$36,523,714. All deposits are entirely insured or collateralized. The California Government Code requires California banks and savings and loan associations to secure Districts' deposits by pledging government securities as collateral. The fair value of pledged securities must equal at least 110% of the Districts' deposits. California law also allows financial institutions to secure Districts' deposits by pledging first trust deed mortgage notes having a value of 150% of the Districts' total deposits. The Districts may waive collateral requirements for deposits that are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC).

Cash on Hand

At June 30, 2020, the Districts had imprest cash funds in the amount of \$46,582.

Cash and Cash Equivalents

Cash consists of deposits in the interest-bearing Los Angeles County Pooled Surplus Investment Fund. Investments are stated at fair value. The fair value of the Districts' position in the pool is the same as the value of the pool shares. The Districts maintain separate balances for the individual Districts, and investment income is allocated on a pro rata basis. Because the Districts' deposits are maintained in a recognized pooled investment fund under the care of a third party and the Districts' share of the pool does not consist of specific, identifiable investment securities owned by the Districts, no disclosure of the individual deposits or investments is required under generally accepted accounting principles. The Districts' deposits in the fund are considered liquid.

Cash equivalents consist of investments in U.S. Bank Commercial Paper and First American Government Obligation Mutual Fund. Investments are stated at fair value. The fair value of the Districts' position in the pool is the same as the value of the pool shares. The Districts maintain separate balances for the individual Districts, and investment income is allocated on a pro rata basis. Because the Districts' deposits are maintained in a recognized pooled investment fund or in a mutual fund under

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

the care of third parties and the Districts' share of the funds do not consist of specific, identifiable investment securities owned by the Districts, no disclosure of the individual deposits and investments is required under generally accepted accounting principles. The Districts' deposits in these funds are considered liquid.

Specific Investments

These represent investments in U.S. Agency securities, AA-rated medium-term corporate notes, and A-rated medium-term corporate notes.

Bond Funds with Trustee

The revenue bond indenture agreements require the independent bond trustee to hold bond funds in restricted-use accounts (see Note 8). The Districts hold monies to be used to: (a) finance the costs of acquisition, construction, and installation of certain additional improvements to the sewerage treatment and disposal facilities; (b) finance the cost of construction of a gas-to-energy facility; and (c) fund reserve accounts for debt service. At June 30, 2020, bond funds of \$7,605 are invested in First American Government Obligation Mutual Fund, as permitted by the bond indentures.

(4) Service Charge Revenue - Sewerage Funds

The Districts assess service charges against property owners using the Districts' sewerage system as a means of offsetting the cost of providing sanitation facilities. These service charges are collected through Los Angeles County's property tax billing system. During the fiscal year ended June 30, 2020, the Districts recorded the following service charge revenues:

<u>District</u>	<u>Amount</u>
District 1	\$ 27,840,045
District 2	38,998,800
District 3	31,507,623
District 4	3,966,660
District 5	43,973,848
District 8	11,544,815
District 9	106,333
District 14	33,950,400
District 15	30,673,648
District 16	18,117,118
District 17	2,403,594
District 18	21,448,499
District 19	7,028,787
District 20	24,942,758
District 21	26,507,210
District 22	21,280,283
District 23	418,969

(continued on following page)

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

<u>District</u>	<u>Amount</u>
District 28	683,380
District 29	1,976,090
Joint Outfall	104
Santa Clarita Valley	35,457,295
South Bay Cities	7,006,401
	<u>\$ 389,832,660</u>

(5) Property Taxes

The County is permitted by the California Constitution (Proposition 13) to levy taxes on real property up to one percent of full cash value (determined at time of purchase) and subsequent assessed values may increase no more than two percent per year unless there is a change in ownership or completion of new construction. The Districts receive a share of these tax revenues in accordance with provisions of Section 26912 of the Government Code and Section 95-100 of the Revenue and Taxation Code.

Taxes Become a Lien

All tax liens attach annually on the first day in January preceding the fiscal year for which the taxes are levied. Taxes are levied on both real and personal property as they exist on that date. The lien against real estate or the tax on personal property is not relieved by subsequent removal or change of ownership, and the Tax Collector cannot accept payment for taxes on real property unless the personal property tax indicated on the tax bill has been paid or is tendered. Secured property taxes are a lien against real property. Tax levies cover the fiscal year period July 1 to June 30; for instance, the 2019 tax levy is for the fiscal year 2019-2020.

Delinquency and Penalty

Taxes on the secured roll may be paid in two installments due November 1 and February 1. Taxes due on November 1 become delinquent if payment is not made or postmarked by December 10; and taxes due on February 1 become delinquent if payment is not made or postmarked by April 10. If December 10 or April 10 fall on Saturday, Sunday, or a legal holiday, the delinquency date is extended to the next business day. The entire tax on real property may be paid with the first installment.

Unsecured personal property taxes are not a lien against real property and are due on the first of January each year. These taxes become delinquent if not paid or postmarked by August 31. If August 31 falls on Saturday, Sunday, or a legal holiday, the delinquency date is extended to the next business day. If taxes are not paid by October 31, an additional penalty of 1.5% per month will accrue. Delinquent penalties of 10% are added to any unpaid secured and/or unsecured property taxes if received after the grace period.

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

(6) Accounts Receivable

Accounts receivable is composed of the following:

	2020	2019
Sale of commodities	\$ 123,499	52,602
Sale of energy	4,782,112	3,959,067
Industrial waste surcharge	20,719,168	23,401,170
Tipping fees, net of allowance	8,315,083	11,598,392
Other	2,869,787	7,716,817
Total accounts receivable	\$ 36,809,649	46,728,048

(7) Capital Assets

Capital asset activity for the fiscal year ended June 30, 2020 was as follows (in thousands):

	June 30, 2019	Increases	Decreases	June 30, 2020
Capital assets, not being depreciated:				
Construction in progress (see note 16)	\$ 404,071	196,454	(54,183)	546,342
Land	221,276	106	(592)	220,790
Total capital assets, not being depreciated	625,347	196,560	(54,775)	767,132
Capital assets, being depreciated or amortized:				
Buildings and equipment	84,633	3,602	-	88,235
Capital improvements	544,823	1,472	-	546,295
Composting facility	122,774	642	-	123,416
Disposal rights	91,819	2,455	-	94,274
Equipment pool	66,577	11,299	(2,655)	75,221
Gas-to-energy facilities	217,401	-	(253)	217,148
Other	51,516	1,393	(20)	52,889
Rail facilities	110,372	-	-	110,372
Recycling and transfer facilities	72,034	2,789	(424)	74,399
Treatment plants	2,093,940	38,925	(7,476)	2,125,389
Trunk lines	1,442,895	22,215	-	1,465,110
Use rights	69,780	-	-	69,780
Total capital assets, being depreciated or amortized	4,968,564	84,792	(10,828)	5,042,528
Accumulated depreciation and amortization:				
Buildings and equipment	(52,106)	(2,489)	-	(54,595)
Capital improvements	(446,982)	(2,753)	-	(449,735)
Composting facility	(12,910)	(3,099)	-	(16,009)
Disposal rights	(41,003)	(2,189)	-	(43,192)
Equipment pool	(33,008)	(5,077)	2,060	(36,025)
Gas-to-energy facilities	(139,884)	(4,964)	-	(144,848)
Other	(22,225)	(2,173)	20	(24,378)
Rail facilities	(3,402)	(1,408)	-	(4,810)
Recycling and transfer facilities	(24,812)	(1,956)	148	(26,620)
Treatment plants	(798,439)	(54,255)	841	(851,853)
Trunk lines	(587,678)	(22,273)	-	(609,951)
Use rights	(26,713)	(52)	-	(26,765)
Total accumulated depreciation and amortization	(2,189,162)	(102,688)	3,069	(2,288,781)
Total capital assets, being depreciated, net	2,779,402	(17,896)	(7,759)	2,753,747
Total capital assets, net	\$ 3,404,749	178,664	(62,534)	3,520,879

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

Depreciation and amortization expense was charged to the Districts' various operations as follows:

Sewerage Operations	\$	82,500,580
Solid Waste Facilities Operations		8,233,694
Trustee Solid Waste Operations		4,232,729
Service Operations		<u>7,721,580</u>
Total depreciation and amortization expense	\$	<u>102,688,583</u>

(8) Long-Term Debt

Revenue Bonds-Other Debt

In July 2011, the Authority issued \$130,615,000 of 2011 Series A Capital Projects Senior Ad Valorem Obligation Bonds (2011 Series A Bonds). The proceeds of the 2011 Series A Bonds were used to refund and defease a portion of the Authority's outstanding 2003 Series A Bonds and pay costs of issuance. These serial bonds mature in varying amounts on October 1 in years 2014 through 2023 at coupon rates ranging from 2.5% to 5.0%. This advance refunding was undertaken to reduce total debt service payments over the next 12 years by \$12.5 million and resulted in an economic gain of \$10.6 million. In March 2017, Standard & Poor's upgraded its rating of the 2011 Series A Bonds to AAA from AA+.

In July 2013, the Authority issued \$107,620,000 of 2013 Series A Capital Projects Senior Ad Valorem Obligation Bonds (2013 Series A Bonds). The proceeds of the 2013 Series A Bonds were used to refund and defease the remaining portion of the Authority's outstanding 2003 Series A Bonds at substantially lower interest rates and pay costs of issuance. These serial bonds mature in varying amounts on October 1 in the years 2013 through 2021 at coupon rates ranging from 1.0% to 5.0%. In March 2017, Standard & Poor's upgraded its rating of the 2013 Series A Bonds to AAA from AA+.

In July 2015, the Authority issued \$149,940,000 of 2015 Series A Capital Projects District No. 14 Subordinate Revenue Bonds (2015 Series A Bonds). The proceeds of the 2015 Series A Bonds were used to refund and defease the Authority's outstanding 2005 Series B Subordinate Bonds and to pay costs of issuance. These serial bonds mature in varying amounts on October 1 in the years 2015 through 2035 at coupon rates ranging from 2.0% to 5.0%. In March 2017, Standard & Poor's upgraded its rating of the 2015 Series A Bonds to AA- from A+.

In November 2016, the Authority issued \$170,265,000 of 2016 Series A Capital Projects District No. 20 Revenue Bonds (2016 Series A Bonds). The proceeds of the 2016 Series A Bonds were used to refund all of the Authority's outstanding 2005 Series A Bonds, refund all of the Authority's outstanding 2007 Series A Bonds, refinance certain improvements to the Sewerage System of District No. 20 by prepaying in full District No. 20's outstanding Clean Water State Revolving Fund Loan, and pay costs of issuance. These serial bonds mature in varying amounts on October 1 in the years 2017 through 2036 at coupon rates ranging from 3.0% to 5.0%. The 2016A Bonds are rated A+ by Standard & Poor's and AA- by Fitch Ratings.

The bonds are secured by a pledge of revenue and a covenant to set rates sufficient to make all bond obligation payments, including operation and maintenance costs, and that net revenues will at least equal the sum of (a) 120% of debt service on senior obligations for such fiscal year, and (b) 110% of debt service on subordinate obligations for such fiscal year.

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

Revenue bond debt obligations contain provisions providing: (a) if one or more Districts fail to pay installment obligations, then each non-defaulting District is obligated to pay an additional amount up to 20% of the amount payable by the non-defaulting District; (b) in the event of default by all Districts, any and all amounts related to the defaulted obligation become immediately due and payable; and (c) if an individual District is in default of any senior obligation, including state loans, all amounts due and payable with respect to such senior obligation become immediately due and payable.

Bonds-Direct Placement

In November 2008, the Authority executed a direct placement of \$19,661,583 in 2008 Series A Clean Renewable Energy Bonds (CREB's). The proceeds of the bonds were used to pay a portion of the cost of acquiring, constructing, and installing the Calabasas Gas-to-Energy Facility. The CREB's were issued at a rate of 1.25% per annum and mature on December 15, 2021.

The indenture and related agreements (Agreements) executed in conjunction with the issuance of the CREB's contain provisions to accelerate payment of outstanding principal and interest if an event of default occurs and is not cured within 30 days. Events of default include the failure to timely pay principal and interest payments, violation of any of the Agreements' covenants, or the filing of a petition or answer by the Authority seeking arrangement or reorganization under the federal bankruptcy laws. There is also a provision in the Agreements for the Authority to make an additional payment to the bond holders if the Authority's action or inaction results in the CREB's losing their Clean Renewable Energy Bond status as defined by Section 54 of the Internal Revenue code. This additional payment would equal to the amount required to result in an effective yield of 7.7229% to the affected bond owners. To date, there has not been an event of default, and the CREB's have not lost their CREB status with the IRS.

The CREB's are secured by a pledge of funds designated for CREB repayment.

Total Bond Indebtedness

The Districts' bond indebtedness is summarized as follows:

		Balance at <u>June 30, 2019</u>	<u>Additions</u>	<u>Redemptions</u>	Balance at <u>June 30, 2020</u>	Due Within <u>One Year</u>
2008 Series A	Direct Placement	\$ 4,213,198	-	(1,404,400)	2,808,798	1,404,400
2011 Series A	Revenue Bonds	75,150,000	-	(26,390,000)	48,760,000	26,870,000
2013 Series A	Revenue Bonds	9,925,000	-	(3,095,000)	6,830,000	4,035,000
2015 Series A	Revenue Bonds	136,440,000	-	(3,255,000)	133,185,000	3,425,000
2016 Series A	Revenue Bonds	163,885,000	-	(3,420,000)	160,465,000	3,600,000
		<u>\$ 389,613,198</u>	-	<u>(37,564,400)</u>	<u>352,048,798</u>	<u>39,334,400</u>
	Plus unamortized premium	34,294,534	-	(4,830,175)	29,464,359	-
	Bonds payable, net	<u>\$ 423,907,732</u>	<u>-</u>	<u>(42,394,575)</u>	<u>381,513,157</u>	<u>39,334,400</u>

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

Total Bond Debt Outstanding

The annual requirements to satisfy all bond debt outstanding as of June 30, 2020, are as follows:

Fiscal year ending June 30:	Revenue Bonds		Direct Placements		Total	
	Interest	Principal	Interest	Principal	Interest	Principal
2021	\$ 15,555,507	37,930,000	26,333	1,404,400	15,581,840	39,334,400
2022	14,184,694	17,390,000	8,778	1,404,398	14,193,472	18,794,398
2023	13,375,744	15,370,000	-	-	13,375,744	15,370,000
2024	12,607,644	16,135,000	-	-	12,607,644	16,135,000
2025	11,976,619	9,485,000	-	-	11,976,619	9,485,000
2026-2030	51,609,970	61,500,000	-	-	51,609,970	61,500,000
2031-2035	32,508,670	99,240,000	-	-	32,508,670	99,240,000
2036-2040	11,263,741	61,075,000	-	-	11,263,741	61,075,000
2041-2043	1,900,100	31,115,000	-	-	1,900,100	31,115,000
	\$ 164,982,689	349,240,000	35,111	2,808,798	165,017,800	352,048,798
Unamortized premium	-	29,464,359	-	-	-	29,464,359
Bonds payable, net	\$ 164,982,689	378,704,359	35,111	2,808,798	165,017,800	381,513,157

State Water Resources Control Board-Direct Borrowing

The Districts also have state revolving fund loans payable to the State Water Resources Control Board, issued at rates ranging from 1.7% to 2.8%. These loan funds are received on an installment basis as the Districts incur the related expenses and are repaid over a period not exceeding 30 years. The funds are utilized in the construction and expansion of wastewater conveyance and reclamation facilities.

Loans are secured by a pledge of net revenue and operating funds. The loans contain provisions that if any participating District fails to make scheduled payments, the State may assess penalties and proceed with legal action to enforce remedies. Further, a default in any senior loan payment may result in accelerated revenue bond payments. As of June 30, 2020, undrawn credit of \$9,663,648 was available for the San Jose Creek East Flow Equalization loan.

The Districts' indebtedness to the State is summarized as follows:

Description	Balance at	Drawdowns/		Balance at	Due Within
	July 1, 2019	Capitalized Interest	Redemptions	June 30, 2020	One Year
Alamitos Pumping Plant Force Main No. 2	\$ 707,514	-	45,188	662,326	45,956
Biological Reactors/Secondary Clarifiers	24,515,971	-	5,912,709	18,603,262	6,054,614
Central Odor Control System	3,444,596	-	574,099	2,870,497	574,099
Cryogenic Oxygen Generation	4,805,156	-	1,201,289	3,603,867	1,201,289
Digestion Tanks 17-23	13,293,081	-	2,658,616	10,634,465	2,658,616
Environmental Laboratory Building	2,409,336	-	481,867	1,927,469	481,867
Fuel Gas Compressor Upgrade	147,254	-	36,813	110,441	36,813
Heat Recovery Steam Generation Equipment	1,735,657	-	216,957	1,518,700	216,957
High-Speed Scroll Centrifuges Purch & Install	1,393,772	-	232,295	1,161,477	232,295
Install of Secondary Infl Pumping Equip Stg II	486,767	-	81,128	405,639	81,128
Installation of Secondary Influent Pumping Equip	951,740	-	237,935	713,805	237,935
JO "A" Unit 1A - Dist 5 Interceptor Trunk Sewer	10,799,745	-	535,193	10,264,552	546,433
JO "A" Unit 6 Rehabilitation	11,852,561	41,840	328,235	11,566,166	311,881

(continued on following page)

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

Description	Balance at July 1, 2019	Drawdowns/ Capitalized Interest	Redemptions	Balance at June 30, 2020	Due Within One Year
JO "B" Unit 1A Rehabilitation	\$ 10,031,501	-	270,498	9,761,003	275,096
JO "D" Units 7&8 Rehabilitation	8,596,874	-	231,813	8,365,061	235,754
Lancaster - Rosamond Outfall & TS, Phase 1	3,234,260	-	372,847	2,861,413	381,423
Lancaster - Rosamond Outfall & TS, Phase 2	5,619,381	-	647,805	4,971,576	662,705
Lancaster - Rosamond Outfall & TS, Phase 3	5,154,757	-	594,243	4,560,514	607,911
Lancaster WRP Stage V Expansion	53,670,840	-	3,522,977	50,147,863	3,614,575
Long Beach Main PP Facility Upgrades	41,249,131	-	1,823,007	39,426,124	1,857,644
Long Beach WRP Aeration System	92,128	-	23,032	69,096	23,032
Long Beach WRP Ammonia Addition Station	260,687	-	52,137	208,550	52,137
Long Beach WRP NDN Facilities	2,138,253	-	237,584	1,900,669	237,584
Long Beach WRP NDN Facilities Equip. Purch.	134,526	-	33,632	100,894	33,632
Los Coyotes WRP Ammonia Addition Station	377,687	-	75,537	302,150	75,537
Los Coyotes WRP Interceptor Sewer Rehab Phase	8,251,480	-	591,396	7,660,084	607,363
Los Coyotes WRP NDN Facilities	7,892,469	-	876,941	7,015,528	876,941
Modification of Biological Reactors	10,712,611	-	2,042,120	8,670,491	2,091,130
Modifications of Electrical Power	814,762	-	203,690	611,072	203,690
Pomona WRP NDN Facilities	1,541,107	-	308,222	1,232,885	308,222
Pomona WRP NDN Facilities Equip. Purch.	57,068	-	11,413	45,655	11,413
Power Generation Equipment Purchase	2,608,978	-	652,244	1,956,734	652,244
Power Generation Steam Turbine Generator	1,293,300	-	161,662	1,131,638	161,662
Primary Screenings and Grit Dewatering Fac.	2,344,689	-	586,172	1,758,517	586,172
Primary Tank Covers	670,990	-	218,380	452,610	223,621
Purch of Secondary Infl Pump Station Equip	3,286,435	-	547,739	2,738,696	547,739
Relocating and Installing High-Speed Centrifuge	421,811	-	105,453	316,358	105,453
San Jose Creek East Flow Equalization	14,671,862	4,929,911	-	19,601,773	-
San Jose Creek WRP NDN Fac. Equip Purch	460,908	-	76,818	384,090	76,818
San Jose Creek WRP NDN Facilities	3,133,776	-	522,296	2,611,480	522,296
Saugus WRP Equipment Purchases	534,779	-	89,130	445,649	89,130
Secondary Effluent Pumps	296,043	-	71,186	224,857	73,037
Silo Odor Control Facilities, Phase I	1,736,889	-	347,378	1,389,511	347,378
Silo Odor Control Facilities, Phase II	1,146,382	-	163,769	982,613	163,769
Valencia WRP Solids Processing Expansion	537,592	-	537,592	-	-
Valencia WRP Stage V Expansion	282,054	-	70,514	211,540	70,514
Valencia WRP Stage V	11,638,680	-	2,327,736	9,310,944	2,327,736
Valencia WRP Steam Boiler Upgrade	3,425,268	-	202,398	3,222,870	205,838
Waste Activated Sludge Thickening Expansion	838,209	-	209,552	628,657	209,552
Whittier Narrows WRP NDN Facilities	2,376,276	-	216,025	2,160,251	216,025
Wright Road Trunk Sewer Repair	421,029	-	30,347	390,682	31,136
	<u>\$ 288,498,622</u>	<u>4,971,751</u>	<u>31,597,609</u>	<u>261,872,764</u>	<u>31,445,792</u>
Less unamortized discount	<u>(12,436,549)</u>	<u>-</u>	<u>(2,359,758)</u>	<u>(10,076,791)</u>	<u>-</u>
Loans payable to State, net	<u>\$ 276,062,073</u>	<u>4,971,751</u>	<u>29,237,851</u>	<u>251,795,973</u>	<u>31,445,792</u>

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

The annual debt service requirements as of June 30, 2020, for the Districts' indebtedness to the State are as follows:

Fiscal year ending June 30:	Interest	Principal	Total
2021	\$ 6,282,614	31,445,792	37,728,406
2022	6,218,461	32,363,205	38,581,666
2023	5,781,487	32,564,587	38,346,074
2024	4,782,018	23,064,796	27,846,814
2025	3,432,734	14,713,462	18,146,196
2026-2030	11,090,461	57,040,545	68,131,006
2031-2035	5,132,631	37,380,041	42,512,672
2036-2040	2,255,087	14,624,173	16,879,260
2041-2045	1,364,203	9,601,672	10,965,875
2046-2050	451,577	8,305,724	8,757,301
2051-2055	13,838	768,766	782,604
	\$ 46,805,111	261,872,763	308,677,874
Unamortized discount	-	(10,076,790)	(10,076,790)
Loans payable to State, net	\$ 46,805,111	251,795,973	298,601,084

(9) Insurance

The Districts are exposed to various risks of loss and have effectively managed risk through a combination of insurance with deductibles, self-insurance, and employee education and prevention programs. Expenses and claims are recognized when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are also considered.

The Districts are self-insured for workers' compensation benefits. As of June 30, 2020, the liability for workers' compensation claims was estimated at \$9,423,976. Accordingly, this amount has been accrued in the accompanying basic financial statements. At June 30, 2020, there were no reportable claims other than workers' compensation benefits as follows:

	2020	2019
Unpaid claims, beginning of fiscal year	\$ 11,081,926	11,146,212
Incurred claims	130,789 *	2,627,432
Claim payments	(1,788,739)	(2,691,718)
Unpaid claims, end of fiscal year	\$ 9,423,976	11,081,926
Due within one year	\$ 2,376,278	2,765,987

*Includes both new claims and change in estimated liability for existing claims.

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

The Districts are insured for a variety of potential exposures. The following is a summary of the insurance policies carried by the Districts as of June 30, 2020:

Type of Insurance	Limits
Property Policy - (Fire and Theft)	
Building and Business Personal - Blanket	\$496,537,799
Deluxe Business Income & Extra Expense	10,000,000
Property Policy - (Fire and Theft) CALF/Saugus	
Building and Business Personal - Blanket	\$5,139,251
Property Policy - (Fire and Theft) Valencia	
Building and Business Personal - Blanket	\$18,818,285
Pollution Legal Liability	\$5,000,000
Drone Liability	\$1,000,000
Automobile Liability	\$1,000,000
All Risk - (Boiler and Machinery)	
PERG, Total Energy	\$100,000,000
Property Damage & Business Interruption	\$100,000,000
Deductible - All Turbine Generators at PERG	
Sub Limits:	\$172,683,000
Business Interruption	16,522,000
Extra Expense	20,250,000
Extra Expense	5,000,000
Hull and Machinery - (Vessel Liability)	
66' Westport	\$500,000
25' Farallon	\$45,000
Boston Whaler	\$2,500
Protection and Indemnity	\$1,000,000
Excess Protection and Indemnity	\$5,000,000 excess of \$1,000,000
Excess Protection and Indemnity	\$4,000,000 excess of \$6,000,000
Fiduciary Liability - (Deferred Comp. Program)	\$1,000,000
Crime Policy - (Employee Theft)	\$5,000,000
Excess Liability - (General Liability)	\$10,000,000
	\$5,000,000 excess of \$15,000,000

(10) Litigation

The Districts are defendants in various litigation matters arising from the normal conduct of business. It is the opinion of the Districts' legal counsel that the resolution of these matters is not likely to have a material adverse effect on the Districts' overall financial condition.

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

(11) Defined Benefit Pension Plan

Plan Description

The Districts' defined benefit pension plan, Public Employees' Retirement System (PERS), is available to all qualified permanent and probationary employees. PERS is part of the Public Agency portion of the California Public Employees' Retirement System (CalPERS), an agent multiple-employer plan administered by CalPERS, which acts as a common investment and administrative agent for participating public entities within the State of California (State). Benefit provisions and all other requirements are established by State statute. CalPERS issues an annual report that includes financial statements and required supplementary information. That report may be obtained from the CalPERS website at www.calpers.ca.gov or by calling 888-CalPERS (or 888-225-7377).

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 (or age 52 if hired on or after January 1, 2013) with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan's provisions and benefits in effect at June 30, 2020, are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5-years service	5-years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 63	52 - 67
Monthly benefits, as a % of eligible compensation	1.4% to 2.4%	1.0% to 2.5%
Required employee contribution rates	7.00% ⁽¹⁾	5.75%

The required employer blended contribution rate is 8.234%

⁽¹⁾ Employees hired prior to January 1, 2013, are required to contribute 1/2% of their total CalPERS reportable compensation toward the unfunded accrued liability (UAL) if the District's employer CalPERS cost, as a percentage of payroll, is 25% or greater. If the cost is 30% or greater, the contribution rate will be 1%.

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

Employees Covered

The following employees were covered by the benefit terms for each Plan as of June 30, 2019, the date of the latest actuarial valuation:

Inactive employees or beneficiaries currently receiving benefits	1,694
Inactive employees or beneficiaries entitled to but not yet receiving benefits	487
Active employees not receiving benefits	<u>1,650</u>
	<u><u>3,831</u></u>

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that employer contribution rates for all public employers be determined annually based on an actuarial study and shall be effective on July 1 following notice of a change in rate. Funding contributions are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Districts are required to contribute the difference between the actuarially determined rate and the contribution rate of the employees.

Net Pension Liability

The Districts' net pension liability is measured as the total pension liability, less the pension plan's fiduciary net position. The net position liability is measured as of June 30, 2019, using an annual actuarial valuation as of June 30, 2018, rolled forward to June 30, 2019, using standard actuarial methods. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Valuation date	June 30, 2018
Measurement date	June 30, 2019
Actuarial cost method	Entry-age Normal Cost Method
Actuarial assumptions	
Discount rate	7.15%
Inflation	2.50% per annum
Payroll growth	3.00%
Projected salary increases	Varies by entry age and service
Mortality	Derived by using CalPERS membership data for all funds

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2018, valuation were based on 15 years of mortality improvements using the Society of Actuaries Scale 90% of scale MP 2016. For more information, please refer to the December 2017 experience study report that can be found on the CalPERS website.

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

Discount Rate and Rate of Return

The discount rate used to measure the total pension liability was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS considered both short-term and long-term market return expectations, as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The table below reflects the expected real rates of return by asset class.

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1-10 (a)</u>	<u>Real Return Years 11+ (b)</u>
Global Equity	50%	4.80%	5.98%
Global Fixed Income	28%	1.00%	2.62%
Private Equity	8%	6.30%	7.23%
Real Estate	13%	3.75%	4.93%
Liquidity	1%	0.00%	-0.92%
	<u>100%</u>		

(a) Expected inflation of 2.0% used for this period

(b) Expected inflation of 2.92% used for this period

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

Changes in the Net Pension Liability

The changes in the Net Pension Liability for the Plan are as follows:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2019 ⁽¹⁾	\$ 1,758,482,994	1,368,795,296	389,687,698
Changes in the year:			
Service cost	24,608,396	-	24,608,396
Administrative expenses	-	(976,802)	976,802
Interest on the total pension liability	123,796,546	-	123,796,546
Difference between expected and actual experience	2,860,402	-	2,860,402
Changes in assumptions	-	-	-
Contributions-employer	-	34,883,099	(34,883,099)
Contributions-employee (paid by employer)	-	11,327,002	(11,327,002)
Net investment income	-	89,308,730	(89,308,730)
Other miscellaneous income/(expense)	-	3,185	(3,185)
Benefit payments, including refunds	(84,454,739)	(84,454,739)	-
Net Changes	<u>66,810,605</u>	<u>50,090,475</u>	<u>16,720,130</u>
Balance at June 30, 2020 ⁽²⁾	\$ <u>1,825,293,599</u>	<u>1,418,885,771</u>	<u>406,407,828</u>

⁽¹⁾ Measurement date June 30, 2018

⁽²⁾ Measurement date June 30, 2019

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Districts Plan calculated using the current discount rate and using a discount rate 1% lower and 1% higher than the current rate.

	1% Decrease	Current Rate	1% Increase
Discount Rate	6.15%	7.15%	8.15%
Net pension liability	\$ 642,869,514	406,407,828	209,841,856

Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

Pension Expenses and Deferred Outflow/Inflow of Resources

For the fiscal year ended June 30, 2020, the Districts recognized pension expense of \$62,039,722. At June 30, 2020 the Districts reported deferred outflow of resources and deferred inflow of resources related to pensions from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Pension contributions subsequent to measurement date	\$ 40,465,086	-
Changes in assumptions	29,489,796	(5,518,626)
Difference between expected and actual experiences	2,195,192	(19,337,859)
Net difference between projected and actual pension plan investments	-	(7,725,051)
Total	\$ 72,150,074	(32,581,536)

Deferred outflow of resources of \$40,465,086 are related to contributions made subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2021. Other amounts reported as deferred outflow of resources and deferred inflow of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30		Pension Expense
2021	\$	13,969,907
2022		(13,131,682)
2023		(3,342,643)
2024		1,607,870
Total	\$	(896,548)

Payable to the Pension Plan

The Districts did not have an outstanding amount due for required contributions to the pension plan for the fiscal year ended June 30, 2020.

(12) Other Postemployment Benefits (OPEB) Plan

Plan Description

The Districts provide health care and dental benefits for qualifying retired employees and their dependents or survivors. The Districts have entered into a prefunding plan for their OPEB plan with the CalPERS California Employer's Retiree Benefit Trust Program (CERBT). The prefunding plan is a trust fund that is intended to perform an essential governmental function within the meaning of Section 115 of the Internal Revenue Code as an agent multiple-employer plan as defined in Governmental Accounting Standards Board (GASB) Statement No. 45 consisting of an aggregation of single-employer plans, with pooled administrative and investment functions. CalPERS issues a publicly available financial report that includes financial statements and required supplementary information for CERBT. The report may be obtained by accessing the Forms & Publication Center of the CalPERS website at www.calpers.ca.gov or by calling 888-CalPERS (or 888-225-7377).

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

Benefits Provided

Employees hired prior to July 1, 2011 (September 1, 2015 for Technical Support unit) who retire (service or disability) directly from the Districts with a minimum of 5 years of Districts service are eligible for other postemployment benefits. The Districts pay retiree and dependent medical premiums up to the Kaiser Permanente premium cap (greater of Los Angeles or Other Southern California premium) depending on employee classification:

	Hourly Employees	Monthly Employees
2019	\$ 628.63	\$ 1,634.44
2020	\$ 664.39	\$ 1,634.81

The Districts contribute the greater of the cap above and the State 100/90 premium for employees hired on or after July 1, 2011 (September 1, 2015 for Technical Support unit employees). Benefits are 50% vested after 10 years of CalPERS service with a minimum of 5 years Districts service and reach full vesting at 20 years of CalPERS service. Disability retirement qualifies for 100% vested benefit.

	Single	2-Party	Family
2019	\$ 734.00	\$ 1,398.00	\$ 1,788.00
2020	\$ 767.00	\$ 1,461.00	\$ 1,868.00

The Districts pay dental premiums up to \$31.25 monthly.

Employees Covered

The following employees were covered by the benefit terms for each Plan as of June 30, 2019, the date of the latest actuarial valuation:

Inactive employees or beneficiaries currently receiving benefits	1,389
Inactive employees or beneficiaries entitled to but not yet receiving benefits	53
Active employees not receiving benefits	1,664
	3,106

Contributions

The obligation of the Districts to contribute to plan benefits is established and can be amended by Districts Boards action. Employees are not required to contribute to the plan. For the fiscal year ended June 30, 2020, the Districts total employer contribution to the plan was \$25,308,182.

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

Net OPEB Liability

The Districts' net OPEB liability was measured as of June 30, 2019 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2019. A summary of principal assumptions and methods used to determine the net OPEB liability is shown below.

Actuarial assumptions

Discount rate	6.75%
Inflation	2.75% per annum
Aggregate payroll increases	3.00%
Expected long-term investment rate of return	6.75%, net of investment expenses
Mortality, termination, and disability	CalPERS 1997-2015 Experience Study
Mortality improvement scale	Mortality projected fully generational with Scale MP-2019
Healthcare trend rate	Non-Medicare-7.25% for 2021, decreasing to 4% for 2076 and later Medicare-6.3% for 2021, decreasing to 4% for 2076 and later

Discount Rate and Rate of Return

The discount rate used to measure the total OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that District contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total liability.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimate of real rates of return for each major asset class are summarized in the following table.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Expected Real Rate of Return</u>
Equities	59%	4.82%
Fixed income	25%	1.47%
TIPS	5%	1.29%
Commodities	3%	0.84%
REITs	8%	3.76%
Assumed long-term rate of inflation		2.75%
Expected long-term net rate of return, rounded		6.75%

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

Changes in the Net OPEB Liability

The changes in the Net OPEB Liability for the Plan are as follows:

	<u>Total OPEB Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net OPEB Liability/(Asset)</u>
Balance at June 30, 2019 ⁽¹⁾	\$ 413,731,677	180,788,860	232,942,817
Changes in the year:			
Service cost	9,666,245	-	9,666,245
Administrative expenses	-	(68,514)	68,514
Interest on the total OPEB liability	28,036,717	-	28,036,717
Difference between expected and actual experience	(37,226,926)	-	(37,226,926)
Changes in assumptions	(9,233,081)	-	(9,233,081)
Contributions-employer	-	25,681,125	(25,681,125)
Net investment income	-	11,739,879	(11,739,879)
Benefit payments, including refunds	(16,078,323)	(16,078,323)	-
Net Changes	<u>(24,835,368)</u>	<u>21,274,167</u>	<u>(46,109,535)</u>
Balance at June 30, 2020 ⁽²⁾	<u>\$ 388,896,309</u>	<u>202,063,027</u>	<u>186,833,282</u>

⁽¹⁾ Measurement date June 30, 2018

⁽²⁾ Measurement date June 30, 2019

Sensitivity of the OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the Districts calculated using the current discount rate, as well as what the Districts' net OPEB liability would be if it were calculated using a discount rate 1% lower or 1% higher than the current rate.

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
Discount Rate	5.75%	6.75%	7.75%
Net OPEB liability	\$ 241,411,288	186,833,282	142,113,281

Sensitivity of the OPEB Liability to Changes in the Healthcare Trend Rate

The healthcare trend rates used to calculate the total OPEB liability were 7.25% for Medicare and 6.3% for non-Medicare for 2021, with both decreasing to an ultimate rate of 4% in 2076. The following presents the net OPEB liability of the Districts calculated using the current healthcare trend rates, as well as what the Districts' net OPEB liability would be if it were calculated using a rate 1% lower or 1% higher than the current rate.

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
Net OPEB liability	\$ 138,058,193	186,833,282	247,365,922

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

OPEB Plan Fiduciary Net Position

Detailed information about each OPEB plan's fiduciary net position is available in the separately issued CalPERS financial reports.

OPEB Expenses and Deferred Outflow/Inflow of Resources

For the fiscal year ended June 30, 2020, the Districts recognized OPEB expense of \$15,945,266. At June 30, 2020, the Districts reported deferred outflow of resources and deferred inflow of resources related to OPEB from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
OPEB contributions subsequent to measurement date	\$ 25,308,182	-
Changes in assumptions	-	7,641,170
Difference between expected and actual experiences	-	30,808,490
Net difference between projected and actual OPEB plan investments	-	2,685,510
Total	\$ 25,308,182	41,135,170

Deferred outflow of resources of \$25,308,182 are related to contributions made subsequent to the measurement date that will be recognized as a reduction of the net OPEB liability in the fiscal year ended June 30, 2021. Other amounts reported as deferred inflow of resources related to OPEB will be an offset of OPEB expense as follows:

Year Ended June 30	OPEB Expense
2021	\$ (9,320,567)
2022	(9,321,567)
2023	(8,227,569)
2024	(7,857,195)
2025	(6,408,272)
Total	\$ (41,135,170)

(13) Employee Deferred Compensation Plan

All monthly and hourly employees are eligible to participate in the Sanitation Districts of Los Angeles County Deferred Compensation Plan (Plan). The Plan was created in accordance with Internal Revenue Code Section 457(b). Pursuant to the Plan guidelines, a portion of an employee's compensation can be deferred to provide funds upon retirement, termination, reaching age 70½, unforeseeable emergencies, or designated beneficiaries at the time of death. The annual IRS plan contribution limit for 2020 and 2021 is \$19,500.

At June 30, 2020, assets with a fair value of \$340,963,784 were held for the exclusive benefit of participants and their beneficiaries in the Plan's custodial accounts. Accordingly, such assets have been excluded from the accompanying basic financial statements.

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

(14) Compensated Absences

The changes to compensated absences balances at June 30, 2020, were as follows:

Balance at July 1, 2019	Earned	Taken	Balance at June 30, 2020	Due Within One Year
\$ 38,075,381	31,371,730	27,412,038	42,035,073	27,000,000

(15) Interdistrict Receivables, Payables, and Transfers

(A) Interdistrict Receivables and Payables

The interdistrict receivables and payables have been eliminated in the accompanying basic financial statements. The following summarizes interdistrict receivables and payables, which have been included in the Districts' combining financial statements, at June 30, 2020:

Receivable/(Payable) - Due To (From):	Payable/(Receivable) - Due From/(To) Service Operations for:					
	Advance Subsequent Month's Operations	Additional Liquidity (COVID Response)	Unsettled Salaries and Benefits	Advance for Equipment Purchases	Unsettled Payment Corrections	Total Due From
Sewerage Operations	\$ 15,050,618	16,944,480	(179,675)	2,800,000	(2,651,032)	31,964,391
Stormwater Operations	-	10,440	2,015	-	-	12,455
Solid Waste Facilities Operations	773,307	3,384,845	191,465	-	-	4,349,617
Trustee Solid Waste Facilities Operations:	454,075	1,709,035	(111,547)	-	-	2,051,563
Total Payable/(Receivable) from Service Operations	\$ 16,278,000	22,048,800	(97,742)	2,800,000	(2,651,032)	38,378,026

(B) Fund Transfers

The interdistrict fund transfers have been eliminated in the accompanying basic financial statements. Fund transfers are made to facilitate operations and fund capital improvements for shared operations. The following summarized interdistrict fund transfers, which have been included in the Districts' combining financial statements, at June 30, 2020:

Transfers Out:	Transfers In:		
	Sewerage Operations	Service Operations	Net Transfers Out
Sewerage Operations	\$ -	2,804,251	2,804,251
Stormwater Operations	5,600,000	-	5,600,000
Solid Waste Facilities Operations	-	456,965	456,965
Trustee Solid Waste Facilities Operations	-	249,918	249,918
Service Operations	-	-	-
Net Transfer In	\$ 5,600,000	3,511,134	9,111,134

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

(16) Commitments and Contingencies

(A) Palos Verdes Landfill

The Palos Verdes Landfill discontinued accepting refuse material in December 1980 and is being maintained by the Districts under the terms of the long-term agreement with the County of Los Angeles.

(B) Mission Canyon Landfill

The Joint Powers Agreement between the Districts and County of Los Angeles was amended to provide for the maintenance of the Mission Canyon Landfill. The amended agreement terminated the Districts' usufructuary rights to the landfill and the County has requested the Districts continue to perform ongoing operation and maintenance of the site at no cost to the Districts.

(C) Spadra Landfill

The Spadra Landfill discontinued accepting refuse material from the public in April 2000 and is being maintained by the Districts and the California State Polytechnic University, Pomona (Cal Poly), under the terms of the Spadra Landfill and Resource Conservation Agreement and Supplemental Agreement with Cal Poly. Pursuant to implementation of GASB 18, accrued liabilities for the cost of ultimate disposition have been established (see Note 18).

(D) Calabasas Landfill

In December 2005, the JPA was amended to provide financing for the ongoing operation of the Calabasas Landfill. The County of Los Angeles, through its Financing Authority, issued \$38.5 million of lease revenue bonds at coupon rates ranging from 3.5% to 4.25%. The proceeds from the bonds, maturing in 2022, are drawn down periodically by the Districts to fund future capital expenses at the landfill. Although landfill revenue in excess of operation and maintenance expenses has been pledged toward the debt repayment, the County has the sole responsibility for the bonded indebtedness, even if a shortfall in landfill revenue occurs. Because of this, the County assumed responsibility under the amended agreement for setting the tipping fees at the landfill. The Districts act solely as an advisor on the rates that would be necessary to generate sufficient revenue to pay for operation, maintenance, capital, and debt service.

(E) Construction in Progress

The Districts have been involved in various construction projects throughout the fiscal year. Accordingly, the Districts have several contractual commitments, since many of the projects are still in the construction phase. Construction projects are being funded by loans from the State Water Resources Control Board, revenue bonds, and Districts' operating funds.

(17) Joint Ventures

The Districts have entered into four agreements that formed the basis of the following authorities: (1) the Southern California Coastal Water Research Project Authority (SCCWRPA); (2) the Southeast Resource Recovery Facility Authority (SERRF); and (3) the Inland Empire Regional Composting Authority (IERCA). The governing bodies of these authorities are appointed pursuant to each of the

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

Joint Powers agreements. The budgeting and financing functions of SCCWRPA, SERRF, and IERCA are maintained by the individual authorities.

(A) SCCWRPA

The SCCWRPA's stated purpose is to increase the scientific knowledge of how treated wastewater discharges, stormwater discharges, and other human activities interact to affect Southern California's coastal aquatic ecological systems, and thereby to ensure protection of these resources. The boundaries of this SCCWRPA study area include the coastal waters from the Ventura-Santa Barbara County line to the Mexican border, extending to, but not limited to, the outer edge of the coastal shelf.

The current sponsoring participants in this agreement are the Los Angeles County Sanitation Districts, the City of Los Angeles, the Orange County Sanitation District, and the City of San Diego. A major portion of funding (\$2,400,000 in 2019-2020) is provided by the sponsoring agencies paying equal shares. Additional funding is provided by the County of Los Angeles, the County of Orange, the County of San Diego, and the County of Ventura. The Districts account for their contributions as operating expenses. Complete separate financial statements for SCCWRPA may be obtained at 3535 Harbor Blvd., Costa Mesa, California, 92626-1437.

(B) SERRF

The SERRF Authority was formed as a joint powers agency by an agreement between the Districts and the City of Long Beach (City). Subsequent to formation, lease revenue bonds were issued by the City to construct a waste-to-energy facility and to contract for the design, construction, and demonstration of such plant.

The City has contracted to lease the facility from the SERRF Authority for purposes of operating the facility. The City's lease payments to the SERRF Authority are sufficient to meet the SERRF Authority's debt service obligations on the bonds, plus pay the SERRF Authority's administrative and other costs. Lease overpayments, if any, are refunded to the City. The lease is to end when all bonds of the SERRF Authority have been retired or when the energy contract is terminated. The SERRF facility's operational revenues (i.e., tipping fees, sale of power) and expenses (i.e., labor) are accounted for in the City's Solid Waste Management Enterprise Fund.

The Districts account for this investment in SERRF using the cost method. The SERRF financial activity is included in the non-major proprietary fund titled *Solid Waste Management* in the financial statements of the City of Long Beach.

(C) IERCA

The Districts and the Inland Empire Utilities Agency (IEUA) entered into a Joint Powers Agreement to acquire a site or sites to be used for the composting of biosolids and to construct, operate, and maintain composting and ancillary facilities. The Districts and the IEUA jointly purchased a site located in the County of San Bernardino, prior to the formation of IERCA. The Districts and the IEUA maintain an equal ownership in IERCA. Because the Districts account for their investment in IERCA using the equity method, 50% of the gain/loss in the joint venture is reflected in the accompanying basic financial statements.

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

A summary of most recently available financial information of the above joint ventures are as follows (in thousands):

	IERCA 6/30/2020 Audited	SCCWRPA 6/30/2020 Audited	City of Long Beach Solid Waste Management (including SERRF) 9/30/2019 Audited
Total assets	\$ 84,581	6,059	50,208
Other liabilities	2,115	1,186	29,927
Bonds payable	-	-	-
Total liabilities	\$ 2,115	1,186	29,927
Districts' investment	39,752	-	-
Other	42,714	4,873	20,281
Total net position	\$ 82,466	4,873	20,281
Operating revenues	\$ 8,944	9,909	79,586
Operating expenses	(11,767)	(9,339)	(87,985)
Nonoperating revenues (expenses)	93	73	1,284
Capital contribution revenue (expense)	-	-	-
Transfers in/(out)	-	-	(1,032)
Change in net position	\$ (2,730)	643	(8,147)

(18) Landfill Closure and Postclosure Care

At June 30, 2020, the Districts reported a closure and postclosure care liability of \$462,719,050, which represents the cumulative amount reported to date based on the use of estimated capacity of the landfill sites as follows:

	Estimated Remaining Closure/ Postclosure Costs	Total Estimated Capacity (Tons in Millions)	Percentage of Capacity Used to Date	Closure/ Postclosure Liability Balance at July 1, 2019	Change in Estimated Closure/ Postclosure Cost	Closure/ Postclosure Costs Applied to Liability	Closure/ Postclosure Liability Balance at June 30, 2020
Landfills							
Trustee Landfills							
Calabasas	\$ 88,478,756	30.70	88.93	74,174,417	4,505,389	-	78,679,806
Scholl Canyon	12,484,747	33.80	93.79	11,139,191	569,877	-	11,709,068
Total Trustee Landfills	<u>100,963,503</u>			<u>85,313,608</u>	<u>5,075,266</u>	<u>-</u>	<u>90,388,874</u>
Districts' Landfills							
Puente Hills	318,326,236	142.05	100.00	185,886,726	140,186,699	(7,747,189)	318,326,236
Spadra	54,003,940	17.19	100.00	42,068,074	14,566,370	(2,630,504)	54,003,940
Total Districts' Landfills	<u>372,330,176</u>			<u>227,954,800</u>	<u>154,753,069</u>	<u>(10,377,693)</u>	<u>372,330,176</u>
Total all sites	\$ <u>473,293,679</u>			<u>313,268,408</u>	<u>159,828,335</u>	<u>(10,377,693)</u>	<u>462,719,050</u>

The remaining estimated cost of closure and postclosure costs for Calabasas and Scholl Canyon landfills will be recognized as the remaining estimated capacity is filled. These amounts represent what it would cost to perform all closure and postclosure care as of June 30, 2020. Actual costs may be higher due to inflation, changes in technology, or changes in regulation. The current liability due within one year is \$3,530,000 for Spadra, and \$10,730,000 for Puente Hills. The Palos Verdes landfill has been

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

closed since 1980. The County of Los Angeles is responsible for the site post closure care and has contracted with the Districts' to perform these services at no cost to the Districts.

The Districts are required by federal and state laws, regulations, and agreements with the County of Los Angeles to make annual contributions to finance future closure and postclosure care. The Districts have complied with these requirements, and at June 30, 2020, contributions of approximately \$416 million are held in restricted funds for these purposes. The Districts expect that future inflation costs will be paid from interest earnings on these annual contributions. However, if interest earnings are inadequate or additional postclosure care requirements are determined these costs may need to be covered by charges to future landfill users or by contributions from Districts that are participants in the Sanitation Districts Solid Waste Management System Agreement or the Los Angeles County Refuse Disposal Trust Agreement. Scholl Canyon landfill and Calabasas landfill are scheduled to close in 2024 and 2031 respectively.

(19) Environmental Liabilities

The Districts purchased the Fletcher Oil and Refining Company (FORCO) property, located adjacent to the Joint Water Pollution Control Plant, in June 2000. Under the purchase agreement, Street Environmental, LLC (Street), was required to complete demolition of the refinery structures and storage tanks on the site, remediate the environmental conditions on the property, and obtain regulatory closure as an industrial site. However, due to Street's failure to complete the required work, the Districts assumed control of all site work beginning in January 2010. The changes in liabilities for pollution remediation during the fiscal year are as follows:

	Balance at June 30, 2019	Additions or Adjustments	Payments Current Year	Balance at June 30, 2020	Due Within One Year
\$	20,000,000	121,704	(121,704)	20,000,000	1,000,000

During fiscal year 2019-2020, the Districts were able to complete remediation efforts for the surface soils (the first 30 feet) and obtain regulatory closure from the Los Angeles Regional Water Quality Control Board (RWQCB). This accomplishment will allow for future development of the property. Additional work is required to remediate the deeper soils and groundwater and to monitor the site for an additional three-year period and return the land to productive use. The pollution remediation obligation is an estimate and subject to change over time due to changes in costs of goods and services, potential difficulties in obtaining regulatory closure, performance of the remediation technology, or changes in laws or regulations governing the remediation efforts.

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

(20) Prior-Period Adjustment

Adjustments and corrections to previously reported financial activities are recorded as prior-period adjustments. Several Districts have restated their net positions for the fiscal year ended June 30, 2019, from amounts previously reported as detailed below:

Increase/ (Decrease) in Net Position	Prior-Period Adjustment
\$ (38,599,931)	Contractual obligations with the County of Los Angeles require the Districts to set aside funds for the future development of recreational areas subsequent to the closure of the Puente Hills and Scholl Canyon landfills. While these development funds have been accumulating in restricted funds as required, the net position has been restated to reflect the Districts' associated liabilities.
750,169	Correction to previously recognized prior period adjustment to reflect construction retention adjustments as capital expenses.
<u>\$ (37,849,762)</u>	

(21) Risks and Uncertainties

The World Health Organization has declared the outbreak of Novel Coronavirus (COVID-19) as a “Public Health Emergency of International Concern,” which continues to spread throughout the world and has adversely impacted global commercial activity and contributed to significant declines and volatility in financial markets. The COVID-19 outbreak and government responses are creating disruption in global supply chains and adversely impacting many industries. COVID-19 could have a continued material adverse impact on economic and market conditions and trigger a period of global economic slowdown. The rapid development and fluidity of this situation precludes any prediction as to the ultimate material adverse impact. Nonetheless, the outbreak presents uncertainty and risk with respect to the Districts’ performance and financial results.

(22) Subsequent Event

On October 1, 2020, the Districts defeased all outstanding balances of the 2011 Series A Ad Valorem Obligation Bonds and 2013 Series A Ad Valorem Obligation Bonds. The aggregate principal amount defeased was \$24,680,000.

LOS ANGELES COUNTY SANITATION DISTRICTS

Required Supplemental Disclosure

June 30, 2020

Schedule of Changes in Net Pension Liability and Related Ratios During the Measurement Period-Last 10 Years ⁽¹⁾

Measurement Period	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Total Pension Liability						
Service Cost	\$ 24,608,396	24,400,248	24,204,172	21,537,967	22,319,935	23,304,566
Interest	123,796,546	119,153,767	116,478,910	114,458,616	110,522,731	105,962,106
Changes in Benefit Terms	-	-	-	-	-	-
Difference Between Expected and Actual Experience	2,860,402	(16,743,416)	(30,829,545)	(15,215,092)	(10,061,243)	-
Changes in Assumptions	-	(10,317,430)	97,543,167	-	(27,590,677)	-
Benefits Payments, Including Refunds of Employee Contributions	(84,454,739)	(78,714,273)	(73,905,142)	(68,412,261)	(63,161,978)	(55,255,873)
Net Changes in Total Pension Liability	66,810,605	37,778,896	133,491,562	52,369,230	32,028,768	74,010,799
Total Pension Liability, Beginning	1,758,482,994	1,720,704,098	1,587,212,536	1,534,843,306	1,502,814,538	1,428,803,739
Total Pension Liability, Ending (a)	\$ 1,825,293,599	1,758,482,994	1,720,704,098	1,587,212,536	1,534,843,306	1,502,814,538
Plan Fiduciary Net Position						
Contribution-Employer	\$ 34,883,099	29,347,050	26,848,459	24,285,923	21,082,283	20,091,038
Contribution-Employee	11,327,002	11,175,795	11,300,541	11,387,270	11,456,578	12,344,493
Net Investment Income	89,308,730	109,161,181	134,988,348	6,422,215	28,129,212	187,477,208
Administrative Expenses	(976,802)	(2,031,552)	(1,780,853)	(751,740)	(1,381,953)	-
Benefits Payments, Including Refunds of Employee Contributions	(84,454,739)	(78,714,273)	(73,905,142)	(68,412,261)	(63,161,978)	(55,255,873)
Other Changes in Fiduciary Net Position	3,185	(3,861,137)	-	-	-	-
Net Changes in Fiduciary Net Position	50,090,475	65,077,064	97,451,353	(27,068,593)	(3,875,858)	164,656,866
Plan Fiduciary Net Position, Beginning	1,368,795,296	1,303,718,232	1,206,266,879	1,233,335,472	1,237,211,330	1,072,554,464
Plan Fiduciary Net Position, Ending (b)	\$ 1,418,885,771	1,368,795,296	1,303,718,232	1,206,266,879	1,233,335,472	1,237,211,330
Plan Net Pension Liability/(Asset)-Ending (a)-(b)	\$ 406,407,828	389,687,698	416,985,866	380,945,657	301,507,834	265,603,208
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.73%	77.84%	75.77%	76.00%	80.36%	82.33%
Covered Payroll	160,624,258	160,665,356	160,696,932	161,103,800	166,392,842	167,309,687
Plan Net Pension Liability/(Asset) as a Percentage of Covered Payroll	253.02%	242.55%	259.49%	236.46%	181.20%	158.75%

⁽¹⁾ The intent is to display information for the previous ten years. Additional years' information will be displayed as it becomes available.

LOS ANGELES COUNTY SANITATION DISTRICTS

Required Supplemental Disclosure, Continued

Notes to Schedule

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2018, valuation date.

Assumption Changes: None in 2019. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Assumptions December 2017. There were no changes in the discount rate. In 2017, the discount rate was reduced from 7.65% to 7.15%. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5% (net of administrative expense) to 7.65% (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on a 7.5% discount rate.

Schedule of Plan Contributions ⁽¹⁾

	<u>2019-2020</u>	<u>2018-2019</u>	<u>2017-2018</u>	<u>2016-2017</u>	<u>2015-2016</u>	<u>2014-2015</u>	<u>2013-2014</u>
Actuarially Determined Contribution	\$ 40,465,086	34,883,099	29,347,050	26,848,459	24,285,923	21,082,283	20,091,038
Contributions in Relation to the Actuarially Determined Contribution	<u>(40,465,086)</u>	<u>(34,883,099)</u>	<u>(29,387,862)</u>	<u>(26,848,459)</u>	<u>(24,285,923)</u>	<u>(21,082,283)</u>	<u>(20,091,038)</u>
Contributions Deficiency (Excess)	<u>\$ -</u>	<u>-</u>	<u>(40,812)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered Payroll	\$ 170,881,958	160,624,258	160,665,356	160,696,932	161,103,800	166,392,842	167,309,687
Contributions as a Percentage of Covered Payroll	23.68%	21.72%	18.27%	16.71%	15.07%	12.67%	12.01%

⁽¹⁾ The intent is to display information for the previous ten years. Additional years' information will be displayed as it becomes available.

LOS ANGELES COUNTY SANITATION DISTRICTS

Required Supplemental Disclosure, Continued

Notes to Schedule

The actuarial methods and assumptions used to set the actuarially determined contribution for fiscal year 2019-2020 were from the June 30, 2018, funding valuation report.

Actuarial Cost Method	Entry Age Normal
Amortization Method/Period	For details, see June 30, 2016 Funding Valuation Report
Asset Valuation Method	Fair value of assets. For details, see June 30, 2016 Funding Valuation Report.
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	3.00%
Investment Rate of Return	7.375% Net of Pension Plan Investment and Administrative Expenses; includes Inflation.
Retirement Age	The probabilities of retirement are based on the 2014 CalPERS Experience Study for the period from 1997-2011.
Mortality	The probabilities of mortality are based on the 2014 CalPERS Experience Study for the period from 1997-2011. Pre-retirement and Post-retirement mortality rates include 20 years of projected mortality improvement using Scale BB published by the Society of Actuaries.

LOS ANGELES COUNTY SANITATION DISTRICTS

Required Supplemental Disclosure, Continued

Schedule of Changes in Net Other Postemployment Benefits Liability and Related Ratios During the Measurement Period-Last 10 Years ⁽¹⁾

Measurement Period	2018-2019	2017-2018	2016-2017
Total OPEB Liability			
Service Cost	\$ 9,666,245	9,384,704	9,112,000
Interest	28,036,717	26,652,278	25,347,000
Difference Between Expected and Actual Experience	(37,226,926)	-	-
Changes in Assumptions	(9,233,081)	-	-
Benefits Payments, Including Refunds of Employee Contributions	(16,078,323)	(15,538,305)	(15,240,000)
Net Changes in Total OPEB Liability	(24,835,368)	20,498,677	19,219,000
Total OPEB Liability, Beginning	413,731,677	393,233,000	374,014,000
Total OPEB Liability, Ending (a)	\$ 388,896,309	413,731,677	393,233,000
Plan Fiduciary Net Position			
Contribution-Employer	\$ 25,681,125	21,766,305	22,344,000
Contribution-Employee	-	-	-
Net Investment Income	11,739,879	12,939,641	15,137,000
Administrative Expenses	(68,514)	(301,781)	(77,000)
Benefits Payments, Including Refunds of Employee Contributions	(16,078,323)	(15,538,305)	(15,240,000)
Other Changes in Fiduciary Net Position	-	-	-
Net Changes in Fiduciary Net Position	21,274,167	18,865,860	22,164,000
Plan Fiduciary Net Position, Beginning	180,788,860	161,923,000	139,759,000
Plan Fiduciary Net Position, Ending (b)	\$ 202,063,027	180,788,860	161,923,000
Plan Net OPEB Liability/(Asset)-Ending (a)-(b)	\$ 186,833,282	232,942,817	231,310,000
Plan Fiduciary Net Position as a Percentage of the			
Total OPEB Liability	51.96%	43.70%	41.18%
Covered Payroll	\$ 160,624,258	160,665,356	160,696,932
Plan Net OPEB Liability/(Asset) as a Percentage of			
Covered Payroll	116.32%	144.99%	143.94%

⁽¹⁾ The intent is to display information for the previous ten years. Additional years' information will be displayed as it becomes available.

LOS ANGELES COUNTY SANITATION DISTRICTS

Required Supplemental Disclosure, Continued

Schedule of Other Postemployment Benefits Contributions

	2019-20	2018-2019	2017-2018
Actuarially Determined Contribution	\$ 27,380,000	25,681,125	21,766,000
Contributions in Relation to the Actuarially Determined Contribution	(25,308,182)	(25,681,125)	(21,766,000)
Contributions Deficiency (Excess)	\$ 2,071,818	-	-
Covered Payroll	170,881,958	160,624,258	160,665,356
Contributions as a Percentage of Covered Payroll	16.02%	15.99%	13.55%

⁽¹⁾ The intent is to display information for the previous ten years. Additional years' information will be displayed as it becomes available.

Notes to Schedule

Actuarial Cost Method	Entry Age Normal
Amortization Method/Period	Level percentage of payroll over 19-year fixed period for 2019-2020.
Asset Valuation Method	Investment gains and losses spread over a 5-year rolling period.
Inflation	2.75%
Salary Increases	3.00%
Investment Rate of Return	6.75% at 6/30/2018, net of investment expenses
Retirement Age	The probabilities of retirement are based on the CalPERS Experience Study for the period from 1997-2015.
Mortality	The probabilities of mortality are based on the CalPERS Experience Study for the period from 1997-2015, with mortality improvements based on MP-2019 scale.

Exhibit D-1
LOS ANGELES COUNTY SANITATION DISTRICTS
Combining Schedule of Net Position
June 30, 2020

Assets	Sewerage Operations	Stormwater Operations	Solid Waste Facilities Operations	Trustee Solid Waste Facilities Operations	Service Operations	Total
Current assets:						
Unrestricted cash and cash equivalents:						
Cash in bank	\$ -	-	1,703,768	1,172,218	33,647,728	36,523,714
Cash on hand	-	-	23,189	10,976	12,417	46,582
Cash and cash equivalents	<u>382,867,963</u>	<u>1,159,910</u>	<u>48,793,084</u>	<u>55,476,852</u>	<u>16,199,984</u>	<u>504,497,793</u>
Total unrestricted cash and cash equivalents	<u>382,867,963</u>	<u>1,159,910</u>	<u>50,520,041</u>	<u>56,660,046</u>	<u>49,860,129</u>	<u>541,068,089</u>
Receivables:						
Accounts, net	21,772,116	230,832	11,169,740	3,464,363	172,598	36,809,649
Due from other funds (1)	57,341,127	12,455	4,349,617	2,051,563	214,159	63,968,921
Interest	4,517,469	34,591	2,778,600	315,411	366,287	8,012,358
Service charges	17,187,555	-	-	-	-	17,187,555
Taxes	<u>6,284,460</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,284,460</u>
Total receivables	<u>107,102,727</u>	<u>277,878</u>	<u>18,297,957</u>	<u>5,831,337</u>	<u>753,044</u>	<u>132,262,943</u>
Inventory	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,097,550</u>	<u>22,097,550</u>
Restricted/designated cash and investments:						
Cash and cash equivalents	663,734,660	-	212,388,048	14,603,971	39,629,786	930,356,465
Specific investments	433,088,851	-	417,993,981	62,085,806	12,946,267	926,114,905
Bond proceeds with Trustee:						
Cash and cash equivalents	<u>7,372</u>	<u>-</u>	<u>233</u>	<u>-</u>	<u>-</u>	<u>7,605</u>
Total restricted/designated cash and investments	<u>1,096,830,883</u>	<u>-</u>	<u>630,382,262</u>	<u>76,689,777</u>	<u>52,576,053</u>	<u>1,856,478,975</u>
Other specific investments	<u>41,620,498</u>	<u>-</u>	<u>-</u>	<u>14,517,019</u>	<u>10,479,085</u>	<u>66,616,602</u>
Total current assets	<u>1,628,422,071</u>	<u>1,437,788</u>	<u>699,200,260</u>	<u>153,698,179</u>	<u>135,765,861</u>	<u>2,618,524,159</u>
Investment in joint ventures	39,752,680	-	-	-	-	39,752,680
Other assets	(1,393)	-	8,512	4	40,408	47,531
Capital assets:						
Buildings & equipment	-	-	18,543,736	-	69,690,699	88,234,435
Improvements	-	-	369,175,845	177,119,735	-	546,295,580
Disposal rights	94,273,627	-	-	-	-	94,273,627
Equipment pool	-	-	-	22,335,665	52,884,528	75,220,193
Gas-to-energy facilities	-	-	200,591,201	16,557,233	-	217,148,434
Rail facilities	-	-	110,371,912	-	-	110,371,912
Recycling and transfer facilities	-	-	74,399,560	-	-	74,399,560
Treatment plants	2,125,389,463	-	-	-	-	2,125,389,463
Trunk lines	1,465,109,550	-	-	-	-	1,465,109,550
Use rights	770,580	-	64,003,525	5,005,531	-	69,779,636
Composting facilities	123,415,923	-	-	-	-	123,415,923
Other capital assets	16,415,938	-	614,478	-	35,858,837	52,889,253
Construction in progress	363,125,251	-	178,088,698	1,568,844	3,559,094	546,341,887
Land	159,830,041	-	54,884,982	5,482,200	592,901	220,790,124
Accumulated depreciation & amortization	<u>(1,535,829,657)</u>	<u>-</u>	<u>(484,175,283)</u>	<u>(188,090,948)</u>	<u>(80,684,355)</u>	<u>(2,288,780,243)</u>
Net capital assets	<u>2,812,500,716</u>	<u>-</u>	<u>586,498,654</u>	<u>39,978,260</u>	<u>81,901,704</u>	<u>3,520,879,334</u>
Total assets	<u>\$ 4,480,674,074</u>	<u>1,437,788</u>	<u>1,285,707,426</u>	<u>193,676,443</u>	<u>217,707,973</u>	<u>6,179,203,704</u>
Deferred Outflow of Resources						
Deferred loss on refunding	\$ 7,114,314	-	-	-	-	7,114,314
Deferred pension contribution	40,946,815	-	6,553,014	3,153,683	21,496,562	72,150,074
Other postemployment benefit deferral	<u>13,600,985</u>	<u>-</u>	<u>2,690,076</u>	<u>1,376,072</u>	<u>7,641,049</u>	<u>25,308,182</u>
Total deferred outflow of resources	<u>\$ 61,662,114</u>	<u>-</u>	<u>9,243,090</u>	<u>4,529,755</u>	<u>29,137,611</u>	<u>104,572,570</u>

(1) The interdistrict receivables and payables have been eliminated in the accompanying basic financial statements.

(Continued on following page)

Exhibit D-1-2
LOS ANGELES COUNTY SANITATION DISTRICTS
Combining Schedule of Net Position
June 30, 2020

Liabilities	Sewerage Operations	Stormwater Operations	Solid Waste Facilities Operations	Trustee Solid Waste Facilities Operations	Service Operations	Total
Current liabilities:						
Accounts payable	\$ 36,074,230	45,121	6,700,349	6,916,334	13,474,317	63,210,351
Accrued employee absences	-	-	-	-	27,000,000	27,000,000
Amounts held for others	2,000,818	74,232	-	-	7,898,587	9,973,637
Bonds payable	37,930,000	-	1,404,400	-	-	39,334,400
Claims liabilities	-	-	-	-	2,376,278	2,376,278
Due to other funds (1)	25,376,736	-	-	-	38,592,185	63,968,921
Estimated liability for closure/postclosure care	-	-	14,260,000	-	-	14,260,000
Estimated liability for pollution remediation	1,000,000	-	-	-	-	1,000,000
Interest payable	6,710,450	-	1,658	-	-	6,712,108
Loans payable to State of California	31,445,792	-	-	-	-	31,445,792
Other	147,978	-	(48,815)	(7,012)	355,765	447,916
Total current liabilities	<u>140,686,004</u>	<u>119,353</u>	<u>22,317,592</u>	<u>6,909,322</u>	<u>89,697,132</u>	<u>259,729,403</u>
Long-term liabilities:						
Accrued employee absences	-	-	-	-	15,035,073	15,035,073
Bonds payable, net	340,774,359	-	1,404,398	-	-	342,178,757
Claims liabilities	-	-	-	-	7,047,698	7,047,698
Contractual obligations to other governments	-	-	37,579,055	1,115,830	-	38,694,885
Estimated liability for closure and postclosure care	-	-	358,070,176	90,388,874	-	448,459,050
Estimated liability for pollution remediation	19,000,000	-	-	-	-	19,000,000
Loans payable to State of California	220,350,181	-	-	-	-	220,350,181
Other postemployment benefits liability	104,050,976	-	18,092,559	9,124,006	55,565,741	186,833,282
Pension liability	224,819,371	-	35,576,144	20,173,492	125,838,821	406,407,828
Total long-term liabilities	<u>908,994,887</u>	<u>-</u>	<u>450,722,332</u>	<u>120,802,202</u>	<u>203,487,333</u>	<u>1,684,006,754</u>
Total liabilities	<u>\$ 1,049,680,891</u>	<u>119,353</u>	<u>473,039,924</u>	<u>127,711,524</u>	<u>293,184,465</u>	<u>1,943,736,157</u>
Deferred Inflow of Resources						
Other postemployment benefits deferrals	\$ 20,998,825	-	3,473,601	2,497,861	14,164,883	41,135,170
Pension deferrals	18,509,993	-	3,159,217	1,513,761	9,398,565	32,581,536
Total deferred inflow of resources	<u>\$ 39,508,818</u>	<u>-</u>	<u>6,632,818</u>	<u>4,011,622</u>	<u>23,563,448</u>	<u>73,716,706</u>
Net Position						
Net position:						
Net investment in capital assets	\$ 2,189,114,698	-	583,689,856	39,978,260	81,901,704	2,894,684,518
Restricted for capital projects	271,490,000	-	18,955,972	1,424,747	-	291,870,719
Restricted for closure/postclosure maintenance	-	-	22,401,667	27,211,643	-	49,613,310
Unrestricted	992,541,781	1,318,435	190,230,279	(2,131,598)	(151,804,033)	1,030,154,864
Total net position	<u>\$ 3,453,146,479</u>	<u>1,318,435</u>	<u>815,277,774</u>	<u>66,483,052</u>	<u>(69,902,329)</u>	<u>4,266,323,411</u>

(1) The interdistrict receivables and payables have been eliminated in the accompanying basic financial statements.

Exhibit D-2
LOS ANGELES COUNTY SANITATION DISTRICTS
Combining Schedule of Revenues, Expenses,
and Changes in Net Position
Fiscal year ended June 30, 2020

	Sewerage Operations	Stormwater Operations	Solid Waste Facilities Operations	Trustee Solid Waste Facilities Operations	Service Operations	Total
Operating revenues:						
Commodities	\$ 61,902	-	1,050,229	6,644	9	1,118,784
Contract revenue	17,864,877	952,313	2,489,471	1,429,885	24,610	22,761,156
Equipment pool (1)	-	-	-	5,856,508	10,817,860	16,674,368
Industrial waste surcharge	72,938,213	-	-	-	-	72,938,213
Internal services revenue (1)	155,656,433	-	-	-	115,833,081	271,489,514
Refuse/food waste tipping fees	988,177	-	68,591,911	56,009,204	-	125,589,292
Sale of energy	802,911	-	19,898,813	-	13,724	20,715,448
Service charges	389,832,660	-	-	-	-	389,832,660
Other	276,296	-	100,352	1,585	438,214	816,447
Total operating revenues	638,421,469	952,313	92,130,776	63,303,826	127,127,498	921,935,882
Operating expenses:						
Chemicals	38,542,244	-	175,279	28,139	10,249	38,755,911
Collection charges	1,327,118	-	-	-	-	1,327,118
Depreciation/amortization	82,500,580	-	8,233,694	4,232,729	7,721,580	102,688,583
Equipment and vehicle rentals (1)	5,905,317	-	3,425,115	6,253,343	1,090,593	16,674,368
Insurance and claims	(5,609,914)	-	(2,598,188)	(612,439)	10,541,628	1,721,087
Internal administrative costs (1)	257,897,605	-	8,569,592	5,022,317	-	271,489,514
Landfill closure and postclosure costs	-	-	154,753,069	5,075,266	-	159,828,335
Materials and supplies	14,189,334	-	3,649,816	1,857,974	9,370,044	29,067,168
Operations, repairs, and maintenance	3,984,439	-	3,155,653	9,189,628	6,773,348	23,103,068
Pollution remediation costs	121,704	-	-	-	-	121,704
Salaries and benefits	125,226,449	112,464	21,810,055	16,961,452	99,633,369	263,743,789
Services	42,311,543	892,950	44,378,731	8,683,790	7,791,395	104,058,409
Tonnage	-	-	-	5,162,757	-	5,162,757
Utilities	17,861,635	-	1,081,041	1,169,966	1,247,738	21,360,380
Total operating expenses	584,258,054	1,005,414	246,633,857	63,024,922	144,179,944	1,039,102,191
Operating income (loss)	54,163,415	(53,101)	(154,503,081)	278,904	(17,052,446)	(117,166,309)
Nonoperating revenues (expenses):						
Interest revenue	26,909,377	74,907	12,414,047	2,331,540	1,838,557	43,568,428
Investment in joint ventures	(1,364,821)	-	-	-	3,544	(1,361,277)
Property taxes	88,364,794	-	-	-	-	88,364,794
Amortization of bond premium	4,830,168	-	-	-	-	4,830,168
Amortization of deferred loss on refunding	(1,993,016)	-	-	-	-	(1,993,016)
Interest expense	(23,644,962)	-	(43,058)	-	-	(23,688,020)
Gain (loss) on sale of equipment/assets	(6,059,684)	-	(202,712)	344,358	218,774	(5,699,264)
Other nonoperating revenue	1,089,239	-	1,806,004	1,096,043	197,416	4,188,702
Tax and assessment expense	(2,969,093)	-	(3,023,230)	(4,592,225)	(168,091)	(10,752,639)
Unrealized gain on investments	9,926,550	-	8,857,755	1,327,621	506,301	20,618,227
Net nonoperating revenues	95,088,552	74,907	19,808,806	507,337	2,596,501	118,076,103
Income (loss) before capital contribution revenue and transfers	149,251,967	21,806	(134,694,275)	786,241	(14,455,945)	909,794
Capital contribution revenue:						
Connection fees	33,465,825	-	-	-	-	33,465,825
Federal capital grants	8,976,236	-	1,451,215	-	-	10,427,451
Transfers in	209,137,055	-	316,341,121	17,059,823	3,690,219	546,228,218
Transfers out	(206,341,306)	(5,600,000)	(316,798,086)	(17,309,741)	(179,085)	(546,228,218)
Change in net position	194,489,777	(5,578,194)	(133,700,025)	536,323	(10,944,811)	44,803,070
Total net position, July 1, 2019, as previously stated	3,257,906,533	6,896,629	985,853,865	67,670,594	(58,957,518)	4,259,370,103
Prior-period adjustments	750,169	-	(36,876,066)	(1,723,865)	-	(37,849,762)
Total net position, July 1, 2019, as restated	3,258,656,702	6,896,629	948,977,799	65,946,729	(58,957,518)	4,221,520,341
Total net position, June 30, 2020	\$ 3,453,146,479	1,318,435	815,277,774	66,483,052	(69,902,329)	4,266,323,411

(1) The interdistrict revenues and expenses have been eliminated in the accompanying basic financial statements.

Exhibit D-3
LOS ANGELES COUNTY SANITATION DISTRICTS
Combining Schedule of Cash Flows
Fiscal year ended June 30, 2020

	Sewerage Operations	Stormwater Operations	Solid Waste Facilities Operations	Trustee Solid Waste Facilities Operations	Service Operations	Total
Cash flows from operating activities:						
Receipts from customers and users	\$ 490,532,086	914,930	90,233,737	60,422,191	177,976	642,280,920
Receipts for internal services (1)	155,656,433	-	-	-	115,408,081	271,064,514
Receipts for equipment rental (1)	-	-	-	5,856,508	10,817,860	16,674,368
Payments to suppliers	(116,617,120)	(878,624)	(55,348,456)	(24,494,793)	(25,057,733)	(222,396,726)
Payments for salaries/benefits	(119,715,597)	(131,662)	(20,995,823)	(16,461,470)	(93,302,545)	(250,607,097)
Payments applied to closure/postclosure liability	-	-	(10,377,874)	-	-	(10,377,874)
Payment for equipment rental (1)	(5,905,317)	-	(3,425,115)	(6,253,343)	(1,090,593)	(16,674,368)
Payment for internal administrative costs (1)	(257,897,605)	-	(8,144,592)	(5,022,317)	-	(271,064,514)
Net cash provided (used) by operating activities	<u>146,052,880</u>	<u>(95,356)</u>	<u>(8,058,123)</u>	<u>14,046,776</u>	<u>6,953,046</u>	<u>158,899,223</u>
Cash flows from noncapital financing activities:						
Receipts from property taxes	86,944,935	-	-	-	-	86,944,935
Payments for tax and assessment	(2,969,093)	-	(2,985,755)	(5,750,378)	(168,065)	(11,873,291)
Transfers from other funds	185,204,521	-	7,178,822	-	20,464,954	212,848,297
Transfers to other funds	(192,795,770)	(5,606,000)	(9,071,609)	(1,095,918)	(4,279,000)	(212,848,297)
Net cash provided (used) by noncapital financing activities	<u>76,384,593</u>	<u>(5,606,000)</u>	<u>(4,878,542)</u>	<u>(6,846,296)</u>	<u>16,017,889</u>	<u>75,071,644</u>
Cash flows from capital and related financing activities:						
Borrowings on loans	4,971,751	-	-	-	-	4,971,751
Purchases of capital assets	(180,374,789)	-	(12,470,575)	(7,678,852)	(10,536,124)	(211,060,340)
Connection fees proceeds	33,465,825	-	-	-	-	33,465,825
Grant proceeds	8,976,236	-	1,451,215	-	-	10,427,451
Interest paid on capital-related debt	(21,766,226)	-	(43,887)	-	-	(21,810,113)
Principal payments on bonds	(36,160,000)	-	(1,404,400)	-	-	(37,564,400)
Principal payments on loans	(31,597,610)	-	-	-	-	(31,597,610)
Proceeds from sale of assets/equipment	-	-	64,055	348,858	810,075	1,222,988
Receipts from joint venture	-	-	11,680,000	-	-	11,680,000
Net cash used by capital and related financing activities	<u>(222,484,813)</u>	<u>-</u>	<u>(723,592)</u>	<u>(7,329,994)</u>	<u>(9,726,049)</u>	<u>(240,264,448)</u>
Cash flows from investing activities:						
Interest received	26,951,902	105,822	12,896,086	2,550,378	1,677,961	44,182,149
Purchases of investments	(464,942,246)	-	(295,679,980)	(89,167,997)	(17,971,087)	(867,761,310)
Proceeds from maturities of investments	697,650,816	-	426,743,341	100,486,026	21,839,131	1,246,719,314
Net cash provided by investing activities	<u>259,660,472</u>	<u>105,822</u>	<u>143,959,447</u>	<u>13,868,407</u>	<u>5,546,005</u>	<u>423,140,153</u>
Net increase (decrease) in cash and cash equivalents	259,613,132	(5,595,534)	130,299,190	13,738,893	18,790,891	416,846,572
Cash and cash equivalents at beginning of fiscal year	786,996,863	6,755,444	132,609,132	57,525,124	70,699,024	1,054,585,587
Cash and cash equivalents at end of fiscal year	<u>\$ 1,046,609,995</u>	<u>1,159,910</u>	<u>262,908,322</u>	<u>71,264,017</u>	<u>89,489,915</u>	<u>1,471,432,159</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
Operating income (loss)	\$ 54,163,415	(53,101)	(154,503,081)	278,904	(17,052,446)	(117,166,309)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation and amortization	82,500,580	-	8,233,694	4,232,729	7,721,580	102,688,583
Landfill closure and postclosure costs	-	-	154,753,069	5,075,266	-	159,828,335
Nonoperating revenue	-	-	-	1,096,086	-	1,096,086
Decrease (increase) in accounts receivable	7,338,919	(107,383)	(147,400)	1,891,538	150,342	9,126,016
Increase in service charge receivable	(2,310,191)	-	-	-	-	(2,310,191)
Increase in inventory	-	-	-	-	(1,254,152)	(1,254,152)
Decrease in deferred outflow of resources	9,475,128	-	1,524,161	1,151,112	6,536,812	18,687,213
Increase (decrease) in accounts payable	3,448,920	45,095	(4,746,287)	1,993,959	(825,829)	(84,142)
Increase in accrued employee absences	-	-	-	-	3,959,692	3,959,692
Decrease in estimated liability for closure and postclosure costs	-	-	(10,377,874)	-	-	(10,377,874)
Increase (decrease) in claims liabilities	(6,783,015)	-	(2,479,217)	(651,794)	8,945,339	(968,687)
Decrease in contractual obligations	-	-	-	(641,134)	-	(641,134)
Increase in estimated pollution remediation	116,924	-	-	-	-	116,924
Decrease in other postemployment benefits liability	(23,379,286)	-	(3,760,772)	(2,840,297)	(16,129,180)	(46,109,535)
Increase in pension liability	8,477,741	-	1,363,723	1,029,941	5,848,725	16,720,130
Increase in amounts held for others	2,000,000	39,232	-	-	768,070	2,807,302
Increase (decrease) in other liabilities	1,499	-	419	(7,709)	(127,151)	(132,942)
Increase (decrease) in due to/from other funds	(615,982)	(19,199)	212,546	26,702	395,933	-
Increase in deferred inflow of resources	11,618,228	-	1,868,896	1,411,473	8,015,311	22,913,908
Net cash provided (used) by operating activities	<u>\$ 146,052,880</u>	<u>(95,356)</u>	<u>(8,058,123)</u>	<u>14,046,776</u>	<u>6,953,046</u>	<u>158,899,223</u>
Schedule of noncash investing activities:						
Unrealized gain on fair value of investments	\$ 9,926,550	-	8,857,755	1,327,621	506,301	20,618,227
Amortization of investment premium (discount)	3,583,619	-	37,639	38,551	(7,372)	3,652,437
Investment in joint ventures	(1,364,821)	-	-	-	-	(1,364,821)

(1) The interdistrict receipts and payments have been eliminated in the accompanying basic financial statements.

Exhibit E-1
LOS ANGELES COUNTY SANITATION DISTRICTS
Sewerage Operations
Combining Schedule of Net Position
June 30, 2020

Assets	Districts								
	No. 1	No. 2	No. 3	No. 4	No. 5	No. 8	No. 9	No. 14	No. 15
Current assets:									
Unrestricted cash and cash equivalents:									
Cash and cash equivalents	\$ 29,946,900	37,229,169	24,491,760	3,619,790	37,934,299	10,175,167	200,925	26,244,268	32,660,153
Total unrestricted cash and cash equivalents	29,946,900	37,229,169	24,491,760	3,619,790	37,934,299	10,175,167	200,925	26,244,268	32,660,153
Receivables:									
Accounts	2,220,414	3,473,093	1,365,063	2,975	1,934,576	2,324,384	-	872,198	1,824,048
Due from other funds	4,790,385	6,921,243	5,434,176	4,885	7,964,700	3,493,242	123	1,420,060	5,722,795
Interest	215,573	261,259	156,929	108,390	247,757	75,736	11,362	192,543	247,169
Service Charges	2,071,914	1,841,965	1,409,470	205,704	1,785,728	497,639	1,968	1,870,129	1,178,447
Taxes	200,447	559,459	378,481	52,712	1,035,531	180,991	8,356	137,073	704,434
Total receivables	9,498,733	13,057,019	8,744,119	374,666	12,968,292	6,571,992	21,809	4,492,003	9,676,893
Restricted/designated cash and investments:									
Cash and cash equivalents	14,454,829	18,287,358	13,245,985	18,728,354	13,831,898	13,052,207	2,117,408	29,428,056	25,366,826
Specific investments	20,753,524	27,311,642	17,955,607	23,562,643	20,049,361	1,824,217	2,674,017	11,608,066	28,921,303
Bond proceeds with Trustee									
Cash and cash equivalents	-	-	-	-	-	-	-	5,319	-
Total restricted/designated cash and investments	35,208,353	45,599,000	31,201,592	42,290,997	33,881,259	14,876,424	4,791,425	41,041,441	54,288,129
Other specific investments	3,108,605	7,964,141	6,400,132	-	11,622,791	447,982	-	100,514	3,345,164
Total current assets	77,762,591	103,849,329	70,837,603	46,285,453	96,406,641	32,071,565	5,014,159	71,878,226	99,970,339
Investment in joint ventures	-	-	-	-	-	-	-	-	-
Other assets	99	46	2	-	-	-	-	-	-
Capital assets:									
Disposal rights	-	60,119	-	73,197,382	8,519,347	-	2,229,045	-	-
Treatment plants	62,978	6,668,306	7,524,182	-	14,571,943	5,939,114	-	337,058,602	1,882,099
Trunk lines	26,344,148	42,966,267	25,291,058	1,284,217	59,256,457	17,295,029	-	57,957,105	12,167,715
Use rights	-	-	-	-	-	-	-	411,790	-
Composting facilities	-	-	-	-	-	-	-	-	-
Other capital assets	7,085	10,279	2,972	3,348	6,872	7,691	281	209,922	5,571
Construction in progress	2,568,309	3,875,240	4,496,500	133,192	5,299,727	7,159,384	-	354,642	176,495
Land	-	235,159	2,520	-	28,125	2,508	-	65,591,000	-
Accumulated depreciation & amortization	(9,632,175)	(13,332,773)	(11,732,693)	(34,977,124)	(30,548,585)	(8,838,600)	(1,043,923)	(97,001,975)	(4,402,515)
Net capital assets	19,350,345	40,482,597	25,584,539	39,641,015	57,133,886	21,565,126	1,185,403	364,581,086	9,829,365
Total assets	\$ 97,113,035	144,331,972	96,422,144	85,926,468	153,540,527	53,636,691	6,199,562	436,459,312	109,799,704
Deferred Outflow of Resources									
Deferred loss/(gain) on refunding	\$ 360,748	556,962	423,065	53,822	910,420	220,000	7,563	(2,686,071)	569,732
Deferred pension contribution	292,015	965,831	562,990	12,926	979,084	218,348	800	1,985,710	302,619
Other postemployment benefit deferral	87,997	222,643	117,659	7,159	259,185	118,451	396	627,099	80,607
Total deferred outflow of resources	\$ 740,760	1,745,436	1,103,714	73,907	2,148,689	556,799	8,759	(73,262)	952,958

(Continued on the following page)

Exhibit E-1-2
LOS ANGELES COUNTY SANITATION DISTRICTS
Sewerage Operations
Combining Schedule of Net Position
June 30, 2020

Assets	Districts								
	No. 16	No. 17	No. 18	No. 19	No. 20	No. 21	No. 22	No. 23	No. 27
Current assets:									
Unrestricted cash and cash equivalents:									
Cash and cash equivalents	\$ 20,019,325	2,411,640	21,802,361	6,585,016	17,228,993	26,590,878	25,152,248	3,112,573	1,177,300
Total unrestricted cash and cash equivalents	20,019,325	2,411,640	21,802,361	6,585,016	17,228,993	26,590,878	25,152,248	3,112,573	1,177,300
Receivables:									
Accounts	174,730	-	1,090,559	44,740	386,565	1,995,715	623,656	1,354,493	-
Due from other funds	2,942,530	378,567	3,813,364	1,037,761	816,661	4,616,489	3,737,364	639,425	-
Interest	171,632	15,753	143,738	58,339	127,595	218,518	208,235	39,884	4,104
Service Charges	618,048	120,734	743,168	198,294	1,244,414	1,029,169	724,939	26,042	-
Taxes	471,009	50,918	355,855	125,739	85,631	395,595	352,017	22,136	30,876
Total receivables	4,377,949	565,972	6,146,684	1,464,873	2,660,866	8,255,486	5,646,211	2,081,980	34,980
Restricted/designated cash and investments:									
Cash and cash equivalents	19,271,835	6,766,452	13,367,733	6,294,071	17,463,249	27,030,747	19,819,272	4,991,383	522,535
Specific investments	20,853,508	-	13,986,430	6,265,637	7,297,668	22,540,433	24,924,310	6,193,619	-
Bond proceeds with Trustee									
Cash and cash equivalents	-	-	1	-	2,051	-	1	-	-
Total restricted/designated cash and investments	40,125,343	6,766,452	27,354,164	12,559,708	24,762,968	49,571,180	44,743,583	11,185,002	522,535
Other specific investments	-	166	554,631	-	333,521	1,957,711	-	1,205,977	1
Total current assets	64,522,617	9,744,230	55,857,840	20,609,597	44,986,348	86,375,255	75,542,042	17,585,532	1,734,816
Investment in joint ventures	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Capital assets:									
Disposal rights	7,954,911	-	16,824	180,603	-	-	-	-	2,115,396
Treatment plants	-	-	-	379,443	247,075,053	12,796,800	-	-	2,569,204
Trunk lines	13,604,022	597,520	17,756,315	2,521,906	16,620,287	13,181,711	15,852,592	-	16,900
Use rights	-	-	-	-	358,790	-	-	-	-
Composting facilities	-	-	-	-	-	-	-	-	-
Other capital assets	537	1,418	128,012	1,750	99,720	9,667	978	-	41
Construction in progress	180,815	-	3,557,033	-	1,089,399	4,437,955	43,665	-	31,377
Land	-	-	-	5,600	16,541,659	79,240	-	-	-
Accumulated depreciation & amortization	(7,573,379)	(345,298)	(6,092,353)	(2,321,278)	(71,654,261)	(13,313,214)	(6,675,364)	-	(2,285,778)
Net capital assets	14,166,906	253,640	15,365,831	768,024	210,130,647	17,192,159	9,221,871	-	2,447,140
Total assets	\$ 78,689,523	9,997,870	71,223,671	21,377,621	255,116,995	103,567,414	84,763,913	17,585,532	4,181,956
Deferred Outflow of Resources									
Deferred loss/(gain) on refunding	\$ 355,048	45,436	311,421	100,409	4,459,539	335,865	290,648	61,385	10,578
Deferred pension contribution	106,176	17,135	267,721	128,708	1,525,777	403,166	165,334	12,205	579
Other postemployment benefit deferral	27,518	5,146	76,327	27,120	515,937	143,980	43,802	1,986	720
Total deferred outflow of resources	\$ 488,742	67,717	655,469	256,237	6,501,253	883,011	499,784	75,576	11,877

(Continued on the following page)

Exhibit E-1-3
LOS ANGELES COUNTY SANITATION DISTRICTS
Sewerage Operations
Combining Schedule of Net Position
June 30, 2020

Assets	Districts							Total
	No. 28	No. 29	No. 34	Joint Outfall	Newhall Ranch	Santa Clarita Valley	South Bay Cities	
Current assets:								
Unrestricted cash and cash equivalents:								
Cash and cash equivalents	\$ 1,029,140	1,761,447	53	34,589,980	1,488,451	8,728,344	8,687,783	382,867,963
Total unrestricted cash and cash equivalents	1,029,140	1,761,447	53	34,589,980	1,488,451	8,728,344	8,687,783	382,867,963
Receivables:								
Accounts	-	21,674	-	1,745,722	96,744	199,302	21,465	21,772,116
Due from other funds	119,840	192,382	-	-	29,723	1,860,525	1,404,887	57,341,127
Interest	24,709	25,331	6	1,403,153	5,903	462,314	91,537	4,517,469
Service Charges	23,535	71,381	-	-	-	1,249,987	274,880	17,187,555
Taxes	57,225	7,658	-	-	-	600,456	471,861	6,284,460
Total receivables	225,309	318,426	6	3,148,875	132,370	4,372,584	2,264,630	107,102,727
Restricted/designated cash and investments:								
Cash and cash equivalents	4,293,774	3,601,423	-	272,417,557	2,000,818	101,755,614	15,625,276	663,734,660
Specific investments	3,254,358	2,560,077	-	140,668,790	-	15,748,794	14,134,847	433,088,851
Bond proceeds with Trustee								
Cash and cash equivalents	-	-	-	-	-	-	-	7,372
Total restricted/designated cash and investments	7,548,132	6,161,500	-	413,086,347	2,000,818	117,504,408	29,760,123	1,096,830,883
Other specific investments	-	-	-	-	-	2,809,139	1,770,023	41,620,498
Total current assets	8,802,581	8,241,373	59	450,825,202	3,621,639	133,414,475	42,482,559	1,628,422,071
Investment in joint ventures	-	-	-	39,752,680	-	-	-	39,752,680
Other assets	-	(26)	-	(1,514)	-	-	-	(1,393)
Capital assets:								
Disposal rights	-	-	-	-	-	-	-	94,273,627
Treatment plants	377,363	2,417,404	525	1,264,402,435	1,023,353	207,889,178	12,751,481	2,125,389,463
Trunk lines	6,886,922	8,969,425	-	1,093,186,938	38,833	29,152,226	4,161,957	1,465,109,550
Use rights	-	-	-	-	-	-	-	770,580
Composting facilities	-	-	-	123,415,923	-	-	-	123,415,923
Other capital assets	-	65	-	15,627,752	-	290,733	1,244	16,415,938
Construction in progress	-	275,774	-	254,398,149	18,615	75,012,027	16,953	363,125,251
Land	20,000	25,000	-	76,700,427	-	598,803	-	159,830,041
Accumulated depreciation & amortization	(2,540,935)	(2,586,074)	(380)	(1,088,405,599)	(130,508)	(111,432,787)	(8,962,086)	(1,535,829,657)
Net capital assets	4,743,350	9,101,594	145	1,739,326,025	950,293	201,510,180	7,969,549	2,812,500,716
Total assets	\$ 13,545,931	17,342,941	204	2,229,902,393	4,571,932	334,924,655	50,452,108	4,480,674,074
Deferred Outflow of Resources								
Deferred loss/(gain) on refunding	\$ 16,059	5,042	-	-	-	551,371	155,272	7,114,314
Deferred pension contribution	12,276	116,749	(253)	29,619,159	(31,312)	2,982,748	300,324	40,946,815
Other postemployment benefit deferral	5,784	33,892	(5)	9,829,113	18,003	1,243,960	106,506	13,600,985
Total deferred outflow of resources	\$ 34,119	155,683	(258)	39,448,272	(13,309)	4,778,079	562,102	61,662,114

(Continued on the following page)

Exhibit E-1-4
LOS ANGELES COUNTY SANITATION DISTRICTS
Sewerage Operations
Combining Schedule of Net Position
June 30, 2020

	Districts								
	No. 1	No. 2	No. 3	No. 4	No. 5	No. 8	No. 9	No. 14	No. 15
Liabilities									
Current liabilities:									
Accounts payable	\$ 2,020,938	13,198	138,447	253,375	1,371,929	243,485	-	597,105	18,935
Amounts held for others	-	-	-	-	-	-	-	-	-
Bonds payable	2,034,165	3,140,565	2,385,557	303,487	5,133,630	1,240,527	42,649	3,855,507	3,212,575
Due to other funds	-	-	-	-	-	-	-	-	-
Estimated liability for pollution remediation	-	-	-	-	-	-	-	-	-
Interest payable	48,714	69,769	52,996	6,742	114,045	27,559	949	3,095,036	71,368
Loans payable to State of California	31,136	-	-	-	-	-	-	5,266,613	-
Other	-	-	86,010	-	-	-	-	(66,429)	36
Total current liabilities	<u>4,134,953</u>	<u>3,223,532</u>	<u>2,663,010</u>	<u>563,604</u>	<u>6,619,604</u>	<u>1,511,571</u>	<u>43,598</u>	<u>12,747,832</u>	<u>3,302,914</u>
Long-term liabilities:									
Bonds payable	1,728,075	2,667,984	2,026,583	257,819	4,361,138	1,053,857	36,231	143,108,927	2,729,157
Estimated liability for pollution remediation	-	-	-	-	-	-	-	-	-
Loans payable to State of California	359,544	-	-	-	-	-	-	57,274,752	-
Other postemployment benefits liability	690,185	2,098,101	1,221,176	39,073	2,166,276	632,855	3,207	4,684,499	646,598
Pension liability	1,509,476	4,393,125	2,874,113	84,491	4,855,151	1,577,532	5,958	10,373,554	1,442,856
Total long-term liabilities	<u>4,287,280</u>	<u>9,159,210</u>	<u>6,121,872</u>	<u>381,383</u>	<u>11,382,565</u>	<u>3,264,244</u>	<u>45,396</u>	<u>215,441,732</u>	<u>4,818,611</u>
Total liabilities	<u>\$ 8,422,233</u>	<u>12,382,742</u>	<u>8,784,882</u>	<u>944,987</u>	<u>18,002,169</u>	<u>4,775,815</u>	<u>88,994</u>	<u>228,189,564</u>	<u>8,121,525</u>
Deferred Inflow of Resources									
Other postemployment benefits deferrals	\$ 125,986	235,664	198,153	14,507	378,192	219,783	1,220	895,969	119,401
Pension deferrals	127,782	402,773	233,431	5,312	406,420	115,778	233	878,884	118,628
Total deferred inflow of resources	<u>\$ 253,768</u>	<u>638,437</u>	<u>431,584</u>	<u>19,819</u>	<u>784,612</u>	<u>335,561</u>	<u>1,453</u>	<u>1,774,853</u>	<u>238,029</u>
Net Position									
Net position:									
Net investment in capital assets	\$ 15,558,173	35,231,010	21,595,464	39,133,531	48,549,538	19,490,742	1,114,086	152,389,216	4,457,365
Restricted for capital projects	2,150,000	1,650,000	335,000	3,514,000	5,455,000	9,191,000	78,000	2,099,000	2,175,000
Unrestricted	71,469,621	96,175,219	66,378,928	42,388,038	82,897,897	20,400,372	4,925,788	51,933,417	95,760,743
Total net position	<u>\$ 89,177,794</u>	<u>133,056,229</u>	<u>88,309,392</u>	<u>85,035,569</u>	<u>136,902,435</u>	<u>49,082,114</u>	<u>6,117,874</u>	<u>206,421,633</u>	<u>102,393,108</u>

Exhibit E-1-5
LOS ANGELES COUNTY SANITATION DISTRICTS
Sewerage Operations
Combining Schedule of Net Position
June 30, 2020

	Districts								
	No. 16	No. 17	No. 18	No. 19	No. 20	No. 21	No. 22	No. 23	No. 27
Liabilities									
Current liabilities:									
Accounts payable	\$ 87,817	9,191	22,099	5,987	356,018	287,892	41,573	1,958	67,264
Amounts held for others	-	-	-	-	-	-	-	-	-
Bonds payable	2,002,026	256,203	1,756,022	566,180	3,958,807	1,893,858	1,638,892	346,136	59,647
Due to other funds	-	-	-	-	-	-	-	-	456
Estimated liability for pollution remediation	-	-	-	-	-	-	-	-	-
Interest payable	44,476	5,694	39,011	12,578	1,806,799	42,073	36,408	7,694	1,324
Loans payable to State of California	-	-	-	-	-	-	-	-	-
Other	-	-	11	(5,000)	64,655	-	-	-	-
Total current liabilities	<u>2,134,319</u>	<u>271,088</u>	<u>1,817,143</u>	<u>579,745</u>	<u>6,186,279</u>	<u>2,223,823</u>	<u>1,716,873</u>	<u>355,788</u>	<u>128,691</u>
Long-term liabilities:									
Bonds payable	1,700,768	217,650	1,491,782	480,983	172,081,453	1,608,877	1,392,277	294,051	50,671
Estimated liability for pollution remediation	-	-	-	-	-	-	-	-	-
Loans payable to State of California	-	-	-	-	-	-	-	-	-
Other postemployment benefits liability	278,504	49,088	590,586	251,553	3,811,321	888,342	374,893	25,740	3,183
Pension liability	550,903	90,301	1,576,069	642,862	8,310,449	2,285,409	791,557	50,887	6,600
Total long-term liabilities	<u>2,530,175</u>	<u>357,039</u>	<u>3,658,437</u>	<u>1,375,398</u>	<u>184,203,223</u>	<u>4,782,628</u>	<u>2,558,727</u>	<u>370,678</u>	<u>60,454</u>
Total liabilities	<u>\$ 4,664,494</u>	<u>628,127</u>	<u>5,475,580</u>	<u>1,955,143</u>	<u>190,389,502</u>	<u>7,006,451</u>	<u>4,275,600</u>	<u>726,466</u>	<u>189,145</u>
Deferred Inflow of Resources									
Other postemployment benefits deferrals	\$ 44,839	10,005	155,930	40,283	761,376	240,555	50,394	2,100	1,300
Pension deferrals	44,582	6,483	116,643	54,272	697,427	180,173	71,781	4,529	466
Total deferred inflow of resources	<u>\$ 89,421</u>	<u>16,488</u>	<u>272,573</u>	<u>94,555</u>	<u>1,458,803</u>	<u>420,728</u>	<u>122,175</u>	<u>6,629</u>	<u>1,766</u>
Net Position									
Net position:									
Net investment in capital assets	\$ 10,819,160	(174,777)	12,429,448	(178,730)	38,549,926	14,025,289	6,481,350	(578,802)	2,347,400
Restricted for capital projects	935,000	-	2,980,000	-	2,114,000	3,030,000	4,565,000	-	106,000
Unrestricted	62,670,190	9,595,749	50,721,539	19,762,890	29,106,017	79,967,957	69,819,572	17,506,815	1,549,522
Total net position	<u>\$ 74,424,350</u>	<u>9,420,972</u>	<u>66,130,987</u>	<u>19,584,160</u>	<u>69,769,943</u>	<u>97,023,246</u>	<u>80,865,922</u>	<u>16,928,013</u>	<u>4,002,922</u>

Exhibit E-1-6
LOS ANGELES COUNTY SANITATION DISTRICTS
Sewerage Operations
Combining Schedule of Net Position
June 30, 2020

	Districts							Total
	No. 28	No. 29	No. 34	Joint Outfall	Newhall Ranch	Santa Clarita Valley	South Bay Cities	
Liabilities								
Current liabilities:								
Accounts payable	\$ 59,458	14,403	-	22,497,389	6,693	7,933,850	25,226	36,074,230
Amounts held for others	-	-	-	-	2,000,818	-	-	2,000,818
Bonds payable	90,552	28,433	-	-	-	3,109,043	875,539	37,930,000
Due to other funds	-	-	-	25,376,280	-	-	-	25,376,736
Estimated liability for pollution remediation	-	-	-	1,000,000	-	-	-	1,000,000
Interest payable	2,011	3,447	-	1,116,489	-	85,818	19,450	6,710,450
Loans payable to State of California	-	45,956	-	23,408,869	-	2,693,218	-	31,445,792
Other	-	-	-	68,695	-	-	-	147,978
Total current liabilities	<u>152,021</u>	<u>92,239</u>	<u>-</u>	<u>73,467,722</u>	<u>2,007,511</u>	<u>13,821,929</u>	<u>920,215</u>	<u>140,686,004</u>
Long-term liabilities:								
Bonds payable	76,926	24,154	-	-	-	2,641,205	743,791	340,774,359
Estimated liability for pollution remediation	-	-	-	19,000,000	-	-	-	19,000,000
Loans payable to State of California	-	616,371	-	153,263,117	-	8,836,397	-	220,350,181
Other postemployment benefits liability	32,871	272,294	(636)	75,368,420	39,112	9,120,055	763,680	104,050,976
Pension liability	45,510	724,334	231	163,269,605	95,850	17,685,909	1,576,639	224,819,371
Total long-term liabilities	<u>155,307</u>	<u>1,637,153</u>	<u>(405)</u>	<u>410,901,142</u>	<u>134,962</u>	<u>38,283,566</u>	<u>3,084,110</u>	<u>908,994,887</u>
Total liabilities	<u>\$ 307,328</u>	<u>1,729,392</u>	<u>(405)</u>	<u>484,368,864</u>	<u>2,142,473</u>	<u>52,105,495</u>	<u>4,004,325</u>	<u>1,049,680,891</u>
Deferred Inflow of Resources								
Other postemployment benefits deferrals	\$ 4,284	73,528	502	15,161,157	54,139	2,043,545	166,013	20,998,825
Pension deferrals	5,112	52,617	(186)	13,465,446	(1,640)	1,396,590	126,457	18,509,993
Total deferred inflow of resources	<u>\$ 9,396</u>	<u>126,145</u>	<u>316</u>	<u>28,626,603</u>	<u>52,499</u>	<u>3,440,135</u>	<u>292,470</u>	<u>39,508,818</u>
Net Position								
Net position:								
Net investment in capital assets	\$ 4,591,931	8,391,722	145	1,562,654,039	950,293	184,781,688	6,505,491	2,189,114,698
Restricted for capital projects	-	600,000	-	177,375,000	-	52,938,000	200,000	271,490,000
Unrestricted	8,671,395	6,651,365	(110)	16,326,159	1,413,358	46,437,416	40,011,924	992,541,781
Total net position	<u>\$ 13,263,326</u>	<u>15,643,087</u>	<u>35</u>	<u>1,756,355,198</u>	<u>2,363,651</u>	<u>284,157,104</u>	<u>46,717,415</u>	<u>3,453,146,479</u>

Exhibit E-2
LOS ANGELES COUNTY SANITATION DISTRICTS
Sewerage Operations
Combining Schedule of Revenues, Expenses, and Changes in Net Position
June 30, 2020

	Districts								
	No. 1	No. 2	No. 3	No. 4	No. 5	No. 8	No. 9	No. 14	No. 15
Operating revenues:									
Commodities	\$ -	-	-	-	-	-	-	4,636	-
Contract revenue	-	-	26,402	-	2,599	-	-	1,209,228	-
Industrial waste surcharge	6,432,191	9,243,829	3,299,587	17,624	5,216,715	8,669,768	-	2,729,855	5,997,216
Internal services revenue	-	-	-	-	-	-	-	-	-
Refuse/food waste tipping fees	-	-	-	-	-	-	-	-	-
Sale of energy	-	-	-	-	-	-	-	-	-
Service charges	27,840,045	38,998,800	31,507,623	3,966,660	43,973,848	11,544,815	106,333	33,950,400	30,673,648
Other	-	28	-	-	725	7	-	14,118	1,450
Total operating revenues	34,272,236	48,242,657	34,833,612	3,984,284	49,193,887	20,214,590	106,333	37,908,237	36,672,314
Operating expenses:									
Chemicals	36,381	109,896	46,163	-	18,271	21,446	-	1,453,518	18,188
Collection charges	68,357	124,229	92,553	11,802	209,124	35,450	1,601	26,779	140,194
Depreciation/amortization	420,094	826,226	571,006	1,701,102	1,309,423	432,299	52,486	9,545,370	208,329
Equipment and vehicle rentals	855	1,704	4,259	-	5,963	1,704	-	330,193	1,704
Insurance and claims	8,991	13,346	11,830	1,605	16,712	3,522	-	28,105	11,617
Internal administrative costs	22,375,567	33,406,478	24,858,663	17,481	36,582,407	13,957,454	6,196	3,203,051	27,266,952
Materials and supplies	30,704	48,007	44,532	5,843	128,031	32,435	-	747,442	12,302
Operations, repairs, and maintenance	6,402	14,615	17,597	2,173	40,756	93,908	-	580,058	23,776
Pollution remediation costs	-	4,780	-	-	-	-	-	-	-
Salaries and benefits	801,050	1,289,423	814,774	105,533	1,942,776	683,352	9,229	5,871,450	695,547
Services	89,264	250,989	(26,775)	2,110,724	640,947	99,943	128,035	1,286,890	57,196
Utilities	9,091	22,764	80,673	101	176,754	114,863	-	1,583,350	17,479
Total operating expenses	23,846,756	36,112,457	26,515,275	3,956,364	41,071,164	15,476,376	197,547	24,656,206	28,453,284
Operating income (loss)	10,425,480	12,130,200	8,318,337	27,920	8,122,723	4,738,214	(91,214)	13,252,031	8,219,030
Nonoperating revenues (expenses):									
Interest revenue	1,120,522	1,551,945	957,078	808,368	1,362,724	474,734	89,194	1,172,038	1,525,911
Investment in joint ventures	-	-	-	-	-	-	-	-	-
Property taxes	4,192,511	8,043,597	6,391,359	756,064	13,572,857	2,304,266	111,009	1,951,556	8,924,186
Other nonoperating revenue	-	-	58,910	-	3,244	-	-	100	-
Amortization of bond premium	76,588	118,245	89,818	11,427	193,286	46,707	1,606	1,689,404	120,956
Amortization of deferred loss on refunding	(129,487)	(199,916)	(151,855)	(19,319)	(326,787)	(78,967)	(2,715)	153,738	(204,500)
Interest expense	(222,047)	(317,478)	(264,181)	(30,305)	(527,950)	(125,253)	(4,232)	(8,365,823)	(328,308)
Loss on sale of equipment/assets	-	-	-	-	-	-	-	-	-
Other nonoperating expense	116,735	207,939	148,203	94,195	177,568	(7,699)	(1,429)	(5,159)	200,256
Tax and assessment expense	(14,812)	(15,550)	(17,842)	(2,625)	(19,816)	(16,601)	-	(39,863)	(15,550)
Unrealized gain on investments	547,073	609,327	483,802	491,867	520,668	63,623	55,332	248,078	596,014
Net nonoperating revenues (expenses)	5,687,083	9,998,109	7,695,292	2,109,672	14,955,794	2,660,810	248,765	(3,195,931)	10,818,965
Income (loss) before capital contribution revenue and transfers	16,112,563	22,128,309	16,013,629	2,137,592	23,078,517	7,399,024	157,551	10,056,100	19,037,995
Capital contribution revenue:									
Connection fees	659,722	295,300	290,253	46,949	892,178	92,651	4,129	2,289,516	278,025
Capital grants	-	-	-	-	-	-	-	-	-
Transfers in	3,089,356	4,700,187	3,874,732	323,181	7,033,120	1,866,993	45,416	12,406,244	4,557,660
Transfers out	(14,120,664)	(21,162,474)	(16,463,920)	(323,523)	(25,563,315)	(8,025,111)	(45,753)	(12,500,954)	(18,226,991)
Change in net position	5,740,977	5,961,322	3,714,694	2,184,199	5,440,500	1,333,557	161,343	12,250,906	5,646,689
Total net position, July 1, 2019, as previously stated	83,436,817	127,094,907	84,594,698	82,851,370	131,461,935	47,748,557	5,956,531	194,170,727	96,746,419
Prior-period adjustments	-	-	-	-	-	-	-	-	-
Total net position, July 1, 2019, as restated	83,436,817	127,094,907	84,594,698	82,851,370	131,461,935	47,748,557	5,956,531	194,170,727	96,746,419
Total net position, June 30, 2020	\$ 89,177,794	133,056,229	88,309,392	85,035,569	136,902,435	49,082,114	6,117,874	206,421,633	102,393,108

Exhibit E-2-2
LOS ANGELES COUNTY SANITATION DISTRICTS
Sewerage Operations
Combining Schedule of Revenues, Expenses, and Changes in Net Position
June 30, 2020

Districts

	No. 16	No. 17	No. 18	No. 19	No. 20	No. 21	No. 22	No. 23	No. 27
Operating revenues:									
Commodities	\$ -	-	-	-	2,095	-	-	-	-
Contract revenue	-	-	-	-	521,332	1,023,426	31,000	-	-
Industrial waste surcharge	327,809	-	3,062,360	74,428	516,946	4,382,605	3,365,433	4,244,829	-
Internal services revenue	-	-	-	-	-	-	-	-	-
Refuse/food waste tipping fees	-	-	-	-	-	-	-	-	-
Sale of energy	-	-	-	-	-	-	-	-	-
Service charges	18,117,118	2,403,594	21,448,499	7,028,787	24,942,758	26,507,210	21,280,283	418,969	-
Other	-	-	-	-	1,729	1,765	1,952	-	43
Total operating revenues	18,444,927	2,403,594	24,510,859	7,103,215	25,984,860	31,915,006	24,678,668	4,663,798	43
Operating expenses:									
Chemicals	3,214	2,652	57,788	26,365	887,892	-	-	-	-
Collection charges	91,134	11,849	73,949	24,982	19,833	83,355	75,790	5,078	5,304
Depreciation/amortization	380,606	4,530	246,379	27,416	6,948,103	427,129	212,193	-	81,244
Equipment and vehicle rentals	-	-	-	852	520,073	3,408	-	-	-
Insurance and claims	6,991	1,134	31,737	2,483	(143,465)	9,102	7,515	189	34
Internal administrative costs	14,238,623	1,860,661	17,197,139	4,987,000	1,994,328	21,883,474	17,502,183	3,257,726	6,196
Materials and supplies	4,235	1,482	9,499	4,404	719,314	28,799	4,795	125	292
Operations, repairs, and maintenance	15,702	9,216	40,659	4,670	373,747	20,658	12,626	4,125	749
Pollution remediation costs	-	-	-	-	-	-	-	-	-
Salaries and benefits	181,794	72,935	630,266	284,574	5,243,802	819,063	284,585	13,820	9,455
Services	358,168	8,881	515,736	493,483	984,060	79,198	214,888	652	109,426
Utilities	127	35	1,301	24,283	1,580,394	84,626	143	-	-
Total operating expenses	15,280,594	1,973,375	18,804,453	5,880,512	19,128,081	23,438,812	18,314,718	3,281,715	212,700
Operating income (loss)	3,164,333	430,219	5,706,406	1,222,703	6,856,779	8,476,194	6,363,950	1,382,083	(212,657)
Nonoperating revenues (expenses):									
Interest revenue	993,617	132,102	806,239	327,572	878,114	1,332,074	1,194,139	288,335	26,185
Investment in joint ventures	-	-	-	-	-	-	-	-	-
Property taxes	6,419,424	673,694	5,045,948	1,695,323	1,614,081	5,368,107	5,012,994	562,482	408,393
Other nonoperating revenue	-	-	-	-	3,551	-	-	-	-
Amortization of bond premium	75,378	9,646	66,116	21,317	2,006,881	71,306	61,706	13,032	2,246
Amortization of deferred loss on refunding	(127,441)	(16,309)	(111,782)	(36,041)	(229,706)	(120,556)	(104,325)	(22,034)	(3,797)
Interest expense	(206,443)	(27,639)	(192,044)	(56,470)	(7,210,172)	(196,400)	(174,697)	(34,370)	(5,919)
Loss on sale of equipment/assets	-	-	-	-	-	-	-	-	-
Other nonoperating expense	130,177	-	45,705	40,214	(226,316)	158,692	150,970	(4,876)	-
Tax and assessment expense	(14,233)	(2,625)	(14,073)	(14,812)	(170,364)	(17,028)	(14,073)	-	-
Unrealized gain on investments	419,584	62,384	292,856	122,059	105,150	570,003	461,828	129,815	4,977
Net nonoperating revenues (expenses)	7,690,063	831,253	5,938,965	2,099,162	(3,228,781)	7,166,198	6,588,542	932,384	432,085
Income (loss) before capital contribution revenue and transfers	10,854,396	1,261,472	11,645,371	3,321,865	3,627,998	15,642,392	12,952,492	2,314,467	219,428
Capital contribution revenue:									
Connection fees	100,284	5,450	466,281	59,462	1,115,658	286,670	112,467	689	-
Capital grants	-	-	-	-	-	-	-	-	-
Transfers in	2,749,036	352,112	2,595,438	815,570	11,002,886	2,917,576	2,476,871	466,714	63,517
Transfers out	(10,167,551)	(1,325,855)	(11,172,049)	(3,428,095)	(11,060,542)	(13,851,156)	(11,273,786)	(1,701,936)	(63,854)
Change in net position	3,536,165	293,179	3,535,041	768,802	4,686,000	4,995,482	4,268,044	1,079,934	219,091
Total net position, July 1, 2019, as previously stated	70,888,185	9,127,793	62,595,946	18,815,358	65,083,943	92,027,764	76,597,878	15,848,079	3,783,831
Prior-period adjustments	-	-	-	-	-	-	-	-	-
Total net position, July 1, 2019, as restated	70,888,185	9,127,793	62,595,946	18,815,358	65,083,943	92,027,764	76,597,878	15,848,079	3,783,831
Total net position, June 30, 2020	\$ 74,424,350	9,420,972	66,130,987	19,584,160	69,769,943	97,023,246	80,865,922	16,928,013	4,002,922

Exhibit E-2-3
LOS ANGELES COUNTY SANITATION DISTRICTS
Sewerage Operations
Combining Schedule of Revenues, Expenses, and Changes in Net Position
June 30, 2020

	Districts							Total
	No. 28	No. 29	No. 34	Joint Outfall	Newhall Ranch	Santa Clarita Valley	South Bay Cities	
Operating revenues:								
Commodities	\$ -	-	-	52,444	-	2,727	-	61,902
Contract revenue	-	-	-	12,433,999	1,944,763	672,128	-	17,864,877
Industrial waste surcharge	-	76,741	-	13,417,779	-	1,833,235	29,263	72,938,213
Internal services revenue	-	-	-	155,656,433	-	-	-	155,656,433
Refuse/food waste tipping fees	-	-	-	988,177	-	-	-	988,177
Sale of energy	-	-	-	802,911	-	-	-	802,911
Service charges	683,380	1,976,090	-	104	-	35,457,295	7,006,401	389,832,660
Other	-	-	5,400	149,125	76,276	23,677	1	276,296
Total operating revenues	683,380	2,052,831	5,400	183,500,972	2,021,039	37,989,062	7,035,665	638,421,469
Operating expenses:								
Chemicals	-	4,803	-	33,311,398	-	2,517,997	26,272	38,542,244
Collection charges	10,808	2,433	-	-	-	120,841	91,673	1,327,118
Depreciation/amortization	94,342	180,186	13	52,914,013	119,163	5,497,679	301,249	82,500,580
Equipment and vehicle rentals	-	1,704	-	4,609,458	390	416,235	6,815	5,905,317
Insurance and claims	279	342	-	(5,327,944)	-	(297,170)	3,131	(5,609,914)
Internal administrative costs	562,939	743,823	6,196	-	6,196	5,641,455	6,335,417	257,897,605
Materials and supplies	172	14,747	-	11,077,972	121	1,216,309	57,772	14,189,334
Operations, repairs, and maintenance	60,335	15,604	-	2,279,373	9,139	334,378	24,173	3,984,439
Pollution remediation costs	-	-	-	116,924	-	-	-	121,704
Salaries and benefits	25,439	382,074	4,075	92,631,153	109,733	11,189,394	1,131,153	125,226,449
Services	167,133	33,436	-	32,859,483	17,513	1,773,453	58,820	42,311,543
Utilities	266	13,780	-	11,594,565	-	2,375,448	181,592	17,861,635
Total operating expenses	921,713	1,392,932	10,284	236,066,395	262,255	30,786,019	8,218,067	584,258,054
Operating income (loss)	(238,333)	659,899	(4,884)	(52,565,423)	1,758,784	7,203,043	(1,182,402)	54,163,415
Nonoperating revenues (expenses):								
Interest revenue	149,399	132,144	115	8,298,638	6,331	2,614,054	667,805	26,909,377
Investment in joint ventures	-	-	-	(1,364,821)	-	-	-	(1,364,821)
Property taxes	755,404	172,885	-	-	-	8,090,289	6,298,365	88,364,794
Other nonoperating revenue	-	-	-	326	-	-	-	66,131
Amortization of bond premium	3,409	1,071	-	-	-	117,058	32,965	4,830,168
Amortization of deferred loss on refunding	(5,764)	(1,810)	-	-	-	(197,910)	(55,733)	(1,993,016)
Interest expense	(8,986)	(14,724)	-	(4,365,742)	-	(878,730)	(87,049)	(23,644,962)
Loss on sale of equipment/assets	-	-	-	(6,059,684)	-	-	-	(6,059,684)
Other nonoperating expense	16,026	8,745	-	(168,611)	-	(72,707)	14,480	1,023,108
Tax and assessment expense	(2,625)	(4,433)	-	(2,296,575)	(11,668)	(243,465)	(20,460)	(2,969,093)
Unrealized gain on investments	67,743	56,930	-	3,218,740	-	448,004	350,693	9,926,550
Net nonoperating revenues (expenses)	974,606	350,808	115	(2,737,729)	(5,337)	9,876,593	7,201,066	95,088,552
Income (loss) before capital contribution revenue and transfers	736,273	1,010,707	(4,769)	(55,303,152)	1,753,447	17,079,636	6,018,664	149,251,967
Capital contribution revenue:								
Connection fees	-	1,790	-	23,455,638	-	3,004,414	8,299	33,465,825
Capital grants	-	-	-	2,971,403	-	6,004,833	-	8,976,236
Transfers in	121,163	61,210	-	127,534,328	-	18,872,891	1,210,854	209,137,055
Transfers out	(416,224)	(443,592)	(337)	(1,452,539)	(337)	(19,020,412)	(4,530,336)	(206,341,306)
Change in net position	441,212	630,115	(5,106)	97,205,678	1,753,110	25,941,362	2,707,481	194,489,777
Total net position, July 1, 2019, as previously stated	12,822,114	15,012,972	5,141	1,658,399,351	610,541	258,215,742	44,009,934	3,257,906,533
Prior-period adjustments	-	-	-	750,169	-	-	-	750,169
Total net position, July 1, 2019, as restated	12,822,114	15,012,972	5,141	1,659,149,520	610,541	258,215,742	44,009,934	3,258,656,702
Total net position, June 30, 2020	\$ <u>13,263,326</u>	<u>15,643,087</u>	<u>35</u>	<u>1,756,355,198</u>	<u>2,363,651</u>	<u>284,157,104</u>	<u>46,717,415</u>	<u>3,453,146,479</u>

Exhibit E-3
LOS ANGELES COUNTY SANITATION DISTRICTS
Sewerage Operations
Combining Schedule of Cash Flows
Fiscal year ended June 30, 2020

	Districts								
	No. 1	No. 2	No. 3	No. 4	No. 5	No. 8	No. 9	No. 14	No. 15
Cash flows from operating activities:									
Receipts from customers and users	\$ 33,696,424	47,973,481	34,348,777	3,942,261	51,784,121	22,654,922	105,853	37,705,642	37,250,267
Receipts for internal services	-	-	-	-	-	-	-	-	-
Payments to suppliers	(238,511)	(554,950)	(333,279)	(2,011,781)	(1,233,473)	(361,212)	(129,622)	(5,482,421)	(262,770)
Payments for salaries/benefits	(812,339)	(1,198,055)	(801,320)	(103,901)	(1,760,608)	(653,678)	(8,736)	(5,601,570)	(637,226)
Payment for equipment rental	(852)	(1,704)	(4,259)	-	(5,963)	(1,704)	-	(330,193)	(1,704)
Payment for internal administrative costs	(22,375,567)	(33,406,478)	(24,858,663)	(17,481)	(36,582,407)	(13,957,454)	(6,196)	(3,203,051)	(27,266,952)
Net cash provided (used) by operating activities	10,269,155	12,812,294	8,351,256	1,809,098	12,201,670	7,680,874	(38,701)	23,088,407	9,081,615
Cash flows from noncapital financing activities:									
Receipts from property taxes	4,127,351	7,944,307	6,369,485	745,281	13,414,861	2,265,173	110,033	1,891,046	8,914,760
Transfers from other funds	2,669,042	4,073,934	3,117,898	323,181	6,326,771	1,631,387	45,416	10,449,930	4,037,266
Transfers to other funds	(13,742,350)	(20,632,226)	(15,775,086)	(326,523)	(24,979,965)	(7,863,506)	(45,753)	(11,165,640)	(17,735,597)
Payments for tax and assessment	(14,812)	(15,550)	(17,842)	(2,625)	(19,816)	(16,601)	-	(39,863)	(15,550)
Net cash provided (used) by noncapital financing activities	(6,960,769)	(8,629,535)	(6,305,545)	739,314	(5,258,149)	(3,983,547)	109,696	1,135,473	(4,799,121)
Cash flows from capital and related financing activities:									
Borrowings on loans	-	-	-	-	-	-	-	-	-
Purchases of capital assets	(252,900)	(1,484,434)	(1,910,529)	(1,818,073)	(5,167,764)	(7,407,884)	(58,897)	(2,604,767)	(149,926)
Connection fees proceeds	659,722	295,300	290,253	46,949	892,178	92,651	4,129	2,289,516	278,025
Grant proceeds	-	-	-	-	-	-	-	-	-
Interest paid on capital-related debt	(236,411)	(348,095)	(264,411)	(33,639)	(569,003)	(137,495)	(4,730)	(8,505,979)	(356,073)
Principal payments on bonds	(1,940,702)	(2,996,266)	(2,275,947)	(289,543)	(4,897,753)	(1,183,528)	(40,689)	(3,665,726)	(3,064,966)
Principal payments on loans	(30,347)	-	-	-	-	-	-	(5,137,873)	-
Net cash used by capital and related financing activities	(1,800,638)	(4,533,495)	(4,160,634)	(2,094,306)	(9,742,342)	(8,636,256)	(100,187)	(17,624,829)	(3,292,940)
Cash flows from investing activities:									
Interest received	1,111,425	1,477,516	947,900	757,097	1,316,613	541,334	97,801	1,080,520	1,463,232
Purchases of investments	(10,312,239)	(28,703,140)	(16,977,952)	(18,564,341)	(33,394,680)	(4,601,050)	(2,138,796)	(14,978,310)	(30,036,016)
Proceeds from maturities of investments	14,436,109	41,589,270	21,843,316	31,394,098	40,402,918	7,869,272	3,513,261	20,732,745	44,349,451
Net cash provided by investing activities	5,235,295	14,363,646	5,813,264	13,586,854	8,324,851	3,809,556	1,472,266	6,834,955	15,776,667
Net increase (decrease) in cash and cash equivalents	6,743,043	14,012,910	3,698,341	14,040,960	5,526,030	(1,129,373)	1,443,074	13,434,006	16,766,221
Cash and cash equivalents at beginning of fiscal year	37,658,686	41,503,617	34,039,404	8,307,184	46,240,167	24,356,747	875,259	42,243,637	41,260,758
Cash and cash equivalents at end of fiscal year	\$ 44,401,729	55,516,527	37,737,745	22,348,144	51,766,197	23,227,374	2,318,333	55,677,643	58,026,979

Exhibit E-3 (continued)
LOS ANGELES COUNTY SANITATION DISTRICTS
Sewerage Operations
Combining Schedule of Cash Flows
Fiscal year ended June 30, 2020

	Districts								
	No. 1	No. 2	No. 3	No. 4	No. 5	No. 8	No. 9	No. 14	No. 15
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:									
Operating income (loss)	\$ 10,425,480	12,130,200	8,318,337	27,920	8,122,723	4,738,214	(91,214)	13,252,031	8,219,030
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:									
Depreciation and amortization	420,094	826,226	571,006	1,701,102	1,309,423	432,299	52,486	9,545,370	208,329
Decrease (increase) in accounts receivable	(402,110)	35,783	(364,934)	829	2,887,823	2,471,617	-	(7,628)	674,480
Decrease (increase) in service charge receivable	(164,196)	(299,172)	(225,369)	(42,665)	(340,666)	(29,750)	(480)	(466,849)	(87,014)
Decrease in deferred outflow of resources	56,181	99,255	90,466	6,746	168,940	101,621	587	399,449	53,338
Increase (decrease) in accounts payable	10,277	3,292	1,320	120,183	40,670	32,050	-	154,689	17,774
Increase in amounts held for others	-	-	-	-	-	-	-	-	-
Decrease in claims liabilities	-	-	-	-	-	-	-	(1,403)	-
Increase in estimated pollution remediation	-	-	-	-	-	-	-	-	-
Decrease in other postemployment benefits liability	(138,620)	(244,906)	(223,221)	(16,646)	(416,847)	(250,743)	(1,448)	(985,614)	(131,610)
Increase in pension liability	50,268	88,802	80,944	6,037	151,157	90,924	525	357,401	47,724
Increase (decrease) in other liabilities	-	-	-	-	-	-	-	(1,667)	-
Increase (decrease) in due to/from other funds	(57,107)	51,110	(8,221)	(2,680)	71,296	(29,964)	123	352,832	14,161
Increase in deferred inflow of resources	68,888	121,704	110,928	8,272	207,151	124,606	720	489,796	65,403
Net cash provided (used) by operating activities	\$ 10,269,155	12,812,294	8,351,256	1,809,098	12,201,670	7,680,874	(38,701)	23,088,407	9,081,615
Schedule of noncash investing activities:									
Unrealized gain on fair value of investments	\$ 547,073	609,327	483,802	491,867	520,668	63,623	55,332	248,078	596,014
Amortization of investment premium (discount)	224,730	437,527	298,636	215,060	403,591	-	21	224,877	431,293
Investment in joint venture	-	-	-	-	-	-	-	-	-

Exhibit E-3-2
LOS ANGELES COUNTY SANITATION DISTRICTS
Sewerage Operations
Combining Schedule of Cash Flows
Fiscal year ended June 30, 2020

	Districts								
	No. 16	No. 17	No. 18	No. 19	No. 20	No. 21	No. 22	No. 23	No. 27
Cash flows from operating activities:									
Receipts from customers and users	\$ 18,552,127	2,394,510	24,593,866	6,955,194	25,693,463	30,940,152	24,609,446	5,183,099	43
Receipts for internal services	-	-	-	-	-	-	-	-	-
Payments to suppliers	(437,662)	(25,983)	(719,143)	(581,041)	(4,543,805)	(291,645)	(280,890)	(8,209)	(79,918)
Payments for salaries/benefits	(180,080)	(70,778)	(625,556)	(280,559)	(5,055,771)	(762,584)	(329,434)	(13,755)	(9,390)
Payment for equipment rental	-	-	-	(852)	(520,073)	(3,408)	-	-	-
Payment for internal administrative costs	(14,238,623)	(1,860,661)	(17,197,139)	(4,987,000)	(1,994,328)	(21,883,474)	(17,502,183)	(3,257,726)	(6,196)
Net cash provided (used) by operating activities	<u>3,695,762</u>	<u>437,088</u>	<u>6,052,028</u>	<u>1,105,742</u>	<u>13,579,486</u>	<u>7,999,041</u>	<u>6,496,939</u>	<u>1,903,409</u>	<u>(95,461)</u>
Cash flows from noncapital financing activities:									
Receipts from property taxes	6,310,428	666,834	4,846,385	1,668,626	1,561,919	5,292,655	4,853,851	562,078	404,369
Transfers from other funds	2,466,590	315,109	2,268,494	716,268	11,002,886	2,501,636	2,141,964	419,874	63,517
Transfers to other funds	(9,901,105)	(1,290,851)	(10,897,105)	(3,344,793)	(11,346,542)	(13,515,215)	(10,960,879)	(1,655,095)	(63,854)
Payments for tax and assessment	(14,233)	(2,625)	(14,073)	(14,812)	(170,364)	(17,028)	(14,073)	-	-
Net cash provided (used) by noncapital financing activities	<u>(1,138,320)</u>	<u>(311,533)</u>	<u>(3,796,299)</u>	<u>(974,711)</u>	<u>1,047,899</u>	<u>(5,737,952)</u>	<u>(3,979,137)</u>	<u>(673,143)</u>	<u>404,032</u>
Cash flows from capital and related financing activities:									
Borrowings on loans	-	-	-	-	-	-	-	-	-
Purchases of capital assets	(385,489)	-	(1,833,297)	(17,059)	(262,821)	(1,665,343)	(129,786)	-	(49,388)
Connection fees proceeds	100,284	5,450	466,281	59,462	1,115,658	286,670	112,467	689	-
Grant proceeds	-	-	-	-	-	-	-	-	-
Interest paid on capital-related debt	(221,900)	(28,400)	(194,633)	(62,756)	(7,241,513)	(209,913)	(181,649)	(38,364)	(6,612)
Principal payments on bonds	(1,910,038)	(244,431)	(1,675,338)	(540,165)	(3,762,321)	(1,806,841)	(1,563,590)	(330,232)	(56,906)
Principal payments on loans	-	-	-	-	-	-	-	-	-
Net cash used by capital and related financing activities	<u>(2,417,143)</u>	<u>(267,381)</u>	<u>(3,236,987)</u>	<u>(560,518)</u>	<u>(10,150,997)</u>	<u>(3,395,427)</u>	<u>(1,762,558)</u>	<u>(367,907)</u>	<u>(112,906)</u>
Cash flows from investing activities:									
Interest received	916,240	167,805	849,975	304,656	704,404	1,251,415	1,139,507	311,090	30,010
Purchases of investments	(17,471,884)	-	(9,242,274)	(6,158,836)	(3,231,443)	(26,533,183)	(23,624,179)	(8,363,526)	-
Proceeds from maturities of investments	27,638,421	4,185,000	17,015,630	9,066,198	3,018,800	43,328,739	31,073,708	11,459,141	315,000
Net cash provided by investing activities	<u>11,082,777</u>	<u>4,352,805</u>	<u>8,623,331</u>	<u>3,212,018</u>	<u>491,761</u>	<u>18,046,971</u>	<u>8,589,036</u>	<u>3,406,705</u>	<u>345,010</u>
Net increase (decrease) in cash and cash equivalents	11,223,076	4,210,979	7,642,073	2,782,531	4,968,149	16,912,633	9,344,280	4,269,064	540,675
Cash and cash equivalents at beginning of fiscal year	<u>28,068,084</u>	<u>4,967,113</u>	<u>27,528,022</u>	<u>10,096,556</u>	<u>29,726,144</u>	<u>36,708,992</u>	<u>35,627,241</u>	<u>3,834,892</u>	<u>1,159,160</u>
Cash and cash equivalents at end of fiscal year	<u>\$ 39,291,160</u>	<u>9,178,092</u>	<u>35,170,095</u>	<u>12,879,087</u>	<u>34,694,293</u>	<u>53,621,625</u>	<u>44,971,521</u>	<u>8,103,956</u>	<u>1,699,835</u>

Exhibit E-3-2 (continued)
LOS ANGELES COUNTY SANITATION DISTRICTS
Sewerage Operations
Combining Schedule of Cash Flows
Fiscal year ended June 30, 2020

	Districts								
	No. 16	No. 17	No. 18	No. 19	No. 20	No. 21	No. 22	No. 23	No. 27
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:									
Operating income (loss)	\$ 3,164,333	430,219	5,706,406	1,222,703	6,856,779	8,476,194	6,363,950	1,382,083	(212,657)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:									
Depreciation and amortization	380,606	4,530	246,379	27,416	6,948,103	427,129	212,193	-	81,244
Decrease (increase) in accounts receivable	84,858	-	93,232	(122,584)	(139,539)	(713,131)	45,720	525,104	-
Decrease (increase) in service charge receivable	30,126	(6,869)	6,124	(32,153)	(151,247)	(253,258)	(102,879)	(5,780)	-
Decrease in deferred outflow of resources	20,365	4,628	72,813	18,086	341,358	109,640	21,629	879	600
Increase (decrease) in accounts payable	34,069	9,189	(4,814)	(487)	99,381	8,678	34,687	1,960	35,887
Increase in amounts held for others	-	-	-	-	-	-	-	-	-
Decrease in claims liabilities	-	-	-	-	(191,212)	-	-	-	-
Increase in estimated pollution remediation	-	-	-	-	-	-	-	-	-
Decrease in other postemployment benefits liability	(50,250)	(11,422)	(179,661)	(44,625)	(842,278)	(270,529)	(53,368)	(2,168)	(1,480)
Increase in pension liability	18,222	4,142	65,149	16,182	305,425	98,099	19,352	786	537
Increase (increase) in other liabilities	-	-	-	-	33	-	-	-	-
Increase (decrease) in due to/from other funds	(11,539)	(3,007)	(42,884)	(972)	(65,883)	(18,220)	(70,865)	(532)	(327)
Increase in deferred inflow of resources	24,972	5,678	89,284	22,176	418,566	134,439	26,520	1,077	735
Net cash provided (used) by operating activities	\$ 3,695,762	437,088	6,052,028	1,105,742	13,579,486	7,999,041	6,496,939	1,903,409	(95,461)
Schedule of noncash investing activities:									
Unrealized gain on fair value of investments	\$ 419,584	62,384	292,856	122,059	105,150	570,003	461,828	129,815	4,977
Amortization of investment premium (discount)	285,678	124	97,031	90,570	-	369,814	331,947	355	-
Investment in joint venture	-	-	-	-	-	-	-	-	-

Exhibit E-3-3
LOS ANGELES COUNTY SANITATION DISTRICTS
Sewerage Operations
Combining Schedule of Cash Flows
Fiscal year ended June 30, 2020

	Districts							Total
	No. 28	No. 29	No. 34	Joint Outfall	Newhall Ranch	Santa Clarita Valley	South Bay Cities	
Cash flows from operating activities:								
Receipts from customers and users	\$ 675,996	2,088,806	5,400	30,451,664	3,950,965	38,024,152	6,951,455	490,532,086
Receipts for internal services	-	-	-	155,656,433	-	-	-	155,656,433
Payments to suppliers	(179,462)	(72,106)	-	(89,639,305)	(26,849)	(8,685,586)	(437,497)	(116,617,120)
Payments for salaries/benefits	(26,770)	(378,516)	(3,906)	(88,575,880)	(164,095)	(10,602,956)	(1,058,134)	(119,715,597)
Payment for equipment rental	-	(1,704)	-	(4,609,461)	(390)	(416,235)	(6,815)	(5,905,317)
Payment for internal administrative costs	(562,939)	(743,823)	(6,196)	-	(6,196)	(5,641,455)	(6,335,417)	(257,897,605)
Net cash provided (used) by operating activities	(93,175)	892,657	(4,702)	3,283,451	3,753,435	12,677,920	(886,408)	146,052,880
Cash flows from noncapital financing activities:								
Receipts from property taxes	748,424	173,416	-	-	-	7,838,499	6,235,154	86,944,935
Transfers from other funds	109,922	46,471	-	126,081,789	-	3,310,791	1,084,385	185,204,521
Transfers to other funds	(404,982)	(453,852)	(334)	(8,079,000)	(20,337)	(4,145,312)	(4,449,868)	(192,795,770)
Payments for tax and assessment	(2,625)	(4,433)	-	(2,296,575)	(11,668)	(243,465)	(20,460)	(2,969,093)
Net cash provided (used) by noncapital financing activities	450,739	(238,398)	(334)	115,706,214	(32,005)	6,760,513	2,849,211	76,384,593
Cash flows from capital and related financing activities:								
Borrowings on loans	-	-	-	4,971,751	-	-	-	4,971,751
Purchases of capital assets	-	(178,225)	-	(120,286,086)	(360,048)	(34,251,702)	(100,371)	(180,374,789)
Connection fees proceeds	-	1,790	-	23,455,638	-	3,004,414	8,299	33,465,825
Grant proceeds	-	-	-	2,971,403	-	6,004,833	-	8,976,236
Interest paid on capital-related debt	(10,037)	(15,181)	-	(2,599,557)	-	(402,830)	(97,045)	(21,766,226)
Principal payments on bonds	(86,391)	(27,126)	-	-	-	(2,966,191)	(835,310)	(36,160,000)
Principal payments on loans	-	(45,188)	-	(23,156,833)	-	(3,227,369)	-	(31,597,610)
Net cash used by capital and related financing activities	(96,428)	(263,930)	-	(114,643,684)	(360,048)	(31,838,845)	(1,024,427)	(222,484,813)
Cash flows from investing activities:								
Interest received	137,889	130,991	132	8,867,819	1,623	2,620,134	724,774	26,951,902
Purchases of investments	(3,280,637)	(1,468,480)	-	(165,032,116)	-	(28,880,452)	(11,948,712)	(464,942,246)
Proceeds from maturities of investments	4,974,299	2,270,392	-	250,735,291	-	47,682,550	18,757,207	697,650,816
Net cash provided by investing activities	1,831,551	932,903	132	94,570,994	1,623	21,422,232	7,533,269	259,660,472
Net increase (decrease) in cash and cash equivalents	2,092,687	1,323,232	(4,904)	98,916,975	3,363,005	9,021,820	8,471,645	259,613,132
Cash and cash equivalents at beginning of fiscal year	3,230,227	4,039,638	4,957	208,090,562	126,264	101,462,138	15,841,414	786,996,863
Cash and cash equivalents at end of fiscal year	\$ 5,322,914	5,362,870	53	307,007,537	3,489,269	110,483,958	24,313,059	1,046,609,995

Exhibit E-3-3 (continued)
LOS ANGELES COUNTY SANITATION DISTRICTS
Sewerage Operations
Combining Schedule of Cash Flows
Fiscal year ended June 30, 2020

	Districts							Total
	No. 28	No. 29	No. 34	Joint Outfall	Newhall Ranch	Santa Clarita Valley	South Bay Cities	
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:								
Operating income (loss)	\$ (238,333)	659,899	(4,884)	(52,565,423)	1,758,784	7,203,043	(1,182,402)	54,163,415
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:								
Depreciation and amortization	94,342	180,186	13	52,914,013	119,163	5,497,679	301,249	82,500,580
Decrease (increase) in accounts receivable	-	19,883	-	2,249,860	(70,075)	73,039	(3,308)	7,338,919
Decrease (increase) in service charge receivable	(7,385)	16,158	-	-	-	(66,131)	(80,736)	(2,310,191)
Decrease in deferred outflow of resources	1,616	34,571	258	6,841,473	26,205	929,606	74,818	9,475,128
Increase (decrease) in accounts payable	59,454	13,022	-	3,024,247	6,356	(256,492)	3,528	3,448,920
Increase in amounts held for others	-	-	-	-	2,000,000	-	-	2,000,000
Decrease in claims liabilities	-	-	-	(6,210,091)	-	(380,309)	-	(6,783,015)
Increase in estimated pollution remediation	-	-	-	116,924	-	-	-	116,924
Decrease in other postemployment benefits liability	(3,989)	(85,302)	(636)	(16,880,908)	(64,660)	(2,293,747)	(184,608)	(23,379,286)
Increase in pension liability	1,446	30,932	231	6,121,314	23,446	831,753	66,943	8,477,741
Increase (increase) in other liabilities	-	-	-	3,133	-	-	-	1,499
Increase (decrease) in due to/from other funds	(2,307)	(19,084)	-	(719,976)	(77,916)	(388)	26,368	(615,982)
Increase in deferred inflow of resources	1,981	42,392	316	8,388,885	32,132	1,139,867	91,740	11,618,228
Net cash provided (used) by operating activities	\$ (93,175)	892,657	(4,702)	3,283,451	3,753,435	12,677,920	(886,408)	146,052,880
Schedule of noncash investing activities:								
Unrealized gain on fair value of investments	\$ 67,743	56,930	-	3,218,740	-	448,004	350,693	9,926,550
Amortization of investment premium (discount)	38,267	19,328	-	(27,164)	-	104,799	37,135	3,583,619
Investment in joint venture	-	-	-	(1,364,821)	-	-	-	(1,364,821)

Exhibit F-1
LOS ANGELES COUNTY SANITATION DISTRICTS
Stormwater Operations
Combining Schedule of Net Position
June 30, 2020

Assets

Current assets:

Unrestricted cash and cash equivalents:

Cash and cash equivalents	\$ <u>1,159,910</u>
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Receivables:

Accounts	230,832
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Due from other funds	12,455
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Interest	<u>34,591</u>
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Total receivables	<u>277,878</u>
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Total current assets	<u>1,437,788</u>
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Total assets	\$ <u>1,437,788</u>
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Liabilities

Current liabilities:

Accounts payable	\$ 45,121
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Amounts held for others	<u>74,232</u>
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Total current liabilities	<u>119,353</u>
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Total liabilities	\$ <u>119,353</u>
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Net Position

Net position:

Unrestricted	\$ <u>1,318,435</u>
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Total net position	\$ <u><u>1,318,435</u></u>
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Exhibit F-2
LOS ANGELES COUNTY SANITATION DISTRICTS
Stormwater Operations
Combining Schedule of Revenues, Expenses, and Changes in Net Position
Fiscal year ended June 30, 2020

Operating revenues:		
Contract revenue	\$	<u>952,313</u>
Operating expenses:		
Salaries and benefits		112,464
Services		<u>892,950</u>
Total operating expenses		<u>1,005,414</u>
Operating loss		<u>(53,101)</u>
Nonoperating revenues:		
Interest revenue		<u>74,907</u>
Income before transfers		21,806
Transfers out		<u>(5,600,000)</u>
Change in net position		(5,578,194)
Total net position, July 1, 2019		<u>6,896,629</u>
Total net position, June 30, 2020	\$	<u><u>1,318,435</u></u>

Exhibit F-3
LOS ANGELES COUNTY SANITATION DISTRICTS
Stormwater Operations
Combining Schedule of Cash Flows
Fiscal year ended June 30, 2020

Cash flows from operating activities:	
Receipts from customers and users	\$ 914,930
Payments to suppliers	(878,624)
Payments for salaries/benefits	<u>(131,662)</u>
Net cash used by operating activities	<u>(95,356)</u>
Cash flows from noncapital financing activities:	
Transfers to other funds	<u>(5,606,000)</u>
Net cash used by noncapital financing activities	<u>(5,606,000)</u>
Cash flows from investing activities:	
Interest received	<u>105,822</u>
Net cash provided by investing activities	<u>105,822</u>
Net decrease in cash and cash equivalents	(5,595,534)
Cash and cash equivalents at beginning of fiscal year	<u>6,755,444</u>
Cash and cash equivalents at end of fiscal year	<u><u>\$ 1,159,910</u></u>
Reconciliation of operating loss to net cash used by operating activities:	
Operating loss	<u>\$ (53,101)</u>
Adjustments to reconcile operating loss to net cash used by operating activities:	
Increase in accounts receivable	(107,383)
Increase in accounts payable	45,095
Increase in amounts held for others	39,232
Decrease in due to/from other funds	<u>(19,199)</u>
Net cash used by operating activities	<u><u>\$ (95,356)</u></u>

Exhibit G-1
LOS ANGELES COUNTY SANITATION DISTRICTS
Solid Waste Facilities Operations
Combining Schedule of Net Position
June 30, 2020

Assets	Spadra Landfill	Puente Hills Landfill	Joint Refuse Disposal System	Total
Current assets:				
Unrestricted cash and cash equivalents:				
Cash in bank	\$ -	256,090	1,447,678	1,703,768
Cash on hand	-	9,111	14,078	23,189
Cash and cash equivalents	<u>3,730,644</u>	<u>11,546,552</u>	<u>33,515,888</u>	<u>48,793,084</u>
Total unrestricted cash and cash equivalents	<u>3,730,644</u>	<u>11,811,753</u>	<u>34,977,644</u>	<u>50,520,041</u>
Receivables:				
Accounts	-	2,467	11,167,273	11,169,740
Due from other funds	181,098	970,393	3,198,126	4,349,617
Interest	<u>369,156</u>	<u>1,243,032</u>	<u>1,166,412</u>	<u>2,778,600</u>
Total receivables	<u>550,254</u>	<u>2,215,892</u>	<u>15,531,811</u>	<u>18,297,957</u>
Restricted/designated cash and investments:				
Cash and cash equivalents	25,954,913	115,862,644	70,570,491	212,388,048
Specific investments	<u>47,179,983</u>	<u>193,036,416</u>	<u>177,777,582</u>	<u>417,993,981</u>
Bond proceeds with Trustee				
Cash and cash equivalents	<u>-</u>	<u>-</u>	<u>233</u>	<u>233</u>
Total restricted/designated cash and investments	<u>73,134,896</u>	<u>308,899,060</u>	<u>248,348,306</u>	<u>630,382,262</u>
Total current assets	<u>77,415,794</u>	<u>322,926,705</u>	<u>298,857,761</u>	<u>699,200,260</u>
Other assets	-	-	8,512	8,512
Capital assets:				
Buildings & equipment	-	-	18,543,736	18,543,736
Improvements	41,219,015	246,787,240	81,169,590	369,175,845
Gas-to-energy facilities	26,041,170	-	174,550,031	200,591,201
Rail facilities	-	-	110,371,912	110,371,912
Recycling and transfer facilities	-	-	74,399,560	74,399,560
Use rights	635,000	9,001,642	54,366,883	64,003,525
Other capital assets	16,963	317,157	280,358	614,478
Construction in progress	100,972	1,099,933	176,887,793	178,088,698
Land	-	-	54,884,982	54,884,982
Accumulated depreciation & amortization	<u>(60,729,522)</u>	<u>(255,869,198)</u>	<u>(167,576,563)</u>	<u>(484,175,283)</u>
Net capital assets	<u>7,283,598</u>	<u>1,336,774</u>	<u>577,878,282</u>	<u>586,498,654</u>
Total assets	<u>\$ 84,699,392</u>	<u>324,263,479</u>	<u>876,744,555</u>	<u>1,285,707,426</u>
Deferred Outflow of Resources				
Deferred pension contribution	\$ 223,186	2,972,153	3,357,675	6,553,014
Other postemployment benefit deferral	<u>117,745</u>	<u>775,571</u>	<u>1,796,760</u>	<u>2,690,076</u>
Total deferred outflow of resources	<u>\$ 340,931</u>	<u>3,747,724</u>	<u>5,154,435</u>	<u>9,243,090</u>

(Continued on the following page)

Exhibit G-1-2
LOS ANGELES COUNTY SANITATION DISTRICTS
Solid Waste Facilities Operations
Combining Schedule of Net Position
June 30, 2020

Liabilities	Spadra Landfill	Puente Hills Landfill	Joint Refuse Disposal System	Total
Current liabilities:				
Accounts payable	\$ 41,658	129,612	6,529,079	6,700,349
Bonds payable	-	-	1,404,400	1,404,400
Estimated liability for closure/postclosure care	3,530,000	10,730,000	-	14,260,000
Interest payable	-	-	1,658	1,658
Other	-	8	(48,823)	(48,815)
Total current liabilities	<u>3,571,658</u>	<u>10,859,620</u>	<u>7,886,314</u>	<u>22,317,592</u>
Long-term liabilities:				
Bonds payable	-	-	1,404,398	1,404,398
Contractual obligations to other governments	-	37,579,055	-	37,579,055
Estimated liability for closure/postclosure care	50,473,940	307,596,236	-	358,070,176
Other postemployment benefits liability	675,431	6,631,333	10,785,795	18,092,559
Pension liability	518,249	10,915,906	24,141,989	35,576,144
Total long-term liabilities	<u>51,667,620</u>	<u>362,722,530</u>	<u>36,332,182</u>	<u>450,722,332</u>
Total liabilities	<u>\$ 55,239,278</u>	<u>373,582,150</u>	<u>44,218,496</u>	<u>473,039,924</u>
Deferred Inflow of Resources				
Other postemployment benefits deferrals	\$ 23,845	150,380	3,299,376	3,473,601
Pension deferrals	91,935	1,276,674	1,790,608	3,159,217
Total deferred inflow of resources	<u>\$ 115,780</u>	<u>1,427,054</u>	<u>5,089,984</u>	<u>6,632,818</u>
Net Position				
Net position:				
Net investment in capital assets	\$ 7,283,598	1,336,774	575,069,484	583,689,856
Restricted for capital projects	-	-	18,955,972	18,955,972
Restricted for closure/postclosure maintenance	22,401,667	-	-	22,401,667
Unrestricted	-	(48,334,775)	238,565,054	190,230,279
Total net position	<u>\$ 29,685,265</u>	<u>(46,998,001)</u>	<u>832,590,510</u>	<u>815,277,774</u>

Exhibit G-2
LOS ANGELES COUNTY SANITATION DISTRICTS
Solid Waste Facilities Operations
Combining Schedule of Revenues, Expenses, and Changes in Net Position
Fiscal year ended June 30, 2020

	Spadra Landfill	Puente Hills Landfill	Joint Refuse Disposal System	Total
Operating revenues:				
Commodities	\$ -	51,602	998,627	1,050,229
Contract revenue	-	134,019	2,355,452	2,489,471
Refuse/food waste tipping fees	-	-	68,591,911	68,591,911
Sale of energy	-	-	19,898,813	19,898,813
Other	(544)	3,853	97,043	100,352
Total operating revenues	(544)	189,474	91,941,846	92,130,776
Operating expenses:				
Chemicals	-	-	175,279	175,279
Depreciation/amortization	645,468	24,619	7,563,607	8,233,694
Equipment and vehicle rentals	128,079	371,932	2,925,104	3,425,115
Insurance and claims	(46,534)	(2,214,162)	(337,492)	(2,598,188)
Internal administrative costs	572,665	1,781,701	6,215,226	8,569,592
Landfill closure and postclosure costs	14,566,370	140,186,699	-	154,753,069
Materials and supplies	4,175	617,618	3,028,023	3,649,816
Operations, repairs, and maintenance	955	38,526	3,116,172	3,155,653
Salaries and benefits	2,547	1,491	21,806,017	21,810,055
Services	12,938	57,322	44,308,471	44,378,731
Utilities	36,289	(26,249)	1,071,001	1,081,041
Total operating expenses	15,922,952	140,839,497	89,871,408	246,633,857
Operating income (loss)	(15,923,496)	(140,650,023)	2,070,438	(154,503,081)
Nonoperating revenues (expenses):				
Interest revenue	1,497,782	5,306,721	5,609,544	12,414,047
Interest expense	-	-	(43,058)	(43,058)
Gain (loss) on sale of equipment/assets	-	-	(202,712)	(202,712)
Other nonoperating revenue	3,450	3,247	1,799,307	1,806,004
Tax and assessment expense	-	-	(3,023,230)	(3,023,230)
Unrealized gain on investments	959,635	4,337,604	3,560,516	8,857,755
Net nonoperating revenues	2,460,867	9,647,572	7,700,367	19,808,806
Income (loss) before capital contribution revenue and transfers	(13,462,629)	(131,002,451)	9,770,805	(134,694,275)
Capital contribution revenue:				
Capital grants	-	-	1,451,215	1,451,215
Transfers in	7,565,902	13,011,766	295,763,453	316,341,121
Transfers out	(4,361,018)	(10,596,556)	(301,840,512)	(316,798,086)
Change in net position	(10,257,745)	(128,587,241)	5,144,961	(133,700,025)
Total net position, July 1, 2019, as previously stated	39,943,010	118,465,306	827,445,549	985,853,865
Prior-period adjustments	-	(36,876,066)	-	(36,876,066)
Total net position, July 1, 2019, as restated	39,943,010	81,589,240	827,445,549	948,977,799
Total net position, June 30, 2020	\$ 29,685,265	(46,998,001)	832,590,510	815,277,774

Exhibit G-3
LOS ANGELES COUNTY SANITATION DISTRICTS
Solid Waste Facilities Operations
Combining Schedule of Cash Flows
Fiscal year ended June 30, 2020

	Spadra Landfill	Puente Hills Landfill	Joint Refuse Disposal	Total
Cash flows from operating activities:				
Receipts from customers and users	\$ -	158,147	90,075,590	90,233,737
Payments to suppliers	(1,728)	(759,849)	(54,586,879)	(55,348,456)
Payments for salaries/benefits	(32,266)	(1,534)	(20,962,023)	(20,995,823)
Payments applied to closure/postclosure liability	(2,630,685)	(7,747,189)	-	(10,377,874)
Payment for equipment rental	(128,079)	(371,932)	(2,925,104)	(3,425,115)
Payment for internal administrative costs	(572,665)	(1,356,701)	(6,215,226)	(8,144,592)
Net cash provided (used) by operating activities	<u>(3,365,423)</u>	<u>(10,079,058)</u>	<u>5,386,358</u>	<u>(8,058,123)</u>
Cash flows from noncapital financing activities:				
Payments for tax and assessment	-	-	(2,985,755)	(2,985,755)
Transfers from other funds	3,230,881	2,500,000	1,447,941	7,178,822
Transfers to other funds	(129,997)	(564,790)	(8,376,822)	(9,071,609)
Net cash provided (used) by noncapital financing activities	<u>3,100,884</u>	<u>1,935,210</u>	<u>(9,914,636)</u>	<u>(4,878,542)</u>
Cash flows from capital and related financing activities:				
Purchases of capital assets	(42,322)	307,579	(12,735,832)	(12,470,575)
Grant proceeds	-	-	1,451,215	1,451,215
Interest paid on capital-related debt	-	-	(43,887)	(43,887)
Principal payments on bonds	-	-	(1,404,400)	(1,404,400)
Proceeds from sale of equipment	-	-	64,055	64,055
Receipts from joint venture	-	-	11,680,000	11,680,000
Net cash provided (used) by capital and related financing activities	<u>(42,322)</u>	<u>307,579</u>	<u>(988,849)</u>	<u>(723,592)</u>
Cash flows from investing activities:				
Interest received	1,364,900	6,157,016	5,374,170	12,896,086
Purchases of investments	(46,674,353)	(150,906,930)	(98,098,697)	(295,679,980)
Proceeds from maturities of investments	62,820,709	205,237,999	158,684,633	426,743,341
Net cash provided by investing activities	<u>17,511,256</u>	<u>60,488,085</u>	<u>65,960,106</u>	<u>143,959,447</u>
Net increase in cash and cash equivalents	17,204,395	52,651,816	60,442,979	130,299,190
Cash and cash equivalents at beginning of fiscal year	<u>12,481,162</u>	<u>75,022,581</u>	<u>45,105,389</u>	<u>132,609,132</u>
Cash and cash equivalents at end of fiscal year	<u>\$ 29,685,557</u>	<u>127,674,397</u>	<u>105,548,368</u>	<u>262,908,322</u>

Exhibit G-3 (continued)
LOS ANGELES COUNTY SANITATION DISTRICTS
Solid Waste Facilities Operations
Combining Schedule of Cash Flows
Fiscal year ended June 30, 2020

	Spadra Landfill	Puente Hills Landfill	Joint Refuse Disposal	Total
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (15,923,496)	(140,650,023)	2,070,438	(154,503,081)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization	645,468	24,619	7,563,607	8,233,694
Landfill closure and postclosure costs	14,566,370	140,186,699	-	154,753,069
Decrease (increase) in accounts receivable	-	4,556	(151,956)	(147,400)
Decrease in deferred outflow of resources	164	-	1,523,997	1,524,161
Decrease in accounts payable	(18,160)	(347,061)	(4,381,066)	(4,746,287)
Decrease in estimated liability for closure/postclosure costs	(2,630,685)	(7,747,189)	-	(10,377,874)
Decrease in claims liabilities	(46,533)	(2,214,163)	(218,521)	(2,479,217)
Decrease in other postemployment benefits liability	(406)	-	(3,760,366)	(3,760,772)
Increase in pension liability	147	-	1,363,576	1,363,723
Increase (decrease) in other liabilities	596	19	(196)	419
Increase (decrease) in due to/from other funds	40,911	663,485	(491,850)	212,546
Increase in deferred inflow of resources	201	-	1,868,695	1,868,896
Net cash provided (used) by operating activities	\$ (3,365,423)	(10,079,058)	5,386,358	(8,058,123)
Schedule of noncash investing activities:				
Unrealized gain on fair value of investments	\$ 959,635	4,337,604	3,560,516	8,857,755
Amortization of investment premium	16,147	(72,469)	93,961	37,639

Exhibit H-1
LOS ANGELES COUNTY SANITATION DISTRICTS
Trustee Solid Waste Facilities Operations
Combining Schedule of Net Position
June 30, 2020

Assets	Palos Verdes Landfill	Scholl Canyon Landfill	Calabasas Landfill	Los Angeles County Equipment Pool	Los Angeles County Refuse Disposal Fund	Total
Current assets:						
Unrestricted cash and cash equivalents:						
Cash in bank	\$ -	779,017	393,201	-	-	1,172,218
Cash on hand	-	5,870	5,106	-	-	10,976
Cash and cash equivalents	<u>2,407,672</u>	<u>25,268,342</u>	<u>21,551,792</u>	<u>4,648,339</u>	<u>1,600,707</u>	<u>55,476,852</u>
Total unrestricted cash and cash equivalents	<u>2,407,672</u>	<u>26,053,229</u>	<u>21,950,099</u>	<u>4,648,339</u>	<u>1,600,707</u>	<u>56,660,046</u>
Receivables:						
Accounts	-	2,528,981	873,945	-	61,437	3,464,363
Due from other funds	326,677	285,073	1,339,642	37,299	62,872	2,051,563
Interest	<u>15,220</u>	<u>185,123</u>	<u>99,393</u>	<u>-</u>	<u>15,675</u>	<u>315,411</u>
Total receivables	<u>341,897</u>	<u>2,999,177</u>	<u>2,312,980</u>	<u>37,299</u>	<u>139,984</u>	<u>5,831,337</u>
Restricted/designated cash and investments:						
Cash and cash equivalents	760,923	3,856,426	9,986,622	-	-	14,603,971
Specific investments	<u>-</u>	<u>11,686,216</u>	<u>50,399,590</u>	<u>-</u>	<u>-</u>	<u>62,085,806</u>
Total restricted/designated cash and investments	<u>760,923</u>	<u>15,542,642</u>	<u>60,386,212</u>	<u>-</u>	<u>-</u>	<u>76,689,777</u>
Other specific investments	<u>1,742,837</u>	<u>12,774,182</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,517,019</u>
Total current assets	<u>5,253,329</u>	<u>57,369,230</u>	<u>84,649,291</u>	<u>4,685,638</u>	<u>1,740,691</u>	<u>153,698,179</u>
Other assets	-	-	4	-	-	4
Capital assets:						
Improvements	23,711,809	28,305,678	125,101,294	-	954	177,119,735
Equipment pool	-	-	-	22,335,665	-	22,335,665
Gas-to-energy facilities	16,557,233	-	-	-	-	16,557,233
Use rights	3,758,185	300,131	947,215	-	-	5,005,531
Construction in progress	345,612	170,117	695,300	-	357,815	1,568,844
Land	-	-	-	-	5,482,200	5,482,200
Accumulated depreciation & amortization	<u>(44,026,243)</u>	<u>(26,762,060)</u>	<u>(107,999,984)</u>	<u>(9,302,617)</u>	<u>(44)</u>	<u>(188,090,948)</u>
Net capital assets	<u>346,596</u>	<u>2,013,866</u>	<u>18,743,825</u>	<u>13,033,048</u>	<u>5,840,925</u>	<u>39,978,260</u>
Total assets	<u>\$ 5,599,925</u>	<u>\$ 59,383,096</u>	<u>\$ 103,393,120</u>	<u>\$ 17,718,686</u>	<u>\$ 7,581,616</u>	<u>\$ 193,676,443</u>
Deferred Outflow of Resources						
Deferred pension contribution	\$ 755,471	1,141,193	850,385	196,301	210,333	3,153,683
Other postemployment benefit deferral	<u>240,315</u>	<u>471,644</u>	<u>520,766</u>	<u>79,088</u>	<u>64,259</u>	<u>1,376,072</u>
Total deferred outflow of resources	<u>\$ 995,786</u>	<u>\$ 1,612,837</u>	<u>\$ 1,371,151</u>	<u>\$ 275,389</u>	<u>\$ 274,592</u>	<u>\$ 4,529,755</u>

(Continued on the following page)

Exhibit H-1-2
LOS ANGELES COUNTY SANITATION DISTRICTS
Trustee Solid Waste Facilities Operations
Combining Schedule of Net Position
June 30, 2020

Liabilities	Palos Verdes Landfill	Scholl Canyon Landfill	Calabasas Landfill	Los Angeles County Equipment Pool	Los Angeles County Refuse Disposal Fund	Total
Current liabilities:						
Accounts payable	\$ 1,750,461	3,454,008	1,633,846	13,834	64,185	6,916,334
Other	2	7	-	(7,013)	(8)	(7,012)
Total current liabilities	<u>1,750,463</u>	<u>3,454,015</u>	<u>1,633,846</u>	<u>6,821</u>	<u>64,177</u>	<u>6,909,322</u>
Long-term liabilities:						
Contractual obligations to other governments	-	-	1,115,830	-	-	1,115,830
Estimated liability for closure/postclosure care	-	11,709,068	78,679,806	-	-	90,388,874
Other postemployment benefits liability	1,848,709	3,153,327	3,076,461	542,131	503,378	9,124,006
Pension liability	4,037,702	7,028,934	6,891,239	1,125,558	1,090,059	20,173,492
Total long-term liabilities	<u>5,886,411</u>	<u>21,891,329</u>	<u>89,763,336</u>	<u>1,667,689</u>	<u>1,593,437</u>	<u>120,802,202</u>
Total liabilities	<u>\$ 7,636,874</u>	<u>25,345,344</u>	<u>91,397,182</u>	<u>1,674,510</u>	<u>1,657,614</u>	<u>127,711,524</u>
Deferred Inflow of Resources						
Other postemployment benefits deferrals	\$ 402,968	880,738	994,578	125,245	94,332	2,497,861
Pension deferrals	316,718	514,656	500,708	90,479	91,200	1,513,761
Total deferred inflow of resources	<u>\$ 719,686</u>	<u>1,395,394</u>	<u>1,495,286</u>	<u>215,724</u>	<u>185,532</u>	<u>4,011,622</u>
Net Position						
Net position:						
Net investment in capital assets	\$ 346,596	2,013,866	18,743,825	13,033,048	5,840,925	39,978,260
Restricted for capital projects	-	1,424,747	-	-	-	1,424,747
Restricted for closure/postclosure maintenance	-	27,211,643	-	-	-	27,211,643
Unrestricted	(2,107,445)	3,604,939	(6,872,022)	3,070,793	172,137	(2,131,598)
Total net position	<u>\$ (1,760,849)</u>	<u>34,255,195</u>	<u>11,871,803</u>	<u>16,103,841</u>	<u>6,013,062</u>	<u>66,483,052</u>

Exhibit H-2
LOS ANGELES COUNTY SANITATION DISTRICTS
Trustee Solid Waste Facilities Operations
Combining Schedule of Revenues, Expenses, and Changes in Net Position
Fiscal year ended June 30, 2020

	Palos Verdes Landfill	Scholl Canyon Landfill	Calabasas Landfill	Los Angeles County Equipment Pool	Los Angeles County Refuse Disposal Fund	Total
Operating revenues:						
Commodities	\$ -	3,562	3,082	-	-	6,644
Contract revenue	-	36,915	-	-	1,392,970	1,429,885
Equipment pool	-	-	-	5,856,508	-	5,856,508
Refuse/food waste tipping fees	-	36,224,519	19,784,685	-	-	56,009,204
Other	235	67	211	916	156	1,585
Total operating revenues	235	36,265,063	19,787,978	5,857,424	1,393,126	63,303,826
Operating expenses:						
Chemicals	-	1,859	26,280	-	-	28,139
Depreciation/amortization	47	1,510,929	1,269,319	1,452,390	44	4,232,729
Equipment and vehicle rentals	146,046	3,235,428	2,842,269	8,739	20,861	6,253,343
Insurance and claims	(133,064)	(145,976)	(359,818)	25,737	682	(612,439)
Internal administrative costs	1,015,195	1,936,168	1,961,949	-	109,005	5,022,317
Landfill closure and postclosure costs	-	569,877	4,505,389	-	-	5,075,266
Materials and supplies	172,158	529,581	821,310	314,617	20,308	1,857,974
Operations, repairs, and maintenance	34,959	7,470,955	268,172	1,256,409	159,133	9,189,628
Salaries and benefits	2,892,835	5,887,194	6,623,611	892,600	665,212	16,961,452
Services	2,067,246	2,411,497	3,991,670	52,378	160,999	8,683,790
Tonnage	-	4,823,891	338,866	-	-	5,162,757
Utilities	292,252	424,743	402,148	2,047	48,776	1,169,966
Total operating expenses	6,487,674	28,656,146	22,691,165	4,004,917	1,185,020	63,024,922
Operating income (loss)	(6,487,439)	7,608,917	(2,903,187)	1,852,507	208,106	278,904
Nonoperating revenues (expenses):						
Interest revenue	135,713	826,172	1,258,133	(27,153)	138,675	2,331,540
Gain on sale of equipment/assets	-	-	-	344,358	-	344,358
Other nonoperating revenue/(expense)	-	-	1,096,086	(43)	-	1,096,043
Tax and assessment expense	(65,136)	(1,573,238)	(2,935,093)	(99)	(18,659)	(4,592,225)
Unrealized gain on investments	45,581	377,089	904,951	-	-	1,327,621
Net nonoperating revenues (expenses)	116,158	(369,977)	324,077	317,063	120,016	507,337
Income (loss) before transfers	(6,371,281)	7,238,940	(2,579,110)	2,169,570	328,122	786,241
Transfers in	-	10,015,455	7,044,368	-	-	17,059,823
Transfers out	(39,486)	(10,097,618)	(7,166,858)	-	(5,779)	(17,309,741)
Change in net position	(6,410,767)	7,156,777	(2,701,600)	2,169,570	322,343	536,323
Total net position, July 1, 2019, as previously stated	4,649,918	27,098,418	16,297,268	13,934,271	5,690,719	67,670,594
Prior-period adjustments	-	-	(1,723,865)	-	-	(1,723,865)
Total net position, July 1, 2019, as restated	4,649,918	27,098,418	14,573,403	13,934,271	5,690,719	65,946,729
Total net position, June 30, 2020	\$ (1,760,849)	34,255,195	11,871,803	16,103,841	6,013,062	66,483,052

Exhibit H-3
LOS ANGELES COUNTY SANITATION DISTRICTS
Trustee Solid Waste Facilities Operations
Combining Schedule of Cash Flows
Fiscal year ended June 30, 2020

	Palos Verdes Landfill	Scholl Canyon Landfill	Calabasas Landfill	Los Angeles County Equipment Pool	Los Angeles County Refuse Disposal Fund	Total
Cash flows from operating activities:						
Receipts from customers and users	\$ 363	36,869,748	22,220,391	-	1,331,689	60,422,191
Receipts for equipment rental	-	-	-	5,856,508	-	5,856,508
Payments to suppliers	(854,324)	(15,726,722)	(5,946,279)	(1,663,125)	(304,343)	(24,494,793)
Payments for salaries/benefits	(2,682,935)	(5,594,189)	(6,683,256)	(855,820)	(645,270)	(16,461,470)
Payment for equipment rental	(146,046)	(3,235,428)	(2,842,269)	(8,739)	(20,861)	(6,253,343)
Payment for internal administrative costs	(1,015,195)	(1,574,090)	(2,324,027)	-	(109,005)	(5,022,317)
Net cash provided (used) by operating activities	<u>(4,698,137)</u>	<u>10,739,319</u>	<u>4,424,560</u>	<u>3,328,824</u>	<u>252,210</u>	<u>14,046,776</u>
Cash flows from noncapital financing activities:						
Payments for tax and assessment	(65,136)	(1,597,421)	(4,069,063)	(99)	(18,659)	(5,750,378)
Transfers to other funds	(157,486)	(347,163)	(511,490)	(42,000)	(37,779)	(1,095,918)
Net cash used by noncapital financing activities	<u>(222,622)</u>	<u>(1,944,584)</u>	<u>(4,580,553)</u>	<u>(42,099)</u>	<u>(56,438)</u>	<u>(6,846,296)</u>
Cash flows from capital and related financing activities:						
Purchases of capital assets	(345,506)	(1,303,319)	(783,291)	(5,173,105)	(73,631)	(7,678,852)
Proceeds from sale of equipment	-	-	-	348,858	-	348,858
Net cash used by capital and related financing activities	<u>(345,506)</u>	<u>(1,303,319)</u>	<u>(783,291)</u>	<u>(4,824,247)</u>	<u>(73,631)</u>	<u>(7,329,994)</u>
Cash flows from investing activities:						
Interest received	167,891	767,607	1,484,195	-	130,685	2,550,378
Purchases of investments	-	(45,296,997)	(43,871,000)	-	-	(89,167,997)
Proceeds from maturities of investments	3,228,463	49,788,563	47,469,000	-	-	100,486,026
Net cash provided by investing activities	<u>3,396,354</u>	<u>5,259,173</u>	<u>5,082,195</u>	<u>-</u>	<u>130,685</u>	<u>13,868,407</u>
Net increase (decrease) in cash and cash equivalents	(1,869,911)	12,750,589	4,142,911	(1,537,522)	252,826	13,738,893
Cash and cash equivalents at beginning of fiscal year	<u>5,038,506</u>	<u>17,159,066</u>	<u>27,793,810</u>	<u>6,185,861</u>	<u>1,347,881</u>	<u>57,525,124</u>
Cash and cash equivalents at end of fiscal year	<u>\$ 3,168,595</u>	<u>29,909,655</u>	<u>31,936,721</u>	<u>4,648,339</u>	<u>1,600,707</u>	<u>71,264,017</u>

Exhibit H-3 (continued)
LOS ANGELES COUNTY SANITATION DISTRICTS
Trustee Solid Waste Facilities Operations
Combining Schedule of Cash Flows
Fiscal year ended June 30, 2020

	Palos Verdes Landfill	Scholl Canyon Landfill	Calabasas Landfill	Los Angeles County Equipment Pool	Los Angeles County Refuse Disposal Fund	Total
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
Operating income (loss)	\$ (6,487,439)	7,608,917	(2,903,187)	1,852,507	208,106	278,904
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation and amortization	47	1,510,929	1,269,319	1,452,390	44	4,232,729
Landfill closure and postclosure costs	-	569,877	4,505,389	-	-	5,075,266
Other nonoperating revenues	-	-	1,096,086	-	-	1,096,086
Decrease (increase) in accounts receivable	-	617,990	1,334,985	-	(61,437)	1,891,538
Decrease in deferred outflow of resources	183,526	406,799	461,901	56,676	42,210	1,151,112
Increase (decrease) in accounts payable	1,722,605	(48,151)	257,759	(1,837)	63,583	1,993,959
Decrease in claims liabilities	(136,048)	(147,833)	(367,913)	-	-	(651,794)
Decrease in contractual obligations	-	-	(641,134)	-	-	(641,134)
Increase (decrease) in other liabilities	8	-	-	(7,013)	(704)	(7,709)
Decrease in other postemployment benefits liability	(452,837)	(1,003,750)	(1,139,712)	(139,846)	(104,152)	(2,840,297)
Increase in pension liability	164,207	363,977	413,280	50,710	37,767	1,029,941
Increase (decrease) in due to/from other funds	82,759	361,755	(428,588)	(4,259)	15,035	26,702
Increase in deferred inflow of resources	225,035	498,809	566,375	69,496	51,758	1,411,473
Net cash provided (used) by operating activities	\$ (4,698,137)	10,739,319	4,424,560	3,328,824	252,210	14,046,776
Schedule of noncash investing activities:						
Unrealized gain on fair value of investments	\$ 45,581	377,089	904,951	-	-	1,327,621
Amortization of investment premium (discount)	(809)	39,806	(446)	-	-	38,551

Exhibit I-1
LOS ANGELES COUNTY SANITATION DISTRICTS
Service Operations
Combining Schedule of Net Position
June 30, 2020

Assets	Joint Administration	Technical Support	Joint Refuse Equipment Pool	Joint Administration Equipment Pool	Joint Outfall Equipment Pool	Total
Current assets:						
Unrestricted cash and cash equivalents:						
Cash in bank	\$ 33,647,728	-	-	-	-	33,647,728
Cash on hand	12,417	-	-	-	-	12,417
Cash and cash equivalents	<u>667,063</u>	<u>4,488,794</u>	<u>9,702,906</u>	<u>62,428</u>	<u>1,278,793</u>	<u>16,199,984</u>
Total unrestricted cash and cash equivalents	<u>34,327,208</u>	<u>4,488,794</u>	<u>9,702,906</u>	<u>62,428</u>	<u>1,278,793</u>	<u>49,860,129</u>
Receivables:						
Accounts	172,598	-	-	-	-	172,598
Due from other funds	-	-	214,159	-	-	214,159
Interest	241,861	19,099	102,417	618	2,292	366,287
Total receivables	<u>414,459</u>	<u>19,099</u>	<u>316,576</u>	<u>618</u>	<u>2,292</u>	<u>753,044</u>
Inventory	<u>22,097,550</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,097,550</u>
Restricted/designated cash and investments:						
Cash and cash equivalents	39,629,786	-	-	-	-	39,629,786
Specific investments	12,946,267	-	-	-	-	12,946,267
Total restricted/designated cash and investments	<u>52,576,053</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>52,576,053</u>
Other specific investments	<u>-</u>	<u>-</u>	<u>10,479,085</u>	<u>-</u>	<u>-</u>	<u>10,479,085</u>
Total current assets	<u>109,415,270</u>	<u>4,507,893</u>	<u>20,498,567</u>	<u>63,046</u>	<u>1,281,085</u>	<u>135,765,861</u>
Other assets	23,468	16,940	-	-	-	40,408
Capital assets:						
Buildings & equipment	69,690,699	-	-	-	-	69,690,699
Equipment pool	-	-	16,913,814	2,089,284	33,881,430	52,884,528
Other capital assets	18,171,523	17,687,314	-	-	-	35,858,837
Construction in progress	3,024,226	494,316	-	40,552	-	3,559,094
Land	592,901	-	-	-	-	592,901
Accumulated depreciation & amortization	<u>(48,546,029)</u>	<u>(5,415,813)</u>	<u>(8,700,688)</u>	<u>(737,065)</u>	<u>(17,284,760)</u>	<u>(80,684,355)</u>
Net capital assets	<u>42,933,320</u>	<u>12,765,817</u>	<u>8,213,126</u>	<u>1,392,771</u>	<u>16,596,670</u>	<u>81,901,704</u>
Total assets	<u>\$ 152,372,058</u>	<u>17,290,650</u>	<u>28,711,693</u>	<u>1,455,817</u>	<u>17,877,755</u>	<u>217,707,973</u>
Deferred Outflow of Resources						
Deferred pension contribution	\$ 7,669,188	13,010,364	450,714	(7,171)	373,467	21,496,562
Other postemployment benefit deferral	<u>3,061,894</u>	<u>4,205,725</u>	<u>193,890</u>	<u>4,740</u>	<u>174,800</u>	<u>7,641,049</u>
Total deferred outflow of resources	<u>\$ 10,731,082</u>	<u>17,216,089</u>	<u>644,604</u>	<u>(2,431)</u>	<u>548,267</u>	<u>29,137,611</u>

(Continued on the following page)

Exhibit I-1-2
LOS ANGELES COUNTY SANITATION DISTRICTS
Service Operations
Combining Schedule of Net Position
June 30, 2020

Liabilities	Joint Administration	Technical Support	Joint Refuse Equipment Pool	Joint Administration Equipment Pool	Joint Outfall Equipment Pool	Total
Current liabilities:						
Accounts payable	\$ 13,182,579	122,313	31,933	41,522	95,970	13,474,317
Accrued employee absences	27,000,000	-	-	-	-	27,000,000
Amounts held for others	7,898,587	-	-	-	-	7,898,587
Claims liabilities	2,376,278	-	-	-	-	2,376,278
Due to other funds	31,442,944	4,396,149	-	102,565	2,650,527	38,592,185
Other	106,968	241,784	17,013	(10,000)	-	355,765
Total current liabilities	<u>82,007,356</u>	<u>4,760,246</u>	<u>48,946</u>	<u>134,087</u>	<u>2,746,497</u>	<u>89,697,132</u>
Long-term liabilities:						
Accrued employee absences	15,035,073	-	-	-	-	15,035,073
Claims liabilities	7,047,698	-	-	-	-	7,047,698
Other postemployment benefits liability	20,489,559	32,667,475	1,306,613	(13,632)	1,115,726	55,565,741
Pension liability	49,692,275	71,035,121	2,692,920	66,176	2,352,329	125,838,821
Total long-term liabilities	<u>92,264,605</u>	<u>103,702,596</u>	<u>3,999,533</u>	<u>52,544</u>	<u>3,468,055</u>	<u>203,487,333</u>
Total liabilities	<u>\$ 174,271,961</u>	<u>108,462,842</u>	<u>4,048,479</u>	<u>186,631</u>	<u>6,214,552</u>	<u>293,184,465</u>
Deferred Inflow of Resources						
Other postemployment benefits deferrals	\$ 6,970,120	6,564,540	299,235	39,167	291,821	14,164,883
Pension deferrals	3,178,892	5,822,385	220,916	(7,534)	183,906	9,398,565
Total deferred inflow of resources	<u>\$ 10,149,012</u>	<u>12,386,925</u>	<u>520,151</u>	<u>31,633</u>	<u>475,727</u>	<u>23,563,448</u>
Net Position						
Net position:						
Net investment in capital assets	\$ 42,933,320	12,765,817	8,213,126	1,392,771	16,596,670	81,901,704
Unrestricted	(64,251,153)	(99,108,845)	16,574,541	(157,649)	(4,860,927)	(151,804,033)
Total net position	<u>\$ (21,317,833)</u>	<u>(86,343,028)</u>	<u>24,787,667</u>	<u>1,235,122</u>	<u>11,735,743</u>	<u>(69,902,329)</u>

Exhibit I-2
LOS ANGELES COUNTY SANITATION DISTRICTS
Service Operations
Combining Schedule of Revenues, Expenses, and Changes in Net Position
Fiscal year ended June 30, 2020

	Joint Administration	Technical Support	Joint Refuse Equipment Pool	Joint Administration Equipment Pool	Joint Outfall Equipment Pool	Total
Operating revenues:						
Commodities	\$ 9	-	-	-	-	9
Contract revenue	10,731	13,879	-	-	-	24,610
Equipment pool	-	-	3,938,275	558,578	6,321,007	10,817,860
Internal services revenue	61,958,414	53,874,667	-	-	-	115,833,081
Sale of energy	-	-	-	13,724	-	13,724
Other	323,160	933	9,091	95,487	9,543	438,214
Total operating revenues	62,292,314	53,889,479	3,947,366	667,789	6,330,550	127,127,498
Operating expenses:						
Chemicals	-	10,249	-	-	-	10,249
Depreciation/amortization	3,547,799	555,926	1,299,142	260,128	2,058,585	7,721,580
Equipment and vehicle rentals	448,377	551,497	56,832	27,866	6,021	1,090,593
Insurance and claims	10,809,576	(870,148)	138,135	25,688	438,377	10,541,628
Materials and supplies	4,242,373	4,130,910	402,286	36,363	558,112	9,370,044
Operations, repairs, and maintenance	2,201,878	2,013,387	1,086,808	106,986	1,364,289	6,773,348
Salaries and benefits	48,189,670	47,145,122	2,130,366	74,103	2,094,108	99,633,369
Services	5,575,497	1,826,268	137,091	21,694	230,845	7,791,395
Tonnage	-	-	-	-	-	-
Utilities	974,525	218,410	35,936	18,768	99	1,247,738
Total operating expenses	75,989,695	55,581,621	5,286,596	571,596	6,750,436	144,179,944
Operating income (loss)	(13,697,381)	(1,692,142)	(1,339,230)	96,193	(419,886)	(17,052,446)
Nonoperating revenues (expenses):						
Interest revenue	1,319,975	128,811	366,948	3,612	19,211	1,838,557
Investment in joint ventures	3,544	-	-	-	-	3,544
Gain (loss) on sale of equipment/assets	(126)	-	102,670	(26,393)	142,623	218,774
Other nonoperating revenue/(expense)	193,925	(4,056)	-	149	7,398	197,416
Tax and assessment expense	(3,519)	(143,269)	(3,315)	(288)	(17,700)	(168,091)
Unrealized gain on investments	286,437	-	219,864	-	-	506,301
Net nonoperating revenues (expenses)	1,800,236	(18,514)	686,167	(22,920)	151,532	2,596,501
Income (loss) before transfers	(11,897,145)	(1,710,656)	(653,063)	73,273	(268,354)	(14,455,945)
Transfers in	3,544,420	145,799	-	-	-	3,690,219
Transfers out	(179,085)	-	-	-	-	(179,085)
Change in net position	(8,531,810)	(1,564,857)	(653,063)	73,273	(268,354)	(10,944,811)
Total net position, July 1, 2019	(12,786,023)	(84,778,171)	25,440,730	1,161,849	12,004,097	(58,957,518)
Total net position, June 30, 2020	\$ (21,317,833)	(86,343,028)	24,787,667	1,235,122	11,735,743	(69,902,329)

Exhibit I-3
LOS ANGELES COUNTY SANITATION DISTRICTS
Service Operations
Schedule of Cash Flows
Fiscal year ended June 30, 2020

	Joint Administration	Technical Support	Joint Refuse Equipment Pool	Joint Administration Equipment Pool	Wastewater Equipment Pool	Total
Cash flows from operating activities:						
Receipts from customers and users	\$ 141,102	14,059	9,091	13,724	-	177,976
Receipts for internal services	61,533,414	53,874,667	-	-	-	115,408,081
Receipts for equipment rental	-	-	3,938,275	558,578	6,321,007	10,817,860
Payments to suppliers	(12,247,903)	(8,361,587)	(1,691,165)	(197,036)	(2,560,042)	(25,057,733)
Payments for salaries/benefits	(44,476,560)	(44,812,049)	(2,079,333)	44,361	(1,978,964)	(93,302,545)
Payment for equipment rental	(448,377)	(551,497)	(56,832)	(27,866)	(6,021)	(1,090,593)
Net cash provided by operating activities	<u>4,501,676</u>	<u>163,593</u>	<u>120,036</u>	<u>391,761</u>	<u>1,775,980</u>	<u>6,953,046</u>
Cash flows from noncapital financing activities:						
Payments for tax and assessment	(3,519)	(143,243)	(3,315)	(288)	(17,700)	(168,065)
Transfers from other funds	17,519,154	145,800	-	-	2,800,000	20,464,954
Transfers to other funds	(1,715,000)	(2,344,000)	(113,000)	(3,000)	(104,000)	(4,279,000)
Net cash provided (used) by noncapital financing activities	<u>15,800,635</u>	<u>(2,341,443)</u>	<u>(116,315)</u>	<u>(3,288)</u>	<u>2,678,300</u>	<u>16,017,889</u>
Cash flows from capital and related financing activities:						
Purchases of capital assets	(4,311,670)	(147,549)	(773,076)	(638,131)	(4,665,698)	(10,536,124)
Proceeds from sale of equipment/assets	-	-	426,775	84,527	298,773	810,075
Net cash used by capital and related financing activities	<u>(4,311,670)</u>	<u>(147,549)</u>	<u>(346,301)</u>	<u>(553,604)</u>	<u>(4,366,925)</u>	<u>(9,726,049)</u>
Cash flows from investing activities:						
Interest received	1,139,617	152,735	358,537	5,120	21,952	1,677,961
Purchases of investments	(10,062,958)	-	(7,908,129)	-	-	(17,971,087)
Proceeds from maturities/sale of investments	13,830,981	-	8,008,150	-	-	21,839,131
Net cash provided by investing activities	<u>4,907,640</u>	<u>152,735</u>	<u>458,558</u>	<u>5,120</u>	<u>21,952</u>	<u>5,546,005</u>
Net increase (decrease) in cash and cash equivalents	20,898,281	(2,172,664)	115,978	(160,011)	109,307	18,790,891
Cash and cash equivalents at beginning of fiscal year	<u>53,058,713</u>	<u>6,661,458</u>	<u>9,586,928</u>	<u>222,439</u>	<u>1,169,486</u>	<u>70,699,024</u>
Cash and cash equivalents at end of fiscal year	<u>\$ 73,956,994</u>	<u>4,488,794</u>	<u>9,702,906</u>	<u>62,428</u>	<u>1,278,793</u>	<u>89,489,915</u>

Exhibit I-3 (continued)
LOS ANGELES COUNTY SANITATION DISTRICTS
Service Operations
Schedule of Cash Flows
Fiscal year ended June 30, 2020

	Joint Administration	Technical Support	Joint Refuse Equipment Pool	Joint Administration Equipment Pool	Wastewater Equipment Pool	Total
Reconciliation of operating income (loss) to net cash provided by operating activities:						
Operating income (loss)	\$ (13,697,381)	(1,692,142)	(1,339,230)	96,193	(419,886)	(17,052,446)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:						
Depreciation	3,547,799	555,926	1,299,142	260,128	2,058,585	7,721,580
Decrease in accounts receivable	150,342	-	-	-	-	150,342
Increase in inventory	(1,254,152)	-	-	-	-	(1,254,152)
Decrease in deferred outflow of resources	3,282,753	2,966,248	135,086	19,626	133,099	6,536,812
Increase (decrease) in accounts payable	(815,430)	(17,942)	(5,630)	2,986	10,187	(825,829)
Increase in accrued employee absences	3,959,692	-	-	-	-	3,959,692
Increase (decrease) in claims liabilities	9,811,602	(866,263)	-	-	-	8,945,339
Decrease in other postemployment benefits liability	(8,099,988)	(7,319,036)	(333,317)	(48,424)	(328,415)	(16,129,180)
Increase in pension liability	2,937,199	2,654,011	120,866	17,560	119,089	5,848,725
Increase (decrease) in other liabilities	(134,164)	-	7,013	-	-	(127,151)
Increase in amounts held for others	768,070	-	-	-	-	768,070
Increase in due to/from other funds	20,090	245,632	70,466	19,628	40,117	395,933
Increase in deferred inflow of resources	4,025,244	3,637,159	165,640	24,064	163,204	8,015,311
Net cash provided by operating activities	\$ 4,501,676	163,593	120,036	391,761	1,775,980	6,953,046
Schedule of noncash investing activities:						
Unrealized gain on fair value of investments	\$ 286,437	-	219,864	-	-	506,301
Amortization of investment discount	-	-	(7,372)	-	-	(7,372)

Harnessing Technology to Maintain Productivity

Technology has allowed Districts office staff to be highly productive while working remotely. Staff meets via video call, collaborates by screen sharing, and has remote access to work email, calendar and other agency computer resources. Videoconferencing is also used for board meetings, virtual tours and town hall meetings. This capability has allowed us to continue public outreach while keeping the public and staff safe.

Watching a Board meeting held by videoconference.

Schedule 1

LOS ANGELES COUNTY SANITATION DISTRICTS

Net Position by Component
Last Ten Fiscal Years
(\$ thousands)

	Fiscal Year									
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Net Investment in Capital Assets	\$ 2,043,959	\$ 2,176,888	\$ 2,163,967	\$ 2,324,683	\$ 2,425,697	\$ 2,510,653	\$ 2,569,596	\$ 2,625,877	\$ 2,713,887	\$ 2,894,684
Restricted	1,487,066	1,406,583	1,489,800	882,206	830,382	614,964	632,009	511,794	465,904	341,484
Unrestricted	<u>311,704</u>	<u>334,042</u>	<u>371,308</u>	<u>883,243</u>	<u>590,578</u>	<u>849,383</u>	<u>926,728</u>	<u>913,338</u>	<u>1,079,579</u>	<u>1,030,155</u>
Total Net Position	<u>\$ 3,842,729</u>	<u>\$ 3,917,513</u>	<u>\$ 4,025,075</u>	<u>\$ 4,090,132</u>	<u>\$ 3,846,657</u>	<u>\$ 3,975,000</u>	<u>\$ 4,128,333</u>	<u>\$ 4,051,009</u>	<u>\$ 4,259,370</u>	<u>\$ 4,266,323</u>

Schedule 2

LOS ANGELES COUNTY SANITATION DISTRICTS

Changes in Net Position
Last Ten Fiscal Years
(\$ thousands)

	Fiscal Year									
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Operating Revenues	\$ 560,563	\$ 534,890	\$ 554,282	\$ 530,264	\$ 541,086	\$ 545,758	\$ 574,894	\$ 590,185	\$ 627,010	\$ 633,772
Operating Expenses	485,580	489,657	477,068	538,751	539,460	496,260	498,319	552,610	585,401	750,938
Operating Income/(Loss)	74,983	45,233	77,214	(8,487)	1,626	49,498	76,575	37,575	41,609	(117,166)
Total Net Nonoperating Revenues	21,967	10,098	4,236	39,501	58,091	58,789	58,613	50,455	123,299	118,076
Income Before Capital Contributions	96,950	55,331	81,450	31,014	59,717	108,287	135,188	88,030	164,908	910
Capital Contributions	18,144	19,453	26,113	38,842	32,966	35,800	36,286	41,524	47,008	43,893
Prior-Period Adjustments	-	-	-	(4,799,699)	(336,158)	(15,745)	(18,141)	5,033	(3,555)	(37,850)
Change in Accounting Methods	-	-	-	-	-	-	-	(211,911)	-	-
Change in Net Position	<u>\$ 115,094</u>	<u>\$ 74,784</u>	<u>\$ 107,563</u>	<u>\$ (4,729,843)</u>	<u>\$ (243,475)</u>	<u>\$ 128,342</u>	<u>\$ 153,333</u>	<u>\$ (77,324)</u>	<u>\$ 208,361</u>	<u>\$ 6,953</u>

Schedule 3

LOS ANGELES COUNTY SANITATION DISTRICTS

Operating Revenues
Last Ten Fiscal Years
(\$ thousands)

	Fiscal Year									
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Commodities	\$ 4,025	\$ 5,343	\$ 7,276	\$ 7,894	\$ 8,779	\$ 8,459	\$ 5,864	\$ 3,150	\$ 1,506	\$ 1,119
Contract Revenue	43,613	24,056	25,542	23,808	22,172	17,394	18,363	19,565	20,919	22,761
Industrial Waste Surcharge	59,508	57,861	56,999	58,092	63,505	64,477	64,356	67,060	71,312	72,938
Refuse Tipping Fees	108,808	102,539	112,160	87,798	80,316	95,119	106,169	107,034	137,886	125,589
Sale of Energy	43,241	45,511	30,429	35,285	30,356	23,173	23,354	24,881	19,151	20,715
Service Charges	297,474	295,831	318,035	312,890	331,261	335,526	353,963	365,437	375,531	389,833
Other	3,894	3,749	3,841	4,497	4,697	1,610	2,825	3,058	705	817
Total Operating Revenue	<u>\$ 560,563</u>	<u>\$ 534,890</u>	<u>\$ 554,282</u>	<u>\$ 530,264</u>	<u>\$ 541,086</u>	<u>\$ 545,758</u>	<u>\$ 574,894</u>	<u>\$ 590,185</u>	<u>\$ 627,010</u>	<u>\$ 633,772</u>

Schedule 4

LOS ANGELES COUNTY SANITATION DISTRICTS

Operating Expenses
Last Ten Fiscal Years
(\$ thousands)

	Fiscal Year									
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Chemicals	\$ 31,790	\$ 33,394	\$ 34,778	\$ 33,912	\$ 33,675	\$ 32,300	\$ 30,072	\$ 31,166	\$ 34,986	\$ 38,756
Insurance and Claims	5,577	3,403	4,154	1,657	5,105	4,284	4,309	3,424	4,041	1,721
Landfill Closure and Postclosure Costs	4,193	23,894	8,842	22,764	34,395	10,419	1,554	1,662	4,436	159,828
Materials and Supplies	21,398	21,537	22,164	24,264	27,171	27,677	27,403	28,689	32,099	29,067
Operations, Repairs, and Maintenance	55,217	37,516	31,271	34,951	30,960	21,719	19,500	22,503	24,888	23,103
Salaries and Benefits	189,543	197,449	195,752	198,288	192,500	185,252	208,361	231,563	234,717	263,744
Services	65,110	58,499	62,468	81,166	91,973	96,658	90,029	102,061	105,450	104,058
Utilities	24,998	23,805	24,237	26,525	25,053	22,247	19,834	22,550	24,231	21,360
Miscellaneous ⁽¹⁾	5,409	6,494	8,668	4,429	5,039	5,345	5,034	13,075	16,996	6,612
Subtotal, Expenses before Depreciation	403,235	405,991	392,334	427,956	445,871	405,901	406,096	456,693	481,844	648,249
Depreciation & Amortization of Use Rights	82,345	83,666	84,734	110,795	93,589	90,359	92,223	95,917	103,557	102,689
Total Operating Expenses	\$ 485,580	\$ 489,657	\$ 477,068	\$ 538,751	\$ 539,460	\$ 496,260	\$ 498,319	\$ 552,610	\$ 585,401	\$ 750,938

1. Miscellaneous expenses includes pollution remediation costs, tonnage, and charges for collections.

Schedule 5

LOS ANGELES COUNTY SANITATION DISTRICTS
 Nonoperating Revenues and Expenses
 Last Ten Fiscal Years
 (\$ thousands)

	Fiscal Year									
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Interest Revenue	\$ 35,269	\$ 23,940	\$ 16,139	\$ 15,727	\$ 17,646	\$ 22,561	\$ 25,995	\$ 32,459	\$ 43,796	\$ 43,568
Tax Revenue	53,197	54,770	68,435	55,211	67,962	70,121	73,029	77,371	82,676	88,365
Other Nonoperating Revenue	6,982	4,599	6,907	11,235	9,136	6,788	12,793	12,164	8,798	9,019
Interest Expense	(38,493)	(40,054)	(42,543)	(32,194)	(32,817)	(33,203)	(28,021)	(26,765)	(27,210)	(23,688)
Unrealized Gain/(Loss) on Investments	(4,098)	(6,546)	(19,491)	8,647	5,188	2,942	(10,176)	(26,002)	32,474	20,618
Tax and Assessment Expense	(20,731)	(21,274)	(20,899)	(14,014)	(7,050)	(7,702)	(10,956)	(10,289)	(12,310)	(10,753)
Other Nonoperating Expense	<u>(10,159)</u>	<u>(5,337)</u>	<u>(4,312)</u>	<u>(5,111)</u>	<u>(1,974)</u>	<u>(2,718)</u>	<u>(4,051)</u>	<u>(8,483)</u>	<u>(4,925)</u>	<u>(9,053)</u>
Total Nonoperating Revenue	<u>\$ 21,967</u>	<u>\$ 10,098</u>	<u>\$ 4,236</u>	<u>\$ 39,501</u>	<u>\$ 58,091</u>	<u>\$ 58,789</u>	<u>\$ 58,613</u>	<u>\$ 50,455</u>	<u>\$ 123,299</u>	<u>\$ 118,076</u>

Schedule 6
LOS ANGELES COUNTY SANITATION DISTRICTS

Changes in Cash and Cash Equivalents
Last Ten Fiscal Years

	Fiscal Year									
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Cash Flows from Operating Activities										
Receipts from customers and users	\$ 562,483	\$ 529,296	\$ 565,158	\$ 534,475	\$ 544,623	\$ 547,724	\$ 569,134	\$ 587,160	\$ 623,375	\$ 642,281
Receipts for equipment rental	15,396	16,094	16,792	15,359	14,645	13,955	14,934	14,610	15,361	16,674
Payments to suppliers	(209,396)	(187,623)	(191,064)	(205,140)	(222,019)	(204,480)	(218,109)	(203,140)	(233,537)	(222,397)
Payments for salaries and benefits	(188,357)	(196,690)	(195,775)	(198,736)	(200,429)	(182,087)	(203,597)	(221,399)	(223,703)	(250,607)
Payments applied to closure/postclosure liability	(6,357)	(6,567)	(5,722)	(6,960)	(6,844)	(14,964)	(12,337)	(14,358)	(10,947)	(10,378)
Payment for equipment rental within the Districts	(14,973)	(16,912)	(16,412)	(15,075)	(14,991)	(13,955)	(14,934)	(14,610)	(15,361)	(16,674)
Other payments	(34)	(19)	(19)	(19)	(19)	-	-	-	-	-
Net cash provided by operating activities	158,762	137,579	172,958	123,904	114,966	146,193	135,091	148,263	155,188	158,899
Cash Flows from Noncapital Financing Activities										
Receipts from property taxes	54,337	53,784	71,082	57,527	67,042	69,817	72,378	76,790	83,610	86,945
Other nonoperating receipts	-	-	-	-	-	-	-	5,016	1,594	-
Payments for tax and assessment	(21,491)	(21,649)	(20,898)	(14,827)	(7,050)	(8,442)	(10,956)	(10,289)	(10,042)	(11,873)
Net cash provided by noncapital financing activities	32,846	32,135	50,184	42,700	59,992	61,375	61,422	71,517	75,162	75,072
Cash Flows from Capital and Related Financing Activities										
Borrowings on loans	37,094	10,664	2,351	9,664	18,879	8,967	14,746	34,945	15,139	4,972
Proceeds on bond sales	-	151,280	-	117,460	-	172,408	192,968	-	-	-
Contract proceeds from County of Los Angeles	361	-	-	2,700	1,500	-	-	-	-	-
Bond issuance costs	-	(717)	-	(457)	-	(654)	(713)	-	-	-
Purchases of capital assets	(261,729)	(168,072)	(134,346)	(129,324)	(135,584)	(141,401)	(104,258)	(125,035)	(126,568)	(211,060)
Principal payments on contracts/note	(743)	(713)	(316)	(39)	(41)	(44)	(1,328)	-	-	-
Connection fees proceeds	18,105	19,453	25,918	33,291	32,713	34,354	33,803	38,382	39,823	33,466
Grant proceeds	39	-	195	-	-	1,458	1,492	3,671	6,376	10,427
Interest paid on capital-related debt	(36,456)	(34,710)	(35,059)	(30,904)	(30,942)	(26,346)	(22,534)	(24,482)	(23,708)	(21,810)
Principal payments on bonds	(22,559)	(174,229)	(24,744)	(184,152)	(29,264)	(203,934)	(188,553)	(34,449)	(35,909)	(37,564)
Principal payments on loans	(27,459)	(28,270)	(31,689)	(30,580)	(31,173)	(30,100)	(79,459)	(28,255)	(30,941)	(31,598)
Payment per joint powers agreement	-	-	-	-	-	-	(1,100)	-	-	-
Proceeds from sale of assets/equipment	329	4,080	3,823	2,630	2,385	1,001	7,174	2,143	2,785	1,223
Receipts from joint venture	2,170	165	2,306	2,930	131	150	150	150	-	11,680
Receipts from settlement	1,508	-	-	-	-	-	-	-	-	-
Net cash used by capital and related financing activities	(289,340)	(221,069)	(191,561)	(206,781)	(171,396)	(184,141)	(147,612)	(132,930)	(153,003)	(240,264)
Cash Flows from Investing Activities										
Interest received	36,161	31,520	16,468	14,567	15,940	24,734	24,415	34,538	36,787	44,182
Purchases of investments	(990,755)	(1,363,978)	(1,490,217)	(466,367)	(610,933)	(1,273,001)	(782,636)	(316,412)	(575,624)	(867,761)
Proceeds from maturities of investments	918,392	1,160,068	1,298,975	397,566	863,262	1,353,519	555,543	325,076	575,174	1,246,719
Net cash provided (used) by investing activities	(36,202)	(172,390)	(174,774)	(54,234)	268,269	105,252	(202,678)	43,202	36,337	423,140
Net increase (decrease) in cash and cash equivalents	(133,934)	(223,745)	(143,193)	(94,411)	271,831	128,679	(153,777)	130,052	113,684	416,847
Cash and cash equivalents at beginning of fiscal year	1,159,400	1,025,466	801,721	658,528	564,117	835,948	964,627	810,850	940,902	1,054,586
Cash and cash equivalents at end of fiscal year	\$ 1,025,466	\$ 801,721	\$ 658,528	\$ 564,117	\$ 835,948	\$ 964,627	\$ 810,850	\$ 940,902	\$ 1,054,586	\$ 1,471,433

Schedule 7

LOS ANGELES COUNTY SANITATION DISTRICTS

Annual Capital Contributions by Source
Last Ten Fiscal Years
(\$ thousands)

<u>Fiscal Year</u>	<u>Connection Fees</u>	<u>Grants</u>	<u>Donated Property</u>	<u>Total</u>
2010-11	\$ 18,105	\$ 39	\$ -	\$ 18,144
2011-12	19,453	-	-	19,453
2012-13	25,918	195	-	26,113
2013-14	33,290	-	5,552	38,842
2014-15	30,942	-	-	30,942
2015-16	34,354	1,446	-	35,800
2016-17	34,804	1,481	-	36,285
2017-18	37,852	3,672	-	41,524
2018-19	40,632	6,376	-	47,008
2019-20	33,466	10,427	-	43,893

Schedule 8

LOS ANGELES COUNTY SANITATION DISTRICTS
 Service Charge Rates (\$ per Single-Family Home per Year)
 Last Ten Fiscal Years

District ¹	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
1	\$ 152.00	\$ 154.00	\$ 156.00	\$ 158.00	\$ 163.00	\$ 168.00	\$ 173.00	\$ 178.00	\$ 183.00	\$ 188.00
2	147.00	148.00	149.00	150.00	155.00	160.00	165.00	169.00	173.00	177.00
3	148.00	150.00	152.00	154.00	157.00	160.00	163.00	166.00	169.00	172.00
4	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00
5	130.00	132.00	134.00	136.00	141.00	146.00	151.00	155.00	159.00	163.00
8	135.00	139.00	143.00	147.00	154.00	163.00	174.00	180.00	186.00	192.00
9	78.00	78.00	78.00	78.00	78.00	78.00	78.00	78.00	78.00	78.00
14	360.00	360.00	448.00	472.00	496.00	476.00	476.00	476.00	476.00	487.88
15	130.00	132.00	134.00	136.00	141.00	146.00	151.00	154.00	157.00	160.00
16	133.00	135.00	137.00	139.00	142.00	145.00	148.00	151.00	154.00	157.00
17	134.00	136.00	138.00	140.00	143.00	146.00	149.00	152.00	155.00	158.00
18	148.00	149.00	150.00	151.00	156.00	161.00	166.00	170.00	174.00	178.00
19	146.00	148.00	150.00	152.00	155.00	158.00	161.00	164.00	167.00	170.00
20	381.00	429.00	477.00	525.00	535.00	550.00	565.00	565.00	575.00	586.88
21	145.00	146.00	147.00	148.00	153.00	158.00	163.00	167.00	171.00	175.00
22	143.00	145.00	147.00	149.00	152.00	155.00	158.00	162.00	166.00	170.00
23	112.00	114.00	116.00	118.00	120.00	122.00	124.00	126.00	128.00	130.00
28 ²	335.00	336.00	337.00	338.00	340.00	342.00	242.00	-	-	-
28 ²	127.00	128.00	129.00	130.00	132.00	134.00	136.00	138.00	140.00	142.00
29	327.75	333.75	339.75	339.75	339.75	339.75	339.75	339.75	339.75	339.75
SBC	119.00	120.00	121.00	122.00	124.00	126.00	128.00	130.00	132.00	134.00
SCV	199.00	215.00	231.00	247.00	267.00	287.00	307.00	328.00	349.00	370.00
Average	156.76	160.28	166.70	170.90	176.93	181.55	186.49	190.67	195.86	201.13

- District No. 27 has not levied a service charge as its other revenues have been sufficient to meet its expenses.
- District No. 28 has historically had two service charge rates, one for those directly connected to the La Cañada WRP Outfall Trunk sewer or the Foothill Main Trunk Sewer or directly tributary to the La Cañada WRP, and the other for those within a La Cañada Flintridge Assessment District. Because the two SRF Loans associated with the Trunk Sewers have been retired, two rates are no longer necessary (beginning in fiscal year 2017-2018).

Schedule 9

LOS ANGELES COUNTY SANITATION DISTRICTS
Residential/Commercial (Service Charge) Sewage Units
Last Ten Fiscal Years

District	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
1	142,747	142,853	143,258	143,429	144,702	144,833	144,635	145,348	148,562	149,590
2	214,597	214,923	215,551	215,730	217,082	217,943	219,329	218,035	223,900	225,374
3	178,736	180,446	179,597	176,037	177,585	180,568	181,192	180,611	185,315	186,828
4	22,675	22,767	23,778	23,830	24,556	24,844	25,619	26,097	26,806	27,790
5	267,358	267,878	268,676	262,048	266,716	267,707	272,623	271,544	276,194	279,988
8	60,059	60,029	59,831	58,296	59,108	59,017	60,103	59,629	61,010	62,354
9	911	1,254	1,273	1,216	1,015	1,017	1,101	1,071	1,288	1,436
14	67,362	67,880	66,680	65,615	67,130	67,793	67,176	67,491	70,488	71,452
15	186,848	187,229	186,714	183,592	187,253	187,112	190,227	189,227	193,123	195,361
16	113,225	114,751	113,741	109,897	112,893	112,929	115,410	116,067	117,452	119,078
17	14,958	14,926	15,064	14,511	14,629	14,656	15,012	15,104	15,309	15,225
18	123,578	123,789	121,399	121,021	121,371	121,923	122,694	122,251	124,409	126,036
19	37,103	37,335	37,761	37,247	37,269	38,159	37,976	40,643	41,673	41,715
20	42,082	42,658	42,854	42,094	43,010	43,297	42,997	42,336	44,518	45,385
21	150,858	151,244	149,715	148,776	149,972	150,812	154,451	151,998	154,106	155,848
22	124,500	125,206	125,193	123,768	124,183	125,283	126,972	124,223	127,505	129,396
23	3,220	3,308	3,270	3,271	3,198	3,285	3,264	3,100	3,286	3,480
27	558	558	558	558	558	558	558	551	497	555
28	4,842	4,414	4,492	4,462	4,703	4,670	4,779	4,750	4,794	4,786
29	5,349	5,430	5,515	5,144	5,380	5,408	5,797	5,756	5,889	5,950
SBC	50,314	50,631	50,864	50,504	50,920	51,616	50,441	51,483	52,644	52,896
SCV	91,265	93,234	93,494	92,432	91,749	92,849	95,256	94,964	98,945	101,943
	1,903,145	1,912,743	1,909,278	1,883,478	1,904,982	1,916,279	1,937,612	1,932,279	1,977,713	2,002,466

Schedule 10

LOS ANGELES COUNTY SANITATION DISTRICTS

Industrial Wastewater Treatment Surcharge Rates

Last Ten Fiscal Years

District	Unit Rate	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
JO	(a) \$/MGD	\$ 746.00	\$ 755.00	\$ 764.00	\$ 773.00	\$ 796.00	\$ 819.00	\$ 843.00	\$ 863.00	\$ 883.00	\$ 903.00
	(b) \$/1,000 lbs. COD	131.90	133.50	135.10	136.70	140.80	144.90	149.00	152.50	156.00	159.50
	(c) \$/1,000 lbs. SS	372.70	377.40	382.10	386.70	398.30	409.90	421.50	431.40	441.30	451.20
	(d) \$/GPM (Peak)	98.90	100.10	101.30	102.50	105.60	108.70	111.70	114.30	116.90	119.50
	Flat Rate (\$/MG)	3,163.00	3,203.00	3,243.00	3,282.00	3,380.00	3,479.00	3,577.00	3,661.00	3,745.00	3,829.00
4	(a) \$/MGD	528.00	528.00	528.00	528.00	528.00	528.00	528.00	528.00	528.00	528.00
	(b) \$/1,000 lbs. COD	111.20	111.20	111.20	111.20	111.20	111.20	111.20	111.20	111.20	111.20
	(c) \$/1,000 lbs. SS	335.30	335.30	335.30	335.30	335.30	335.30	335.30	335.30	335.30	335.30
	(d) \$/GPM (Peak)	45.60	45.60	45.60	45.60	45.60	45.60	45.60	45.60	45.60	45.60
	Flat Rate (\$/MG)	2,129.00	2,129.00	2,129.00	2,129.00	2,129.00	2,129.00	2,129.00	2,129.00	2,129.00	2,129.00
14	(a) \$/MGD	2,384.00	2,384.00	2,967.00	3,126.00	3,285.00	3,153.00	3,153.00	3,153.00	3,153.00	3,232.00
	(b) \$/1,000 lbs. COD	268.40	268.40	334.00	351.90	369.80	354.90	354.90	354.90	354.90	363.80
	(c) \$/1,000 lbs. SS	648.00	648.00	806.40	849.60	892.80	856.60	856.60	856.80	856.80	878.20
	(d) \$/GPM (Peak)	458.60	458.60	570.70	601.30	631.80	606.50	606.50	606.50	606.50	621.60
	Flat Rate (\$/MG)	5,305.00	5,305.00	6,602.00	6,955.00	7,309.00	7,015.00	7,015.00	7,015.00	7,015.00	7,190.00
20	(a) \$/MGD	1,739.00	1,958.00	2,177.00	2,396.00	2,442.00	2,511.00	2,579.00	2,579.00	2,625.00	2,679.00
	(b) \$/1,000 lbs. COD	387.90	436.80	485.60	534.50	544.70	559.90	575.20	575.20	585.40	597.50
	(c) \$/1,000 lbs. SS	779.30	877.50	975.70	1,073.80	1,094.30	1,125.00	1,155.00	1,155.60	1,176.10	1,200.40
	(d) \$/GPM (Peak)	370.70	417.40	464.10	510.80	520.50	535.00	549.70	549.70	559.40	571.00
	Flat Rate (\$/MG)	5,534.00	6,231.00	6,928.00	7,626.00	7,771.00	7,989.00	8,206.00	8,206.00	8,351.00	8,524.00
SCV	(a) \$/MGD	765.00	861.00	903.00	946.00	1,023.00	1,099.00	1,176.00	1,256.00	1,337.00	1,417.00
	(b) \$/1,000 lbs. COD	174.20	196.10	205.70	215.30	233.10	250.50	268.00	286.30	304.60	323.00
	(c) \$/1,000 lbs. SS	428.60	482.40	506.10	529.80	572.70	615.60	658.50	703.50	748.60	793.60
	(d) \$/GPM (Peak)	108.20	121.80	127.80	133.80	144.60	155.50	166.30	177.70	189.10	200.40
	Flat Rate (\$/MG)	2,591.00	2,917.00	3,060.00	3,203.00	3,462.00	3,722.00	3,981.00	4,253.00	4,526.00	4,798.00

Notes: JO = Joint Outfall Districts, consisting of District Nos. 1, 2, 3, 5, 8, 15, 16, 17, 18, 19, 21, 22, 23, 28, 29, 34, and South Bay Cities.

SCV = Santa Clarita Valley District.

The flat rate charge is only applicable to industrial discharges whose yearly flow does not exceed 6 million gallons

Abbreviations: MGD (million gallons per day), COD (chemical oxygen demand), SS (suspended solids), GPM (gallons per minute of peak flow), MG (million gallons)

Schedule 11

LOS ANGELES COUNTY SANITATION DISTRICTS

Industrial Wastewater Sewage Units

Last Ten Fiscal Years

District ¹	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
1	20,903	20,462	22,183	25,787	23,900	25,022	23,441	23,067	24,623	24,964
2	37,294	34,556	33,744	32,381	32,927	34,572	35,338	35,359	36,077	36,617
3	14,399	16,102	17,189	17,752	17,894	15,267	13,360	14,553	13,771	11,590
4	102	167	129	138	169	133	98	183	135	170
5	32,201	32,654	27,601	26,983	23,739	19,660	21,055	20,905	21,542	20,056
8	45,235	41,933	43,378	47,720	45,181	41,467	39,842	37,337	38,574	34,592
14	2,305	2,358	2,507	2,605	2,485	2,066	2,357	2,308	2,268	2,200
15	23,806	21,522	22,381	24,572	22,428	19,395	22,193	20,902	23,444	23,149
16	1,296	1,336	1,476	1,576	1,594	1,706	1,612	1,663	1,441	1,005
18	15,190	14,904	16,452	15,029	13,950	13,173	14,428	14,260	13,256	12,967
19	914	918	975	745	334	468	565	214	133	296
20	348	281	289	292	232	267	253	255	343	280
21	17,445	15,585	14,703	15,664	17,152	14,901	15,933	18,144	17,214	17,842
22	16,980	15,649	13,871	10,928	12,466	15,361	15,120	12,643	13,276	10,595
23	17,053	16,515	15,743	14,260	14,846	15,462	15,090	15,696	18,123	17,460
29	238	281	247	224	250	257	248	306	328	288
SBC	592	589	528	452	384	165	150	96	89	103
SCV	1,077	1,253	1,121	1,074	1,169	1,071	1,018	1,110	979	760
Contract ²	19,034	17,303	18,533	20,798	23,471	19,612	20,988	24,951	39,463	20,858
Total	266,412	254,368	253,050	258,980	254,571	240,025	243,089	243,952	265,079	235,792

1. District Nos. 9, 17, 27, and 28 do not have any industrial dischargers.

2. Industrial dischargers located outside of the Districts' jurisdictional boundaries but for which the Districts provide service.

Schedule 12

LOS ANGELES COUNTY SANITATION DISTRICTS

Municipal Solid Waste Rates¹
Last Ten Fiscal Years

	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>
Puente Hills Landfill	\$38.26	\$38.41 ³	\$38.41	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Puente Hills MRF	42.14 ²	42.44 ³	42.44	45.75 ⁵	49.25 ⁶	55.55 ⁷	58.40 ⁸	61.40 ⁹	61.45 ¹⁰	70.60 ¹¹
South Gate Transfer Station	50.38	50.68 ³	51.91 ⁴	51.91	53.91 ⁶	58.66 ⁷	63.16 ⁸	66.16 ⁹	66.27 ¹⁰	75.90 ¹¹
DART Facility	54.15	54.45 ³	54.45	47.14 ⁵	53.64 ⁶	58.39 ⁷	62.49 ⁸	65.49 ⁹	65.60 ¹⁰	75.16 ¹¹
Scholl Canyon Landfill	48.99	49.18 ³	49.18	49.18	49.18	49.18	53.83 ⁸	53.83	53.88 ¹⁰	53.88
Calabasas Landfill	40.82	40.82	40.82	40.82	43.32 ⁶	47.32 ⁷	52.32 ⁸	52.32	52.32	52.32

1. \$ per Ton
2. Effective January 1, 2011.
3. Effective January 1, 2012.
4. Effective February 1, 2013.
5. Effective November 1, 2013.
6. Effective January 1, 2015.
7. Effective January 1, 2016.
8. Effective August 1, 2017.
9. Effective July 1, 2018.
10. Effective December 1, 2018.
11. Effective January 1, 2020.

Schedule 13

LOS ANGELES COUNTY SANITATION DISTRICTS

Solid Waste Disposal Tonnages⁽¹⁾
Last Ten Fiscal Years

	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>
Puente Hills Landfill	1.66	1.80	2.19	0.74	0.00	0.00	0.00	0.00	0.00	0.00
Puente Hills MRF	0.07	0.02	0.04	0.55	0.73	0.73	0.63	0.70	0.64	0.48
South Gate Transfer Station	0.11	0.10	0.11	0.11	0.11	0.14	0.15	0.14	0.15	0.13
DART Facility	0.16	0.13	0.08	0.13	0.14	0.16	0.20	0.27	0.27	0.28
Scholl Canyon Landfill	0.23	0.23	0.21	0.23	0.24	0.33	0.38	0.40	0.43	0.47
Calabasas Landfill	<u>0.26</u>	<u>0.21</u>	<u>0.19</u>	<u>0.24</u>	<u>0.23</u>	<u>0.31</u>	<u>0.35</u>	<u>0.29</u>	<u>0.59⁽²⁾</u>	<u>0.32</u>
Total	2.49	2.49	2.82	2.00	1.45	1.67	1.71	1.80	2.08	1.68

(1) Million Tons per Year

(2) In fiscal year 2018-19, the tonnage disposed at the Calabasas Landfill significantly increased due to acceptance of ash/fire debris from the Woolsey Fire.

Schedule 14

LOS ANGELES COUNTY SANITATION DISTRICTS

Ten Largest Customers
Fiscal Years 2010-11 and 2019-20

Fiscal Year 2010-11

Solid Waste Management Facilities Revenue			Wastewater Treatment Facilities Revenue		
Customer	Amount	%	Customer	Amount	%
Los Angeles County Sanitation Districts	\$ 17,562,800	16.14%	Exxon Mobil Oil Corp.	\$ 5,191,229	1.45%
Athens Disposal	8,476,150	7.79%	BP West Coast Products	3,000,560	0.84%
Metro Waste/Calmet Services	6,096,252	5.60%	Miller Coors LLC	2,242,290	0.63%
City of Glendale	3,954,168	3.63%	Tesoro Refining	1,963,430	0.55%
Valley Vista Services	3,621,232	3.33%	Conoco Phillips Co.	1,690,498	0.47%
Burrtec Waste Services	2,742,796	2.52%	Clougherty Packing	1,526,340	0.43%
County of Los Angeles	2,571,600	2.36%	Demeno Kerdoon	1,125,148	0.32%
Universal Waste Systems	2,569,575	2.36%	Alta Dena Certified Dairy	1,030,679	0.29%
United Pacific Waste	2,533,290	2.33%	Cacique, Inc.	1,030,019	0.29%
Waste Management	2,107,660	1.94%	Vons-Safeway	1,008,137	0.28%
Subtotal (10 largest)	52,235,523	48.01%	Subtotal (10 largest)	19,808,330	5.55%
Balance from Other Customers	56,572,077	51.99%	Balance from Other Customers	337,173,784	94.45%
Grand Total	\$ 108,807,600	100.00%	Grand Total	\$ 356,982,114	100.00%

Fiscal Year 2019-20

Solid Waste Management Facilities Revenue			Wastewater Treatment Facilities Revenue		
Customer	Amount	%	Customer	Amount	%
NASA Disposal	\$ 7,144,795	5.69%	Inland Empire Utilities Agency	\$ 5,064,129	1.09%
Calmet/Calsan	5,953,404	4.74%	Torrance Refining Co., LLC	4,080,387	0.88%
Los Angeles County DWP/Public Works	5,378,940	4.28%	Tesoro Refining - Carson	3,093,370	0.67%
City of Glendale	5,304,575	4.22%	Smithfield Packaged Meats Corp.	2,621,980	0.57%
CR&R, Inc.	4,802,409	3.82%	Tesoro Refining - Wilmington	2,416,746	0.52%
Ware Disposal	3,691,868	2.94%	Demeno/Kerdoon, dba World Oil	1,941,424	0.42%
City of Pasadena	3,592,991	2.86%	Molson Coors USA LLC	1,698,748	0.37%
Walsh Shea Corridor Constructors	1,965,887	1.57%	Phillips 66 Company	1,655,997	0.36%
GI Rubbish Company	1,897,631	1.51%	Peter J. Pitchess Honor Rancho	1,481,678	0.32%
Commercial Waste Services	1,237,101	0.99%	Saputa Cheese USA Inc.	1,411,230	0.30%
Subtotal (10 largest)	40,969,601	32.62%	Subtotal (10 largest)	25,465,689	5.50%
Balance from Other Customers	84,619,691	67.38%	Balance from Other Customers	437,305,184	94.50%
Grand Total	\$ 125,589,292	100.00%	Grand Total	\$ 462,770,873	100.00%

Schedule 15

LOS ANGELES COUNTY SANITATION DISTRICTS

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(\$ thousands, except Per Capita)

Fiscal Year	Revenue Bonds	Notes/ Contracts	State Revolving Fund Loans	Total		
				Amount	Per Capita ¹	As a Share of Per Capita Income
2010-11	\$ 681,028	\$ 1,522	\$ 423,604	\$ 1,106,154	\$ 203.15	0.48%
2011-12	654,476	1,978	411,971	1,068,425	195.97	0.45%
2012-13	627,099	1,663	388,237	1,016,999	185.25	0.41%
2013-14	556,668	1,414	369,712	927,794	167.71	0.35%
2014-15	539,029	1,373	359,810	900,212	161.59	0.32%
2015-16	501,426	1,328	341,068	843,822	150.52	0.28%
2016-17	506,655	-	278,746	785,401	140.33	0.25%
2017-18	465,551	-	289,500	755,051	134.52	0.23%
2018-19	423,908	-	276,062	699,970	124.79	0.19%
2019-20	381,513	-	251,796	633,309	114.09	0.18%

1. Using populations provided by the California Department of Finance.

Schedule 16

LOS ANGELES COUNTY SANITATION DISTRICTS

Wastewater Pledged-Revenue Coverage

Last Ten Fiscal Years

(\$ thousands)

	Fiscal Year									
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Revenue Sources ⁽¹⁾										
Ad Valorem Tax	\$ 53,197	\$ 54,770	\$ 68,435	\$ 55,210	\$ 67,963	\$ 70,121	\$ 73,029	\$ 77,370	\$ 82,675	\$ 88,363
CIF ⁽²⁾	15,734	15,667	14,996	12,664	12,627	10,489	9,987	7,318	5,162	5,162
User Fees	357,002	353,692	375,032	370,980	394,765	400,001	418,318	432,497	434,022	449,355
Other Revenues	47,211	27,372	28,101	27,712	26,375	15,138	15,742	19,089	30,939	31,387
Interest	17,608	11,512	7,679	7,513	9,343	13,078	14,265	18,478	26,516	26,900
Rate Stabilization Fund ⁽³⁾	-	-	1,488	14,161	-	7,923	3,946	-	18,220	18
Total	490,752	463,013	495,731	488,240	511,073	516,750	535,287	554,752	597,534	601,185
Expenses ⁽⁴⁾										
Total O&M	275,663	284,926	287,411	303,506	298,081	307,980	304,998	314,989	335,687	354,590
Rate Stabilization Fund ⁽⁵⁾	68,630	31,839	56,593	12,921	41,328	14,701	27,057	75,407	69,711	62,609
Total	344,293	316,765	344,004	316,427	339,409	322,681	332,055	390,396	405,398	417,199
Net Revenues	146,459	146,248	151,727	171,813	171,664	194,069	203,232	164,356	192,136	183,986
Debt Service										
State Loans	30,843	31,660	36,633	36,535	36,747	35,416	32,162	32,060	36,109	35,998
Installment Payments	53,557	53,075	52,826	52,793	52,530	51,390	49,757	53,643	53,568	53,529
Total Debt Service	84,400	84,735	89,459	89,328	89,277	86,806	81,919	85,703	89,677	89,527
Coverage	1.7	1.7	1.7	1.9	1.9	2.2	2.5	1.9	2.1	2.1

- Each District is obligated to make its Installment Payments from its allocable portion of Ad Valorem Property Tax and, to the extent that its Ad Valorem taxes are insufficient, from the Net Revenues of its Sewerage System.
- Connection fees for some Districts have been included because they are pledged for repayment of State Loans that were used to fund expansion-related projects.
- Rate Stabilization Funds are monies previously set aside (revenue) or monies being set aside (expenses) to mitigate the impact on Districts' ratepayers. It may appear contradictory that, in some years, monies are both being set aside and used; this is because some Districts are utilizing their Rate Stabilization Fund while other Districts are putting monies into their Rate Stabilization Fund.
- Does not include depreciation.

Schedule 17

LOS ANGELES COUNTY SANITATION DISTRICTS

Demographic and Economic Statistics
Last Ten Fiscal Years Available

	Districts' Population ¹ (millions)	L.A. County Population ² (millions)	Personal Income ² (\$ millions)	Per Capita Personal Income (\$ thousands)	Unemployment Rate ³	
					County	State
2010-11	5.445	9.858	\$ 420,900	\$ 42.70	12.4%	12.0%
2011-12	5.452	9.912	435,300	43.92	11.1%	10.6%
2012-13	5.490	10.019	451,100	45.02	10.2%	9.2%
2013-14	5.532	10.069	487,900	48.46	8.3%	7.5%
2014-15	5.571	10.192	521,900	51.21	6.8%	6.3%
2015-16	5.606	10.240	557,382	54.43	5.4%	5.6%
2016-17	5.597	10.278	585,515	56.97	4.8%	4.9%
2017-18	5.613	10.328	602,632	58.35	4.8%	4.4%
2018-19	5.609	10.184	658,900	64.70	4.5%	4.1%
2019-20	5.551	10.173	654,900	64.38	19.6%	15.1%

1. State of California, Department of Finance, E-1 Population Estimates for Cities, Counties, and the State, with Annual Percentage Change-January 1, 2019, and 2020. See Schedule 18 of this CAFR for details.
2. Los Angeles Economic Development Corporation Economic Forecast; Los Angeles Almanac; UCLA Anderson Los Angeles County Long Term Forecast. All numbers are as of the year they were initially reported and do not necessarily reflect subsequent revisions.
3. U.S. Bureau of Labor Statistics

Schedule 18

LOS ANGELES COUNTY SANITATION DISTRICTS

Estimated Populations of Cities and Unincorporated Areas
Within the Sanitation Districts' Boundaries
January 1, 2020

CITY	POPULATION	CITY	POPULATION
Alhambra	86,792	Lomita	20,549
Arcadia	57,152	Long Beach	471,796
Artesia	16,483	Los Angeles	144,469
Azusa	49,602	Lynwood	71,269
Baldwin Park	76,252	Manhattan Beach	35,250
Bell	36,531	Maywood	27,904
Bell Gardens	42,449	Monrovia	37,928
Bellflower	78,110	Montebello	63,544
Beverly Hills	737	Monterey Park	60,734
Bradbury	470	Norwalk	105,514
Carson	93,108	Palmdale	154,505
Cerritos	49,994	Palos Verdes Estates	13,190
Claremont	35,541	Paramount	55,461
Commerce	12,868	Pasadena	144,826
Compton	98,032	Pico Rivera	63,374
Covina	48,614	Pomona	153,190
Cudahy	24,172	Rancho Palos Verdes	41,731
Culver City	0	Redondo Beach	66,994
Diamond Bar	56,741	Rolling Hills	1,874
Downey	113,529	Rolling Hills Estates	8,066
Duarte	21,341	Rosemead	54,363
El Monte	116,675	San Dimas	33,740
Gardena	60,937	San Gabriel	40,104
Glendora	51,313	San Marino	13,087
Hawaiian Gardens	14,649	Santa Clarita	217,452
Hawthorne	86,903	Santa Fe Springs	18,295
Hermosa Beach	19,614	Sierra Madre	10,810
Huntington Park	59,515	Signal Hill	11,712
Industry	427	South El Monte	21,204
Inglewood	111,971	South Gate	97,003
Irwindale	1,434	South Pasadena	25,458
La Canada-Flintridge	18,881	Temple City	36,150
La Habra Heights	369	Torrance	145,546
La Mirada	48,877	Vernon	297
La Puente	40,122	Walnut	29,926
La Verne	33,245	West Covina	105,776
Lakewood	79,916	West Hollywood	36,203
Lancaster	158,971	Whittier	86,801
Lawndale	32,799		
		77 Cities Subtotal	4,661,231
		Unincorporated	889,512
		TOTAL	5,550,743

Source: State of California, Department of Finance, E-1 Population Estimates for Cities, Counties, and the State, with Annual Percent Change -- January 1, 2019, and 2020. Sacramento, California, May 2020, and GIS analysis using L.A. County Assessor GIS parcel data (2019), L.A. County Department of Public Works City

Schedule 19

LOS ANGELES COUNTY SANITATION DISTRICTS

Economic Indicators
Last Ten Calendar Years

Calendar Year	Total Nonfarm Employment (avg. 000's)	Total Taxable Sales (billions)	Value of Two-Way Trade* (billions)	Total Day & Overnight Visitors (millions)	Housing Unit Permits Issued	Median Home Price
2010	3,925.0	\$ 116.9	\$ 346.8	38.5	10,394	\$ 328,140
2011	3,947.1	126.4	386.7	40.4	14,247	306,950
2012	4,037.5	135.3	403.5	41.4	17,447	367,400
2013	4,115.8	140.1	414.5	42.2	25,198	439,830
2014	4,192.6	147.1	416.6	44.2	26,950	464,650
2015	4,285.8	151.4	393.4	45.5	34,034	502,750
2016	4,394.6	159.8	393.7	46.6	32,114	522,520
2017	4,448.3	159.3	431.4	48.3	31,084	577,690
2018	4,510.1	166.0	456.3	50.0	29,524	588,140
2019	4,556.8	172.3	428.2	50.9	30,554	641,340

Sources: State of California, Employment Development Department, Labor Market Information Division; California Department of Tax & Fee Administration; Los Angeles World Airports; Port of Los Angeles Trade Connect; Los Angeles Tourism & Convention Board; United States Census Bureau; California Association of Realtors

*Value of imports and exports combined.

Schedule 20

LOS ANGELES COUNTY SANITATION DISTRICTS

Los Angeles County Employment Sectors
Current Year and Nine Years Ago

Industry	June 2011			June 2020		
	Number of Employees	Percentage of Total	Rank	Number of Employees	Percentage of Total	Rank
Educational and Health Services	670,900	16.96%	2	799,800	19.47%	1
Trade, Transportation & Utilities	749,600	18.95%	1	777,000	18.92%	2
Professional and Business Services	530,600	13.41%	4	590,100	14.37%	3
Government	581,700	14.70%	3	579,300	14.10%	4
Leisure and Hospitality	396,600	10.02%	5	378,600	9.22%	5
Manufacturing	376,100	9.51%	6	314,700	7.66%	6
Financial Activities	210,300	5.32%	7	218,600	5.32%	7
Information Services	190,900	4.83%	8	178,400	4.34%	8
Construction	104,100	2.63%	10	146,100	3.56%	9
Other Services	137,000	3.46%	9	118,900	2.89%	10
Agriculture	5,600	0.14%	11	3,800	0.09%	11
Mining & Logging	2,900	0.07%	12	1,900	0.05%	12
Total	3,956,300	100.00%		4,107,200	100.00%	

Source: State of California, Employment Development Department, Labor Market Information Division

Schedule 21

LOS ANGELES COUNTY SANITATION DISTRICTS

Number of Employees by Identifiable Activity
Last Ten Fiscal Years

Full-Time-Equivalent Employees as of June 30,

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Solid Waste Management:										
Solid Waste Management	2	2	3	2	2	2	2	3	3	3
Solid Waste Operations	249	222	211	209	183	190	199	207	204	204
Energy Recovery Operations	150	137	114	116	112	102	101	94	66	67
Wastewater Management:										
Wastewater Management	7	7	3	3	3	3	2	2	2	3
Industrial Waste	71	70	67	66	66	63	64	62	62	62
Joint Water Pollution Control Plant	307	310	302	297	296	293	285	293	297	286
Wastewater Collection System	130	125	124	130	129	129	126	126	129	137
Water Reclamation Plants	220	219	219	224	223	234	240	246	245	236
E/I Engineering Support	-	-	4	6	8	8	8	8	9	9
Engineering:										
Engineering	6	6	6	6	7	7	7	5	7	9
Field Engineering	78	73	66	61	56	53	53	51	56	51
Wastewater & Solid Waste Design	32	61	34	29	27	22	21	36	29	31
Structural & Architectural Design	19	17	17	16	17	16	17	17	16	16
Electrical & Instrumentation Design	21	22	20	20	21	23	23	22	23	21
Mechanical & Civil Design	46	15	14	12	12	14	13	-	-	-
Sewer Design	-	-	23	24	23	22	25	25	26	25
Technical Services:										
Technical Services	5	5	5	14	14	15	13	23	15	14
Air Quality Engineering	12	12	9	9	11	9	9	9	8	8
Laboratories	173	175	167	163	157	170	159	160	157	169
Monitoring	29	28	25	26	29	33	39	44	45	44
Wastewater Research	25	24	11	11	11	11	18	12	18	18
Water Quality	34	31	26	27	29	15	16	13	12	14
Research	-	-	11	11	10	9	-	-	-	-
Administration:										
Administration	9	9	9	9	9	9	9	9	9	9
Financial Mgmt. & Facilities Plan.	220	215	200	193	187	183	185	184	199	206
Human Resources	33	31	31	22	21	21	22	23	23	23
Total Employees:	1,878	1,816	1,721	1,706	1,663	1,656	1,656	1,674	1,660	1,665

Schedule 22

LOS ANGELES COUNTY SANITATION DISTRICTS

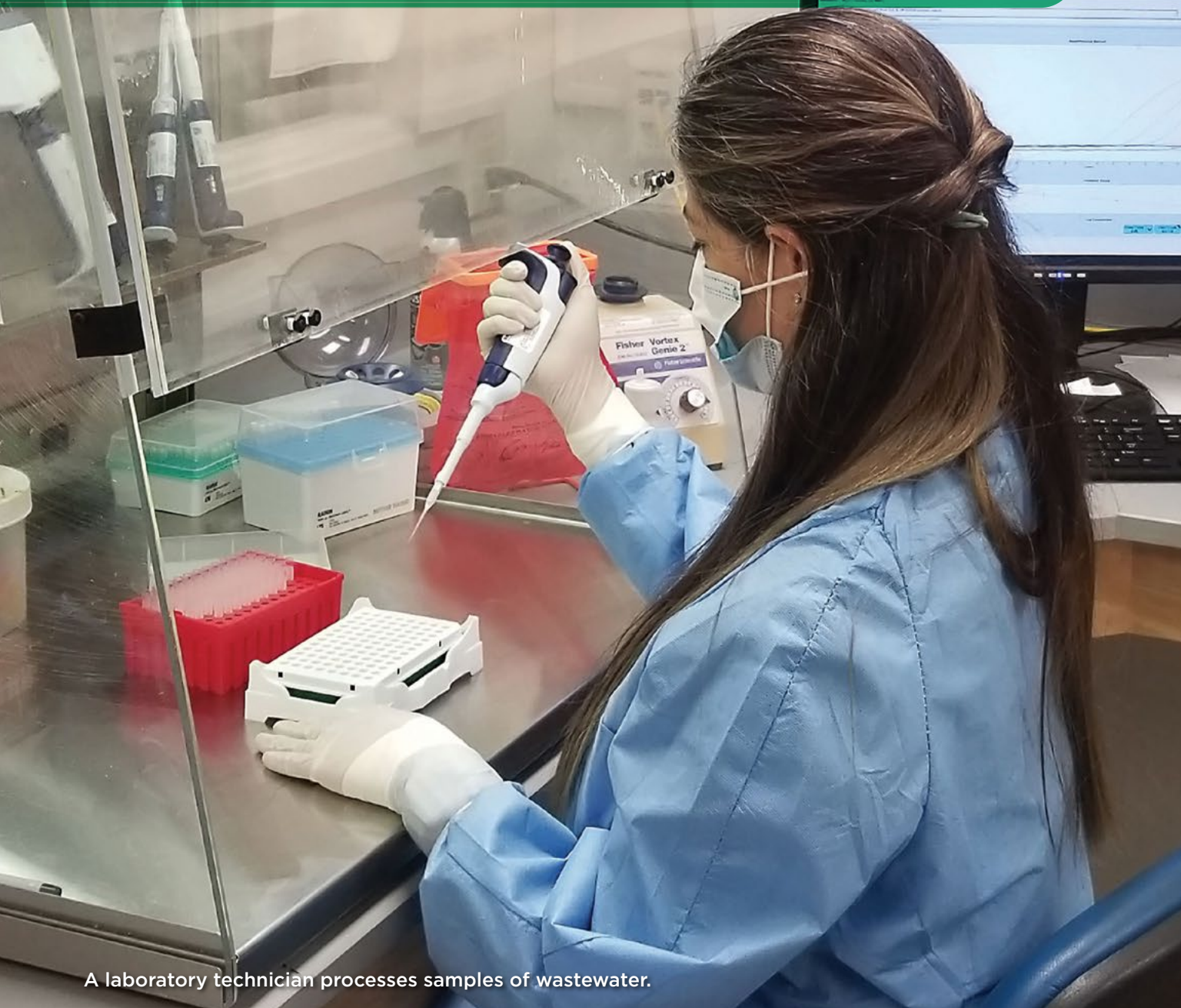
Operating and Capital Indicators
Last Ten Fiscal Years

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Sewerage Operations										
Miles of Trunk Lines	1,407	1,408	1,410	1,410	1,411	1,412	1,410	1,409	1,412	1,430
Number of Active Pump Stations	52	52	49	49	48	48	48	48	48	48
Number of Treatment Facilities	11	11	11	11	11	11	11	11	11	11
Reclaimed Water Used (MGD ¹)	75	85	93	91	79	90	96	93	78	87
Number of Reuse Sites	650	703	720	757	790	855	863	892	916	952
WW Discharge Inspections	9,255	9,836	10,633	11,070	10,769	11,516	11,162	11,661	11,673	10,115
Solid Waste Operations										
Number of Active Landfills	3	3	3	2	2	2	2	2	2	2
Solid Waste Disposal Tonnages²										
Puente Hills Landfill	1.66	1.80	2.19	0.74	0.00	0.00	0.00	0.00	0.00	0.00
Puente Hills MRF	0.07	0.02	0.04	0.55	0.73	0.73	0.63	0.70	0.64	0.48
South Gate Transfer Station	0.11	0.10	0.11	0.11	0.11	0.14	0.15	0.14	0.15	0.13
DART Facility	0.16	0.13	0.08	0.13	0.14	0.16	0.20	0.27	0.27	0.28
Scholl Canyon Landfill	0.23	0.23	0.21	0.23	0.24	0.33	0.38	0.40	0.43	0.47
Calabasas Landfill	0.26	0.21	0.19	0.24	0.23	0.31	0.35	0.29	0.59	0.32
Total	2.49	2.49	2.82	2.00	1.45	1.67	1.71	1.80	2.08	1.68
Cumulative Tonnages²										
Puente Hills Landfill	119.31	121.11	123.30	124.04	124.04	124.04	124.04	124.04	124.04	124.04
Puente Hills MRF	0.56	0.58	0.62	1.17	1.90	2.63	3.26	3.96	4.60	5.08
South Gate Transfer Station	5.65	5.75	5.86	5.97	6.08	6.22	6.37	6.51	6.66	6.79
DART Facility	3.15	3.28	3.36	3.49	3.63	3.79	3.99	4.26	4.53	4.81
Scholl Canyon Landfill	28.22	28.45	28.66	28.89	29.13	29.46	29.84	30.24	30.67	31.14
Calabasas Landfill	23.66	23.87	24.06	24.30	24.53	24.84	25.19	25.48	26.07	26.39
Percentage of County Total	31%	33%	37%	24%	7%	11%	12%	11%	20%	13%
Household Hazardous Waste/Electronic Waste (HHW/EW)										
Households	57,677	57,891	52,850	50,056	51,054	43,705	49,516	56,809	56,895	36,336
Cost (\$ millions)	\$3.8	\$3.9	\$3.6	\$3.7	\$3.5	\$3.2	\$3.5	\$4.0	\$4.1	\$2.9

1. Million Gallons per Day
2. Million Tons per Year

Innovative Testing

The Sanitation Districts have developed a laboratory method to test untreated sewage and cleaned water for genetic material from the novel coronavirus. Tests of treated water at our treatment plants have proven that the wastewater treatment process eliminates the virus. We are regularly testing untreated sewage and have observed that the levels in our sewage trend with other community indicators such as new positive cases and hospitalizations for COVID-19. Our results are shared with public health officials in hopes that this information will help them manage the pandemic.



A laboratory technician processes samples of wastewater.

LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure
June 30, 2020

This Bond Disclosure Section serves as the annual report required by the Continuing Disclosure Agreements (Disclosure Agreements) for the following Los Angeles County Sanitation Districts Financing Authority (the Authority) Capital Projects Revenue Bonds: the 2011 Series A Senior Ad Valorem Obligation Bonds (2011A Revenue Bonds), the 2013 Series A Senior Ad Valorem Obligation Bonds (2013A Revenue Bonds), the 2015 Series A District 14 Subordinate Revenue Bonds (2015A Revenue Bonds), and the 2016 Series A District 20 Subordinate Revenue Bonds (2016A Revenue Bonds). The material provided under the Disclosure Agreement is intended to comply with the requirements of the Securities and Exchange Commission Rule 15c2-12(b)(5) (the Rule). Because the Districts' Comprehensive Annual Financial Report (CAFR) includes all the information required by the Disclosure Agreements, the CAFR will be filed with each National Repository specified in the Rule and with any other repository identified in the future in lieu of filing a separate report.

REPORTING OF SIGNIFICANT EVENTS

On October 1, 2020, the Districts defeased all outstanding balances of the 2011 Series A Ad Valorem Obligation Bonds and 2013 Series A Ad Valorem Obligation Bonds. The aggregate principal amount defeased was \$24,685,000. This action released the 22 participating Districts from pledges, obligations, and unfavorable covenants, as well as, allowed the Districts to take advantage of low interest rates.

ANNUAL REPORT

The annual report contains the following sections as required by the Disclosure Agreements:

- 1) The audited financial statements for the Authority, prepared in accordance with accounting principles generally accepted in the United States of America as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board.
- 2) The audited consolidated financial statements for the Districts, prepared in accordance with accounting principles generally accepted in the United States of America as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board.
- 3) The principal amount of bonds outstanding as of December 31, 2020 (projected), and as of December 31, 2019.
- 4) A schedule of the changes in debt obligation for the calendar year ending on December 31, 2020 (projected).
- 5) The amount of each senior obligation and subordinate obligation for each district outstanding as of December 31, 2020 (projected).

LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

- 6) An update, for the most recently ended fiscal year, of the following information contained in the Official Statements:
- a. Connection fee revenue for District 14 and District 20;
 - b. Estimated sewage units by customer type;
 - c. User fees and ad valorem taxes;
 - d. Districts' service charge rates;
 - e. Fund balances on June 30, 2020;
 - f. Average yearly sewage flow;
 - g. Ten largest wastewater customers for Districts 14 and 20; ten largest wastewater customers for all Districts is fulfilled by Schedule 14 in the Statistical Section of this financial statement;
 - h. Outstanding obligations as of December 31, 2019 and December 31, 2020 (projected);
 - i. Districts' historical operating data.

SECTION 1 - The Authority's Audited Financial Statements

Statement of Net Position June 30, 2020

Assets	
Cash and cash equivalents with Trustee, restricted as to use	\$ 7,603
Payments receivable from Participating Districts	374,393,452
Total assets	<u>374,401,055</u>
Deferred Outflow of Resources	
Deferred loss on refunding, net of accumulated amortization of \$16,012,970	<u>7,114,320</u>
Liabilities	
Current liabilities, payable from restricted assets:	
Interest payable	4,170,362
Current portion of bonds payable	39,334,400
Total current liabilities, payable from restricted assets	<u>43,504,762</u>
Long-term liabilities:	
Premium on issue, net of accumulated amortization of \$46,211,208	29,464,359
Revenue bonds payable	312,714,398
Total long-term liabilities	<u>342,178,757</u>
Total liabilities	<u>385,683,519</u>
Net Position	
Unrestricted	<u>(4,168,144)</u>
Total net position	<u>\$ (4,168,144)</u>

LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

Statement of Revenues, Expenses, and Changes in Net Position Fiscal year ended June 30, 2020

Operating revenues-payments from Participating Districts	\$	<u>17,413,929</u>
Nonoperating revenues (expenses):		
Interest expense		(16,967,884)
Drawdown expense		(2,837,153)
Amortization of deferred loss on refunding		(1,993,015)
Amortization of bond premium		<u>4,830,166</u>
Net nonoperating expenses		<u>(16,967,886)</u>
Change in net position		446,043
Total net position, beginning of fiscal year		<u>(4,614,187)</u>
Net position, end of year	\$	<u><u>(4,168,144)</u></u>

Statement of Cash Flows Fiscal year ended June 30, 2020

Cash flows from operating activities:		
Receipts from Participating Districts	\$	<u>17,413,929</u>
Cash flows from capital and related financing activities:		
Receipts from Participating Districts		37,564,400
Principal payments on bonds		(37,564,400)
Interest paid on bonds		<u>(17,411,716)</u>
Net cash used by capital and related financing activities		<u>(17,411,716)</u>
Net increase in cash and cash equivalents, restricted as to use		2,213
Cash and cash equivalents, beginning of fiscal year, restricted as to use		<u>5,390</u>
Cash and cash equivalents, end of fiscal year, restricted as to use	\$	<u><u>7,603</u></u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$	<u>17,413,929</u>
Net cash provided by operating activities	\$	<u><u>17,413,929</u></u>

Supplemental disclosure of noncash items:

Amortization of premium on revenue bonds payable and deferred loss on refunding of \$4,830,166 and (\$1,993,015), respectively.

LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

SECTION 2 - Districts' Audited Consolidated Financial Statements

The audited consolidated financial statements for the Districts are provided in the Financial Section of this CAFR.

SECTION 3 - Principal Amount of Bonds Outstanding

At December 31, 2020, the total principal amount of bonds outstanding will be \$288,029,398 (projected), an overall decrease of \$64,019,392 from December 31, 2019, when the total principal amount of bonds outstanding was \$352,048,790.

SECTION 4 - Changes in Debt Obligations

CHANGES IN DEBT OBLIGATIONS Calendar Year 2020 (projected)

System	New Debt	Principal Payments	Retirements	Net Change in Debt Obligations
JO System ⁽¹⁾	\$ 8,476,845	(50,016,504)	(21,247,122)	(62,786,781)
4	-	(303,487)	(242,407)	(545,894)
9	-	(42,649)	(34,066)	(76,715)
14	-	(9,122,121)	(343,862)	(9,465,983)
20	-	(3,958,807)	(286,592)	(4,245,399)
27	-	(59,647)	(47,641)	(107,288)
SCV	-	(6,336,413)	(2,483,310)	(8,819,723)
Total	\$ 8,476,845	(69,839,628)	(24,685,000)	(86,047,783)

(1) Joint Outfall (JO) System is comprised of Districts Nos. 1, 2, 3, 5, 8, 15, 16, 17, 18, 19, 21, 22, 23, 28, 29, 34, and South Bay Cities.

LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

SECTION 5 - Outstanding Senior and Subordinate Obligations as of December 31, 2020 (projected)

	District No. 1	District No. 2	District No. 3	District No. 5	District No. 8	District No. 15
Senior Revenue Obligations						
Primary Sedimentation Tank Covers	\$ 39,694	59,790	45,985	68,887	23,672	49,697
Secondary Effluent Pump Station	13,315	20,055	15,425	23,107	7,940	16,670
Biological Reactors/Secondary Clarifiers	1,100,517	1,657,677	1,274,943	1,909,904	656,294	1,377,842
Cryogenic Oxygen Generation	210,706	317,381	244,102	365,672	125,655	263,803
Power Generation Equipment Purchase	114,404	172,323	132,536	198,543	68,225	143,233
Waste Activated Sludge Thickening Expansion	55,133	83,046	63,872	95,682	32,879	69,027
Relocating and Installing High-Speed Centrifuge	27,745	41,791	32,142	48,150	16,546	34,736
Installation of Secondary Influent Pumping Equip	62,601	94,294	72,523	108,641	37,332	78,376
Fuel Gas Compressor Upgrade	9,686	14,589	11,221	16,809	5,776	12,126
Modifications of Electrical Power	53,591	80,723	62,085	93,005	31,959	67,096
Primary Screenings and Grit Dewatering Fac.	154,222	232,300	178,665	267,646	91,970	193,085
Environmental Laboratory Building	126,779	190,964	146,873	220,021	75,605	158,727
JWPCP Digestion Tanks 17-23	699,482	1,053,610	810,346	1,213,924	417,137	875,748
Modification of Biological Reactors	760,402	1,145,372	880,922	1,319,649	453,467	952,020
High-Speed Scroll Centrifuges Purch & Install	81,489	122,745	94,405	141,422	48,596	102,024
Secondary Infl Pump Station Equipment	192,147	289,425	222,601	333,464	114,587	240,567
Silo Odor Control Facilities, Phase I	91,395	137,666	105,881	158,613	54,504	114,426
Silo Odor Control Facilities, Phase II	86,175	129,803	99,833	149,554	51,391	107,891
Total Senior Revenue Obligations	<u>3,879,483</u>	<u>5,843,554</u>	<u>4,494,360</u>	<u>6,732,693</u>	<u>2,313,535</u>	<u>4,857,094</u>
Subordinate Revenue Obligations						
Install of Secondary Infl Pumping Equip Stg II	35,575	53,585	41,213	61,738	21,215	44,539
Central Odor Control System	251,743	379,193	291,642	436,890	150,127	315,181
Heat Recovery Steam Generation Equipment	114,163	171,960	132,257	198,125	68,081	142,931
Power Generation Steam Turbine Generator	85,067	128,134	98,550	147,630	50,730	106,503
Pomona WRP NDN Facilities	108,124	162,864	125,261	187,645	64,480	135,371
Pomona WRP NDN Facilities Equip. Purch.	4,004	6,031	4,638	6,949	2,388	5,013
Los Coyotes WRP NDN Facilities	615,262	926,751	712,778	1,067,763	366,912	770,305
Los Coyotes WRP Ammonia Addition Station	19,874	29,936	23,024	34,491	11,852	24,882
Long Beach WRP NDN Facilities	145,852	219,693	168,969	253,121	86,979	182,607
Long Beach WRP Ammonia Addition Station	13,717	20,662	15,892	23,806	8,180	17,174
Long Beach WRP NDN Facilities Equipment	8,848	13,328	10,251	15,356	5,277	11,078
Long Beach WRP Aeration System	6,060	9,127	7,020	10,516	3,614	7,587
Long Beach Pumping Plant Upgrades*	3,294,756	4,962,796	3,816,958	5,717,923	1,964,832	4,125,019
Whittier Narrows WRP NDN Facilities	170,509	256,832	197,533	295,911	101,683	213,476
San Jose Creek WRP NDN Facilities	229,027	344,977	265,326	397,467	136,580	286,741
San Jose Creek WRP NDN Fac. Equipment	32,808	49,417	38,008	56,937	19,565	41,075
Los Coyotes WRP Interceptor Sewer Rehab Phase II	671,789	1,011,897	778,265	1,165,865	400,622	841,077
Wright Road Truck Sewer Repair	390,680	-	-	-	-	-
District 5 Interceptor Section 2A Rehab	852,279	1,283,764	987,361	1,479,098	508,258	1,067,050
Joint Outfall "A" Unit 6 Rehabilitation	987,001	1,486,691	1,143,436	1,712,902	588,599	1,235,721
Joint Outfall "D" Units 7&8 Rehabilitation	733,616	1,105,025	849,890	1,273,162	437,493	918,484
Joint Outfall "B" Unit 1A Rehabilitation	856,040	1,289,428	991,718	1,485,625	510,500	1,071,758
San Jose Creek East Flow Equalization*	2,032,265	3,061,142	2,354,368	3,526,918	1,211,944	2,544,386
Alamitos PP Force Main No. 2	-	-	-	-	-	-
Total Subordinate Revenue Obligations	<u>11,659,059</u>	<u>16,973,233</u>	<u>13,054,358</u>	<u>19,555,838</u>	<u>6,719,911</u>	<u>14,107,958</u>
Total Obligations	<u>\$ 15,538,542</u>	<u>22,816,787</u>	<u>17,548,718</u>	<u>26,288,531</u>	<u>9,033,446</u>	<u>18,965,052</u>

*Funds have been received as of December 31, 2020, however, this obligation is not yet in repayment.

LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

	District No. 16	District No. 17	District No. 18	District No. 19	District No. 21	District No. 22
Senior Revenue Obligations						
Primary Sedimentation Tank Covers	\$ 27,473	3,530	32,362	9,007	40,101	33,493
Secondary Effluent Pump Station	9,215	1,184	10,855	3,021	13,451	11,235
Biological Reactors/Secondary Clarifiers	761,703	97,879	897,228	249,718	1,111,810	928,600
Cryogenic Oxygen Generation	145,836	18,740	171,784	47,811	212,868	177,791
Power Generation Equipment Purchase	79,183	10,175	93,271	25,959	115,578	96,532
Waste Activated Sludge Thickening Expansion	38,159	4,904	44,949	12,510	55,699	46,521
Relocating and Installing High-Speed Centrifuge	19,203	2,468	22,620	6,296	28,029	23,410
Installation of Secondary Influent Pumping Equip	43,328	5,568	51,037	14,205	63,243	52,822
Fuel Gas Compressor Upgrade	6,704	861	7,897	2,198	9,785	8,173
Modifications of Electrical Power	37,092	4,766	43,692	12,160	54,141	45,219
Primary Screenings and Grit Dewatering Fac.	106,742	13,716	125,734	34,994	155,805	130,130
Environmental Laboratory Building	87,748	11,276	103,361	28,767	128,080	106,975
JWPCP Digestion Tanks 17-23	484,134	62,212	570,273	158,719	706,660	590,213
Modification of Biological Reactors	526,299	67,630	619,940	172,543	768,206	641,616
High-Speed Scroll Centrifuges Purch & Install	56,401	7,248	66,437	18,491	82,326	68,759
Secondary Infl Pump Station Equipment	132,991	17,089	156,653	43,600	194,119	162,131
Silo Odor Control Facilities, Phase I	63,258	8,129	74,513	20,738	92,333	77,118
Silo Odor Control Facilities, Phase II	59,645	7,664	70,257	19,554	87,060	72,713
Total Senior Revenue Obligations	<u>2,685,114</u>	<u>345,039</u>	<u>3,162,863</u>	<u>880,291</u>	<u>3,919,294</u>	<u>3,273,451</u>
Subordinate Revenue Obligations						
Install of Secondary Infl Pumping Equip Stg II	24,622	3,164	29,003	8,072	35,940	30,017
Central Odor Control System	174,239	22,390	205,241	57,123	254,326	212,417
Heat Recovery Steam Generation Equipment	79,016	10,154	93,075	25,905	115,334	96,329
Power Generation Steam Turbine Generator	58,878	7,566	69,353	19,303	85,940	71,778
Pomona WRP NDN Facilities	74,836	9,617	88,151	24,534	109,234	91,233
Pomona WRP NDN Facilities Equip. Purch.	2,771	356	3,264	909	4,045	3,378
Los Coyotes WRP NDN Facilities	425,843	54,721	501,610	139,609	621,576	519,149
Los Coyotes WRP Ammonia Addition Station	13,755	1,768	16,203	4,510	20,078	16,769
Long Beach WRP NDN Facilities	100,949	12,972	118,911	33,095	147,349	123,068
Long Beach WRP Ammonia Addition Station	9,494	1,220	11,184	3,113	13,858	11,575
Long Beach WRP NDN Facilities Equipment	6,124	787	7,214	2,008	8,939	7,466
Long Beach WRP Aeration System	4,194	539	4,940	1,375	6,122	5,113
Long Beach Pumping Plant Upgrades*	2,280,407	293,034	2,686,146	747,613	3,328,567	2,780,068
Whittier Narrows WRP NDN Facilities	118,015	15,165	139,012	38,690	172,258	143,873
San Jose Creek WRP NDN Facilities	158,517	20,370	186,721	51,968	231,377	193,250
San Jose Creek WRP NDN Fac. Equipment	22,707	2,918	26,748	7,444	33,144	27,683
Los Coyotes WRP Interceptor Sewer Rehab Phase II	464,967	59,749	547,696	152,436	678,683	566,846
Wright Road Truck Sewer Repair	-	-	-	-	-	-
District 5 Interceptor Section 2A Rehab	589,890	75,801	694,846	193,391	861,025	719,141
Joint Outfall "A" Unit 6 Rehabilitation	683,135	87,783	804,682	223,960	997,130	832,817
Joint Outfall "D" Units 7&8 Rehabilitation	507,759	65,247	598,102	166,465	741,144	619,015
Joint Outfall "B" Unit 1A Rehabilitation	592,493	76,136	697,912	194,244	864,825	722,314
San Jose Creek East Flow Equalization*	1,406,596	180,749	1,656,864	461,141	2,053,120	1,714,796
Alamitos PP Force Main No. 2	-	-	-	-	-	-
Total Subordinate Revenue Obligations	<u>7,799,207</u>	<u>1,002,206</u>	<u>9,186,878</u>	<u>2,556,908</u>	<u>11,384,014</u>	<u>9,508,095</u>
Total Obligations	<u>\$ 10,484,321</u>	<u>1,347,245</u>	<u>12,349,741</u>	<u>3,437,199</u>	<u>15,303,308</u>	<u>12,781,546</u>

*Funds have been received as of December 31, 2020, however, this obligation is not yet in repayment.

LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

	District No. 23	District No. 28	District No. 29	South Bay Cities
Senior Revenue Obligations				
Primary Sedimentation Tank Covers	\$ 4,255	1,132	1,448	12,085
Secondary Effluent Pump Station	1,427	380	486	4,054
Biological Reactors/Secondary Clarifiers	117,957	31,372	40,156	335,049
Cryogenic Oxygen Generation	22,584	6,006	7,688	64,149
Power Generation Equipment Purchase	12,262	3,261	4,174	34,830
Waste Activated Sludge Thickening Expansion	5,909	1,572	2,012	16,785
Relocating and Installing High-Speed Centrifuge	2,974	791	1,012	8,447
Installation of Secondary Influent Pumping Equip	6,710	1,785	2,284	19,059
Fuel Gas Compressor Upgrade	1,038	276	353	2,949
Modifications of Electrical Power	5,744	1,528	1,955	16,316
Primary Screenings and Grit Dewatering Fac.	16,530	4,396	5,627	46,952
Environmental Laboratory Building	13,589	3,614	4,626	38,598
JWPCP Digestion Tanks 17-23	74,973	19,940	25,523	212,955
Modification of Biological Reactors	81,503	21,676	27,746	231,502
High-Speed Scroll Centrifuges Purch & Install	8,734	2,323	2,973	24,809
Secondary Infl Pump Station Equipment	20,595	5,477	7,011	58,499
Silo Odor Control Facilities, Phase I	9,796	2,605	3,335	27,825
Silo Odor Control Facilities, Phase II	9,237	2,457	3,144	26,236
Total Senior Revenue Obligations	415,817	110,591	141,553	1,181,099
Subordinate Revenue Obligations				
Install of Secondary Infl Pumping Equip Stg II	3,813	1,014	1,298	10,831
Central Odor Control System	26,983	7,176	9,186	76,642
Heat Recovery Steam Generation Equipment	12,236	3,254	4,166	34,757
Power Generation Steam Turbine Generator	9,118	2,425	3,104	25,898
Pomona WRP NDN Facilities	11,589	3,082	3,945	32,918
Pomona WRP NDN Facilities Equip. Purch.	429	114	146	1,219
Los Coyotes WRP NDN Facilities	65,946	17,539	22,450	187,315
Los Coyotes WRP Ammonia Addition Station	2,130	567	725	6,051
Long Beach WRP NDN Facilities	15,633	4,158	5,322	44,404
Long Beach WRP Ammonia Addition Station	1,470	391	501	4,176
Long Beach WRP NDN Facilities Equipment	948	252	323	2,694
Long Beach WRP Aeration System	649	173	221	1,845
Long Beach Pumping Plant Upgrades*	353,144	93,921	120,219	1,003,078
Whittier Narrows WRP NDN Facilities	18,276	4,861	6,222	51,911
San Jose Creek WRP NDN Facilities	24,548	6,529	8,357	69,727
San Jose Creek WRP NDN Fac. Equipment	3,516	935	1,197	9,988
Los Coyotes WRP Interceptor Sewer Rehab Phase II	72,005	19,150	24,512	204,524
Wright Road Truck Sewer Repair	-	-	-	-
District 5 Interceptor Section 2A Rehab	91,350	24,295	31,098	259,474
Joint Outfall "A" Unit 6 Rehabilitation	105,790	28,136	36,014	300,489
Joint Outfall "D" Units 7&8 Rehabilitation	78,632	20,913	26,768	223,347
Joint Outfall "B" Unit 1A Rehabilitation	91,753	24,403	31,235	260,619
San Jose Creek East Flow Equalization*	217,825	57,932	74,153	618,717
Alamitos PP Force Main No. 2	-	-	662,326	-
Total Subordinate Revenue Obligations	1,207,783	321,220	1,073,488	3,430,624
Total Obligations	\$ 1,623,600	431,811	1,215,041	4,611,723

*Funds have been received as of December 31, 2020, however, this obligation is not yet in repayment.

LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

	District No. 4	District No. 9	District No. 14	District No. 20	District No. 27	Santa Clarita Valley
Senior Revenue Obligations						
Valencia WRP Stage V Expansion-Equipment	\$ -	-	-	-	-	141,027
Total Senior Revenue Obligations	-	-	-	-	-	141,027
Subordinate Revenue Obligations						
2015 Series A Revenue Bonds	-	-	129,744,814	-	-	-
2016 Series A Revenue Bonds	-	-	-	156,865,000	-	-
Lancaster - Rosamond Outfall & TS, Phase 1	-	-	2,479,989	-	-	-
Lancaster - Rosamond Outfall & TS, Phase 2	-	-	4,308,870	-	-	-
Lancaster - Rosamond Outfall & TS, Phase 3	-	-	3,952,602	-	-	-
Valencia WRP Stage V Expansion	-	-	-	-	-	6,983,208
Saugus WRP Equipment Purchases	-	-	-	-	-	356,519
Lancaster WRP Stage V Expansion, Phase I	-	-	46,533,288	-	-	-
Valencia WRP Steam Boiler Upgrade	-	-	-	-	-	3,222,869
Total Subordinate Revenue Obligations	-	-	187,019,563	156,865,000	-	10,562,596
Total Obligations	\$ -	-	187,019,563	156,865,000	-	10,703,623

SECTION 6-Updated Tables Contained in the Official Statements.

Districts Nos. 14 & 20 Connection Fee Revenue

Fiscal Year	District 14				District 20			
	Rates	Collected	Refunds ⁽¹⁾	Net Revenue	Rates	Collected	Refunds ⁽¹⁾	Net Revenue
2009-10	\$ 6,190	2,025,259	(121,825)	1,903,434	6,190	812,715	-	812,715
2010-11	6,190	971,121	(50,758)	920,363	6,190	587,559	-	587,559
2011-12	6,190	956,410	-	956,410	6,190	477,727	(1,532)	476,195
2012-13	6,190	2,159,862	-	2,159,862	6,190	1,098,476	-	1,098,476
2013-14	6,190	995,679	-	995,679	6,190	386,129	-	386,129
2014-15	6,190	812,219	(6,190)	806,029	6,190	674,087	-	674,087
2015-16	6,190	1,360,208	-	1,360,208	6,190	2,316,324	-	2,316,324
2016-17	6,190	1,645,057	-	1,645,057	6,190	1,134,699	(6,959)	1,127,740
2017-18	6,190	1,432,576	-	1,432,576	6,190	1,042,743	-	1,042,743
2018-19	6,190	1,394,234	-	1,394,234	6,190	721,989	-	721,989
2019-20	6,190	2,289,516	-	2,289,516	6,190	1,115,658	-	1,115,658

(1) Refunds are reflected on this schedule during the fiscal year in which the fees were collected, not the fiscal year in which the refund was processed.

LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

Sewage Units by Customer Type Fiscal Year 2019-20 ⁽¹⁾

District	Sewage Units ⁽²⁾					Total Parcels
	Residential ⁽³⁾	Commercial ⁽³⁾	Industrial	Contract	Total	
JO System ⁽⁴⁾	1,247,704	506,200	229,778	2,410	1,986,092	1,123,821
14	58,157	13,295	2,421	135	74,008	55,961
20	36,369	9,016	280	25	45,690	35,775
SCV	77,578	24,365	3,143	-	105,086	78,939
4	17,380	10,410	170	-	27,960	10,062
9	496	941	-	-	1,437	502
27	555	-	-	-	555	563
Total	1,438,239	564,227	235,792	2,570	2,240,828	1,305,623

- (1) Sewage units are not static during the course of a fiscal year as new connections are made, parcels undergo changes in use, and low-water rebates become effective. These numbers represent sewage units that were present at the end of the fiscal year.
- (2) A sewage unit is the average daily quantity of sewage flow and strength from a single-family home.
- (3) Residential and commercial sewage units are adjusted each year to reflect reductions in sewage units for parcels that applied for and received a low-water rebate in the preceding year.
- (4) Joint Outfall (JO) System is comprised of Districts Nos. 1, 2, 3, 5, 8, 15, 16, 17, 18, 19, 21, 22, 23, 28, 29, 34, and South Bay Cities.

User Fees and Ad Valorem Taxes Fiscal Year 2019-20

District	Service Charge Collected	Service Charge Rebates ⁽²⁾	Net Service Charge Revenue	IW Surcharge Revenue	Total User Fees	A.V. Taxes ⁽³⁾
JO System ⁽¹⁾	\$ 297,526,541	(6,117,327)	291,409,214	67,840,553	359,249,767	75,433,402
14	34,476,907	(526,507)	33,950,400	2,729,855	36,680,255	1,951,556
20	25,796,503	(853,745)	24,942,758	516,946	25,459,704	1,614,081
SCV	36,566,082	(1,108,787)	35,457,295	1,833,235	37,290,530	8,090,289
4	4,027,747	(61,087)	3,966,660	17,624	3,984,284	756,064
9	106,333	-	106,333	-	106,333	111,009
27	-	-	-	-	-	408,393
Total	\$ 398,500,113	(8,667,453)	389,832,660	72,938,213	462,770,873	88,364,794

- (1) Joint Outfall (JO) System is comprised of Districts Nos. 1, 2, 3, 5, 8, 15, 16, 17, 18, 19, 21, 22, 23, 28, 29, 34, and South Bay Cities.
- (2) Rebates issued pursuant to the low-water rebate program. Rebates are recorded in the year in which claims are processed, not in the years for which they are being made.
- (3) Actual amounts collected.

LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

Districts' Service Charge Rates (Dollars Per Single Family Home Per Year)

District (JO) ⁽¹⁾	Fiscal Year 2015-16	Fiscal Year 2016-17	Fiscal Year 2017-18	Fiscal Year 2018-19	Fiscal Year 2019-20
1	\$ 168	\$ 173	\$ 178	\$ 183	\$ 188
2	160	165	169	173	177
3	160	163	166	169	172
5	146	151	155	159	163
8	163	174	180	186	192
15	146	151	154	157	160
16	145	148	151	154	157
17	146	149	152	155	158
18	161	166	170	174	178
19	158	161	164	167	170
21	158	163	167	171	175
22	155	158	162	166	170
23	122	124	126	128	130
28 ⁽³⁾	342	242	-	-	-
28 ⁽³⁾	134	136	138	140	142
29	340	340	340	340	340
SBC	126	128	130	132	134
 (Non-JO) ^{(1),(2)}					
4	150	150	150	150	150
9	78	78	78	78	78
14	476	476	476	476	488
20	550	565	565	575	587
SCV	287	307	328	349	370

- (1) JO indicates a District within the Joint Outfall System. Non-JO indicates a District outside of the Joint Outfall System.
- (2) District No. 27 does not have any service charge rate in effect as its other revenues have been sufficient to meet expenses. District No. 27 does have a Master Service Charge Ordinance in place should the need for a service charge arise.
- (3) Beginning in fiscal year 1999-00, District No. 28 has two service charge rates. The first rate was for those users directly connected to the La Canada WRP Outfall Trunk Sewer or the Foothill Main Trunk sewer or tributary to the La Canada WRP; the second rate was for those users within the city of La Canada Flintridge Sewer Assessment Districts. As of fiscal year 2017-18, the loans associated with the two trunk sewers were paid off, making two rates unnecessary.

LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

Fund Balances on June 30, 2020

Districts	Capital Improvement Fund	Rate Stabilization Fund	All Other Funds
1	\$ 54,343,030	16,804,180	34,134,075
2	74,443,845	24,722,850	46,800,976
3	47,471,275	24,479,955	32,123,022
4	6,794,627	35,329,671	3,786,488
5	70,692,795	23,591,658	51,386,092
8	34,813,523	216,042	11,227,830
9	472,473	4,267,889	251,988
14	2,039,369	38,551,803	26,789,732
15	56,217,875	42,583,236	37,341,121
16	28,403,582	35,872,710	20,753,001
17	3,867,337	6,062,508	2,508,588
18	39,899,609	15,414,245	23,202,388
19	12,116,034	8,933,053	6,844,460
20	1,811,357	22,685,057	17,827,018
21	54,176,855	30,971,977	29,616,951
22	36,615,847	36,774,530	26,012,096
23	4,127,492	11,063,739	4,439,124
27	21,412	450,060	1,228,365
28	1,005,485	7,482,017	1,080,203
29	1,937,762	5,451,983	1,812,510
SBC	13,914,738	26,663,329	10,782,231
SCV	77,240,102	39,606,432	12,195,358
	<u>\$ 622,426,424</u>	<u>457,978,924</u>	<u>402,143,617</u>

Average Yearly Flow From The Participating Districts⁽¹⁾⁽²⁾ (In Millions Of Gallons Per Day)

District	Fiscal Year 2015-16	Fiscal Year 2016-17	Fiscal Year 2017-18	Fiscal Year 2018-19	Fiscal Year 2019-20
JO System ⁽³⁾	351.05	356.48	350.65	352.20	344.79
14	12.88	12.70	13.01	13.46	13.56
20	8.08	8.12	7.98	8.07	8.15
SCV	18.09	18.19	18.43	18.27	18.30
Total	<u>390.10</u>	<u>395.49</u>	<u>390.07</u>	<u>392.00</u>	<u>384.80</u>

(1) The flow from Districts No. 4, 9, and 27 is disposed of through the City of Los Angeles sewerage system.

(2) All flow values are effluent plant flows.

(3) Joint Outfall (JO) System is comprised of Districts Nos. 1, 2, 3, 5, 8, 15, 16, 17, 18, 19, 21, 22, 23, 28, 29, 34, and South Bay Cities.

LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

Ten Largest Disposal Customers Fiscal Year 2019-2020

District 14 Customer	Fiscal Year 2019-20 Billing	Percentage of Total User Charges
California State Prison - Los Angeles County	\$ 1,317,048	3.59 %
Northrop Grumman Systems Corporation (Site 4)	759,951	2.07
BYD Coach and Bus LLC (Bus Manufacturing)	304,418	0.83
Northrop Grumman Systems Corporation (Site 3)	228,343	0.62
Mission Linen Supply	189,477	0.52
Walmart Real Estate - 10th Street West (Shopping Center)	185,807	0.51
Walmart Real Estate - Valley Central Way (Shopping Center)	183,963	0.50
Antelope Valley Hospital	176,525	0.48
Mayflower RHF Housing Inc. (Mobile Home Park)	146,949	0.40
Caritas Affordable Housing Inc. (Mobile Home Park)	135,826	0.37
	<u>3,628,307</u>	<u>9.89</u>
Balance from Other Dischargers	<u>33,051,948</u>	<u>90.11</u>
Total User Chargers	<u>\$ 36,680,255</u>	<u>100.00 %</u>

District 20 Customer	Fiscal Year 2019-20 Billing	Percentage of Total User Charges
Lockheed Martin (Aerospace Manufacturing)	\$ 399,232	1.57 %
Walmart Real Estate - 47th Street East (Shopping Center)	244,363	0.96
Antelope Valley Mall LLC (Shopping Center)	126,540	0.50
Palmdale Realty Holdings LLC (Apartments)	122,541	0.48
Sagetree Village LLC (Mobile Home Park)	116,202	0.46
Universal Healthcare (Acute Care Hospital)	109,204	0.43
Mountain Shadows Apartments LLC	108,455	0.43
Figjam LP (Apartments)	107,047	0.42
Caritas Acquisitions LLC (Mobile Home Park)	104,934	0.41
Palm Chaparral Apartments LLC (Apartments)	104,230	0.41
	<u>\$ 1,542,748</u>	<u>6.06</u>
Balance from Other Dischargers	<u>23,916,956</u>	<u>93.94</u>
Total User Chargers	<u>\$ 25,459,704</u>	<u>100.00 %</u>

LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

Outstanding Senior and Subordinate Obligations

	<u>Outstanding Balance</u> <u>December 31, 2019</u>	<u>Outstanding Balance</u> <u>December 31, 2020*</u>	<u>Net Change</u>
Obligations Constituting Senior A.V. Obligations and Senior Revenue Obligations:			
2011 Series A Revenue Bonds	\$ 48,760,000	-	(48,760,000)
2013 Series A Revenue Bonds	6,830,000	-	(6,830,000)
Total Senior A.V. Obligation	<u>55,590,000</u>	<u>-</u>	<u>(55,590,000)</u>
Senior Revenue Obligations			
Primary Sedimentation Tank Covers	670,990	452,610	(218,380)
Secondary Effluent Pump Station	224,857	151,820	(73,037)
Biological Reactors/Secondary Clarifiers	18,603,263	12,548,649	(6,054,614)
Cryogenic Oxygen Generation	3,603,867	2,402,578	(1,201,289)
Power Generation Equipment Purchase	1,956,734	1,304,490	(652,244)
Waste Activated Sludge Thickening Expansion	838,209	628,657	(209,552)
Relocating and Installing High-Speed Centrifuge	421,811	316,358	(105,453)
Installation of Secondary Influent Pumping Equip	951,740	713,805	(237,935)
Fuel Gas Compressor Upgrade	147,254	110,441	(36,813)
Modifications of Electrical Power	814,762	611,072	(203,690)
Primary Screenings and Grit Dewatering Fac.	2,344,689	1,758,517	(586,172)
Environmental Laboratory Building	1,927,469	1,445,602	(481,867)
JWPCP Digestion Tanks 17-23	10,634,465	7,975,849	(2,658,616)
Modification of Biological Reactors	10,712,611	8,670,491	(2,042,120)
High-Speed Scroll Centrifuges Purch & Install	1,161,477	929,182	(232,295)
Secondary Infl Pump Station Equipment	2,738,696	2,190,957	(547,739)
Valencia WRP Solids Processing Expansion	537,592	-	(537,592)
Valencia WRP Stage V Expansion-Equipment	211,541	141,027	(70,514)
Silo Odor Control Facilities, Phase I	1,389,512	1,042,134	(347,378)
Silo Odor Control Facilities, Phase II	1,146,382	982,613	(163,769)
Total Senior Revenue Obligations	<u>61,037,921</u>	<u>44,376,852</u>	<u>(16,661,069)</u>
Subordinate Revenue Obligations:			
2015 Series A Revenue Bonds	133,169,814	129,744,814	(3,425,000)
2016 Series A Revenue Bonds	160,465,000	156,865,000	(3,600,000)
Install of Secondary Infl Pumping Equip Stg II	486,768	405,640	(81,128)
Central Odor Control System	3,444,596	2,870,497	(574,099)
Heat Recovery Steam Generation Equipment	1,518,700	1,301,743	(216,957)
Power Generation Steam Turbine Generator	1,131,638	969,976	(161,662)
Pomona WRP NDN Facilities	1,541,107	1,232,885	(308,222)
Pomona WRP NDN Facilities Equip. Purch.	57,068	45,654	(11,414)
Los Coyotes WRP NDN Facilities	7,892,469	7,015,528	(876,941)
Los Coyotes WRP Ammonia Addition Station	302,151	226,614	(75,537)
Long Beach WRP NDN Facilities	1,900,668	1,663,084	(237,584)
Long Beach WRP Ammonia Addition Station	208,550	156,413	(52,137)
Long Beach WRP NDN Facilities Equipment	134,526	100,894	(33,632)
Long Beach WRP Aeration System	92,127	69,095	(23,032)
Long Beach Pumping Plant Upgrades*	39,426,125	37,568,481	(1,857,644)
Whittier Narrows WRP NDN Facilities	2,160,251	1,944,226	(216,025)

*Projected

LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

	<u>Outstanding Balance December 31, 2019</u>	<u>Outstanding Balance December 31, 2020*</u>	<u>Net Change</u>
Subordinate Revenue Obligations (Continued):			
San Jose Creek WRP NDN Facilities	3,133,776	2,611,480	(522,296)
San Jose Creek WRP NDN Fac. Equipment	460,908	374,091	(86,817)
Lancaster - Rosamond Outfall & TS, Phase 1	2,861,412	2,479,989	(381,423)
Lancaster - Rosamond Outfall & TS, Phase 2	4,971,575	4,308,870	(662,705)
Lancaster - Rosamond Outfall & TS, Phase 3	4,560,513	3,952,602	(607,911)
Valencia WRP Stage V Expansion	9,310,944	6,983,208	(2,327,736)
Saugus WRP Equipment Purchases	445,649	356,519	(89,130)
Lancaster WRP Stage V Expansion, Phase I	50,147,863	46,533,288	(3,614,575)
Valencia WRP Steam Boiler Upgrade	3,425,267	3,222,869	(202,398)
Los Coyotes WRP Interceptor Sewer Rehab Phase II	8,251,480	7,660,084	(591,396)
Wright Road Truck Sewer Repair	421,027	390,680	(30,347)
District 5 Interceptor Section 2A Rehab	10,264,552	9,718,120	(546,432)
Joint Outfall "A" Unit 6 Rehabilitation	11,566,167	11,254,287	(311,880)
Joint Outfall "D" Units 7&8 Rehabilitation	8,596,874	8,365,061	(231,813)
Joint Outfall "B" Unit 1A Rehabilitation	10,031,501	9,761,003	(270,498)
San Jose Creek East Flow Equalization**	14,696,072	23,172,917	8,476,845
Alamitos PP Force Main No. 2	707,514	662,326	(45,188)
Total Subordinate Revenue Obligations	<u>497,784,652</u>	<u>483,987,938</u>	<u>(13,796,714)</u>
Total Obligations	<u>\$ 614,412,573</u>	<u>528,364,790</u>	<u>(86,047,783)</u>

*Projected

**Funds have been received as of December 31, 2020, however, this obligation is not yet in repayment.

LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

District No. 1	Fiscal Year 2019-20	Fiscal Year 2018-19	Fiscal Year 2017-18	Fiscal Year 2016-17
REVENUE SOURCES				
User Fees	\$ 34,272	\$ 32,344	\$ 31,238	\$ 30,233
Other Revenues	2,498	2,416	2,547	2,153
A.V. Tax	4,193	3,855	3,514	3,253
Interest	1,865	1,770	1,259	940
Rate Stabilization Fund ⁽¹⁾	-	-	-	-
Subtotal	<u>42,828</u>	<u>40,385</u>	<u>38,558</u>	<u>36,579</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	42,828	40,385	38,558	36,579
CIF Connection Fee Revenue ⁽²⁾	<u>2,764</u>	<u>2,860</u>	<u>2,554</u>	<u>2,626</u>
Total Revenue for Subordinate Calculation	45,592	43,245	41,112	39,205
EXPENSES⁽³⁾				
Total O&M	26,668	24,984	23,692	23,155
Rate Stabilization Fund ⁽⁴⁾	<u>5,236</u>	<u>1,818</u>	<u>5,474</u>	<u>2,243</u>
Total	31,904	26,802	29,166	25,398
DEBT SERVICE PAYMENTS				
Senior				
State Loans	1,498	1,523	1,508	1,503
Revenue Bonds	<u>2,167</u>	<u>2,169</u>	<u>2,174</u>	<u>2,171</u>
Total Senior Debt Payments	3,665	3,692	3,682	3,674
Subordinate				
State Loans	853	750	504	494
Revenue Bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Subordinate Debt Payments	853	750	504	494
Total Debt Service	4,518	4,442	4,186	4,168
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	2.75	3.48	2.41	2.91
<u>SUBORDINATE</u>	<u>3.03</u>	<u>3.70</u>	<u>2.85</u>	<u>3.31</u>

(1) Previously expensed funds used to pay unexpected operating costs to minimize the impact on rates.

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(3) Does not include depreciation.

(4) Funds being set aside to minimize the impact on rates in the event of future unexpected operating costs.

(5) Senior debt coverage calculation includes a deduction for subordinate debt payments pursuant to the applicable rate covenants. The subordinate debt coverage calculation is based on total debt service.

LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

District No. 2	Fiscal Year 2019-20	Fiscal Year 2018-19	Fiscal Year 2017-18	Fiscal Year 2016-17
REVENUE SOURCES				
User Fees	\$ 48,243	\$ 46,573	\$ 44,717	\$ 43,183
Other Revenues	3,723	3,664	3,712	3,127
A.V. Tax	8,044	7,654	7,286	6,786
Interest	2,661	2,615	1,876	1,420
Rate Stabilization Fund ⁽¹⁾	-	4,254	-	-
Subtotal	<u>62,671</u>	<u>64,760</u>	<u>57,591</u>	<u>54,516</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	62,671	64,760	57,591	54,516
CIF Connection Fee Revenue ⁽²⁾	3,431	4,477	4,348	3,687
Total Revenue for Subordinate Calculation	<u>66,102</u>	<u>69,237</u>	<u>61,939</u>	<u>58,203</u>
EXPENSES⁽³⁾				
Total O&M	40,118	37,893	34,703	34,110
Rate Stabilization Fund ⁽⁴⁾	1,504	-	5,036	326
Total	<u>41,622</u>	<u>37,893</u>	<u>39,739</u>	<u>34,436</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	2,233	2,294	2,197	2,183
Revenue Bonds	3,344	3,349	3,356	3,352
Total Senior Debt Payments	<u>5,577</u>	<u>5,643</u>	<u>5,553</u>	<u>5,535</u>
Subordinate				
State Loans	1,211	1,129	674	658
Revenue Bonds	-	-	-	-
Total Subordinate Debt Payments	<u>1,211</u>	<u>1,129</u>	<u>674</u>	<u>658</u>
Total Debt Service	6,788	6,772	6,227	6,193
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	3.56	4.56	3.09	3.51
<u>SUBORDINATE</u>	<u>3.61</u>	<u>4.63</u>	<u>3.57</u>	<u>3.84</u>

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LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

<u>District No. 3</u>	<u>Fiscal Year</u> <u>2019-20</u>	<u>Fiscal Year</u> <u>2018-19</u>	<u>Fiscal Year</u> <u>2017-18</u>	<u>Fiscal Year</u> <u>2016-17</u>
REVENUE SOURCES				
User Fees	\$ 34,807	\$ 33,823	\$ 32,599	\$ 32,010
Other Revenues	2,878	2,800	2,886	2,473
A.V. Tax	6,391	6,316	5,603	5,298
Interest	1,806	1,804	1,289	956
Rate Stabilization Fund ⁽¹⁾	-	3,757	-	-
Subtotal	<u>45,882</u>	<u>48,500</u>	<u>42,377</u>	<u>40,737</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	45,882	48,500	42,377	40,737
CIF Connection Fee Revenue ⁽²⁾	2,692	3,257	2,778	2,743
Total Revenue for Subordinate Calculation	<u>48,574</u>	<u>51,757</u>	<u>45,155</u>	<u>43,480</u>
EXPENSES⁽³⁾				
Total O&M	29,647	29,801	26,490	25,841
Rate Stabilization Fund ⁽⁴⁾	3,555	-	2,981	136
Total	<u>33,202</u>	<u>29,801</u>	<u>29,471</u>	<u>25,977</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	1,710	1,764	1,708	1,727
Revenue Bonds	2,540	2,543	2,549	2,546
Total Senior Debt Payments	<u>4,250</u>	<u>4,307</u>	<u>4,257</u>	<u>4,273</u>
Subordinate				
State Loans	927	869	524	520
Revenue Bonds	-	-	-	-
Total Subordinate Debt Payments	<u>927</u>	<u>869</u>	<u>524</u>	<u>520</u>
Total Debt Service	5,177	5,176	4,781	4,793
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	2.77	4.14	2.91	3.33
SUBORDINATE	2.97	4.24	3.28	3.65

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(3) Does not include depreciation.

(4) Funds being set aside to minimize the impact on rates in the event of future unexpected operating costs.

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LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

District No. 5	Fiscal Year 2019-20	Fiscal Year 2018-19	Fiscal Year 2017-18	Fiscal Year 2016-17
REVENUE SOURCES				
User Fees	\$ 49,191	\$ 47,615	\$ 46,378	\$ 44,447
Other Revenues	4,202	4,196	4,338	3,641
A.V. Tax	13,573	12,792	12,002	11,197
Interest	2,614	2,620	1,896	1,380
Rate Stabilization Fund ⁽¹⁾	-	8,085	-	2,763
Subtotal	<u>69,580</u>	<u>75,308</u>	<u>64,614</u>	<u>63,428</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	69,580	75,308	64,614	63,428
CIF Connection Fee Revenue ⁽²⁾	4,429	4,997	5,474	3,968
Total Revenue for Subordinate Calculation	<u>74,009</u>	<u>80,305</u>	<u>70,088</u>	<u>67,396</u>
EXPENSES⁽³⁾				
Total O&M	45,212	43,178	40,803	39,798
Rate Stabilization Fund ⁽⁴⁾	3,374	-	6,113	-
Total	<u>48,586</u>	<u>43,178</u>	<u>46,916</u>	<u>39,798</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	2,518	2,643	2,558	2,542
Revenue Bonds	5,467	5,474	5,486	5,479
Total Senior Debt Payments	<u>7,985</u>	<u>8,117</u>	<u>8,044</u>	<u>8,021</u>
Subordinate				
State Loans	1,366	1,301	785	766
Revenue Bonds	-	-	-	-
Total Subordinate Debt Payments	<u>1,366</u>	<u>1,301</u>	<u>785</u>	<u>766</u>
Total Debt Service	9,351	9,418	8,829	8,787
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	2.46	3.80	2.10	2.85
<u>SUBORDINATE</u>	<u>2.72</u>	<u>3.94</u>	<u>2.62</u>	<u>3.14</u>

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(2) All connection fees pledged for repayment of debt is considered in calculating senior debt service coverage, while all connection fees collected were considered in calculating subordinate debt service coverage.

(3) Does not include depreciation.

(4) Funds being set aside to minimize the impact on rates in the event of future unexpected operating costs.

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LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

<u>District No. 8</u>	<u>Fiscal Year 2019-20</u>	<u>Fiscal Year 2018-19</u>	<u>Fiscal Year 2017-18</u>	<u>Fiscal Year 2016-17</u>
REVENUE SOURCES				
User Fees	\$ 20,215	\$ 21,126	\$ 20,029	\$ 19,541
Other Revenues	1,401	1,441	1,486	1,335
A. V. Tax	2,304	2,220	2,032	1,907
Interest	892	1,010	713	541
Rate Stabilization Fund ⁽¹⁾	-	1,006	-	794
Subtotal	<u>24,812</u>	<u>26,803</u>	<u>24,260</u>	<u>24,118</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	24,812	26,803	24,260	24,118
CIF Connection Fee Revenue ⁽²⁾	1,272	1,766	1,481	1,646
Total Revenue for Subordinate Calculation	<u>26,084</u>	<u>28,569</u>	<u>25,741</u>	<u>25,764</u>
EXPENSES⁽³⁾				
Total O&M	16,861	16,856	16,216	17,100
Rate Stabilization Fund ⁽⁴⁾	71	-	2,057	-
Total	<u>16,932</u>	<u>16,856</u>	<u>18,273</u>	<u>17,100</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	840	908	880	930
Revenue Bonds	1,321	1,323	1,326	1,324
Total Senior Debt Payments	<u>2,161</u>	<u>2,231</u>	<u>2,206</u>	<u>2,254</u>
Subordinate				
State Loans	456	447	270	280
Revenue Bonds	-	-	-	-
Total Subordinate Debt Payments	<u>456</u>	<u>447</u>	<u>270</u>	<u>280</u>
Total Debt Service	2,617	2,678	2,476	2,534
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	3.44	4.26	2.59	2.99
<u>SUBORDINATE</u>	<u>3.50</u>	<u>4.37</u>	<u>3.02</u>	<u>3.42</u>

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- (3) Does not include depreciation.
- (4) Funds being set aside to minimize the impact on rates in the event of future unexpected operating costs.
- (5) Senior debt coverage calculation includes a deduction for subordinate debt payments pursuant to the applicable rate covenants. The subordinate debt coverage calculation is based on total debt service.

LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

District No. 15	Fiscal Year 2019-20	Fiscal Year 2018-19	Fiscal Year 2017-18	Fiscal Year 2016-17
REVENUE SOURCES				
User Fees	\$ 36,671	\$ 35,207	\$ 34,546	\$ 32,719
Other Revenues	3,095	3,030	3,072	2,650
A.V. Tax	8,924	8,469	7,881	7,246
Interest	2,448	2,406	1,681	1,257
Rate Stabilization Fund ⁽¹⁾	-	-	-	-
Subtotal	<u>51,138</u>	<u>49,112</u>	<u>47,180</u>	<u>43,872</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	51,138	49,112	47,180	43,872
CIF Connection Fee Revenue ⁽²⁾	2,884	3,438	3,372	2,908
Total Revenue for Subordinate Calculation	<u>54,022</u>	<u>52,550</u>	<u>50,552</u>	<u>46,780</u>
EXPENSES⁽³⁾				
Total O&M	32,261	30,458	27,533	27,642
Rate Stabilization Fund ⁽⁴⁾	4,833	11,320	7,979	187
Total	<u>37,094</u>	<u>41,778</u>	<u>35,512</u>	<u>27,829</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	1,855	1,906	1,819	1,844
Revenue Bonds	3,422	3,425	3,433	3,429
Total Senior Debt Payments	<u>5,277</u>	<u>5,331</u>	<u>5,252</u>	<u>5,273</u>
Subordinate				
State Loans	1,006	939	558	556
Revenue Bonds	-	-	-	-
Total Subordinate Debt Payments	<u>1,006</u>	<u>939</u>	<u>558</u>	<u>556</u>
Total Debt Service	6,283	6,270	5,810	5,829
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	2.47	1.20	2.12	2.94
SUBORDINATE	2.69	1.72	2.59	3.25

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LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

<u>District No. 16</u>	<u>Fiscal Year</u> <u>2019-20</u>	<u>Fiscal Year</u> <u>2018-19</u>	<u>Fiscal Year</u> <u>2017-18</u>	<u>Fiscal Year</u> <u>2016-17</u>
REVENUE SOURCES				
User Fees	\$ 18,445	\$ 18,049	\$ 17,771	\$ 17,029
Other Revenues	1,679	1,674	1,723	1,407
A.V. Tax	6,419	6,062	5,648	5,783
Interest	1,494	1,471	1,051	773
Rate Stabilization Fund ⁽¹⁾	-	-	-	-
Subtotal	<u>28,037</u>	<u>27,256</u>	<u>26,193</u>	<u>24,992</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	28,037	27,256	26,193	24,992
CIF Connection Fee Revenue ⁽²⁾	1,515	2,057	1,679	1,489
Total Revenue for Subordinate Calculation	<u>29,552</u>	<u>29,313</u>	<u>27,872</u>	<u>26,481</u>
EXPENSES⁽³⁾				
Total O&M	17,079	16,375	14,957	14,212
Rate Stabilization Fund ⁽⁴⁾	3,502	6,550	3,860	2,118
Total	<u>20,581</u>	<u>22,925</u>	<u>18,817</u>	<u>16,330</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	1,007	1,054	1,020	982
Revenue Bonds	2,131	2,135	2,139	2,137
Total Senior Debt Payments	<u>3,138</u>	<u>3,189</u>	<u>3,159</u>	<u>3,119</u>
Subordinate				
State Loans	546	519	313	296
Revenue Bonds	-	-	-	-
Total Subordinate Debt Payments	<u>546</u>	<u>519</u>	<u>313</u>	<u>296</u>
Total Debt Service	3,684	3,708	3,472	3,415
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	2.20	1.20	2.24	2.68
SUBORDINATE	2.44	1.72	2.61	2.97

(1) Previously expensed funds used to pay unexpected operating costs to minimize the impact on rates.

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(3) Does not include depreciation.

(4) Funds being set aside to minimize the impact on rates in the event of future unexpected operating costs.

(5) Senior debt coverage calculation includes a deduction for subordinate debt payments pursuant to the applicable rate covenants. The subordinate debt coverage calculation is based on total debt service.

LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

District No. 17	Fiscal Year 2019-20	Fiscal Year 2018-19	Fiscal Year 2017-18	Fiscal Year 2016-17
REVENUE SOURCES				
User Fees	\$ 2,404	\$ 2,339	\$ 2,271	\$ 2,217
Other Revenues	220	215	223	181
A.V. Tax	674	636	602	559
Interest	198	210	163	124
Rate Stabilization Fund ⁽¹⁾	-	-	-	-
Subtotal	<u>3,496</u>	<u>3,400</u>	<u>3,259</u>	<u>3,081</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	<u>3,496</u>	<u>3,400</u>	<u>3,259</u>	<u>3,081</u>
CIF Connection Fee Revenue ⁽²⁾	191	213	212	176
Total Revenue for Subordinate Calculation	<u>3,687</u>	<u>3,613</u>	<u>3,471</u>	<u>3,257</u>
EXPENSES⁽³⁾				
Total O&M	2,255	2,084	1,905	1,815
Rate Stabilization Fund ⁽⁴⁾	317	760	389	469
Total	<u>2,572</u>	<u>2,844</u>	<u>2,294</u>	<u>2,284</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	132	135	132	127
Revenue Bonds	273	273	274	273
Total Senior Debt Payments	<u>405</u>	<u>408</u>	<u>406</u>	<u>400</u>
Subordinate				
State Loans	72	67	40	38
Revenue Bonds	-	-	-	-
Total Subordinate Debt Payments	<u>72</u>	<u>67</u>	<u>40</u>	<u>38</u>
Total Debt Service	477	475	446	438
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	2.10	1.20	2.28	1.90
<u>SUBORDINATE</u>	<u>2.34</u>	<u>1.62</u>	<u>2.64</u>	<u>2.22</u>

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LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

District No. 18	Fiscal Year 2019-20	Fiscal Year 2018-19	Fiscal Year 2017-18	Fiscal Year 2016-17
REVENUE SOURCES				
User Fees	\$ 24,511	\$ 24,780	\$ 24,006	\$ 22,732
Other Revenues	1,944	1,970	1,986	1,707
A.V. Tax	5,046	4,464	4,286	4,007
Interest	1,385	1,394	949	706
Rate Stabilization Fund ⁽¹⁾	-	1,118	-	-
Subtotal	<u>32,886</u>	<u>33,726</u>	<u>31,227</u>	<u>29,152</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	32,886	33,726	31,227	29,152
CIF Connection Fee Revenue ⁽²⁾	2,103	2,072	1,963	1,964
Total Revenue for Subordinate Calculation	<u>34,989</u>	<u>35,798</u>	<u>33,190</u>	<u>31,116</u>
EXPENSES⁽³⁾				
Total O&M	21,081	20,304	18,656	18,247
Rate Stabilization Fund ⁽⁴⁾	3,175	-	5,801	492
Total	<u>24,256</u>	<u>20,304</u>	<u>24,457</u>	<u>18,739</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	1,166	1,241	1,176	1,192
Revenue Bonds	<u>1,870</u>	<u>1,872</u>	<u>1,876</u>	<u>1,874</u>
Total Senior Debt Payments	3,036	3,113	3,052	3,066
Subordinate				
State Loans	632	611	361	359
Revenue Bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Subordinate Debt Payments	632	611	361	359
Total Debt Service	3,668	3,724	3,413	3,425
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	2.63	4.12	2.10	3.28
SUBORDINATE	2.93	4.16	2.56	3.61

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LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

District No. 19	Fiscal Year 2019-20	Fiscal Year 2018-19	Fiscal Year 2017-18	Fiscal Year 2016-17
REVENUE SOURCES				
User Fees	\$ 7,103	\$ 6,777	\$ 6,634	\$ 6,830
Other Revenues	590	548	565	486
A.V. Tax	1,695	1,582	1,513	1,476
Interest	504	482	345	256
Rate Stabilization Fund ⁽¹⁾	-	-	-	-
Subtotal	<u>9,892</u>	<u>9,389</u>	<u>9,057</u>	<u>9,048</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	9,892	9,389	9,057	9,048
CIF Connection Fee Revenue ⁽²⁾	557	571	537	496
Total Revenue for Subordinate Calculation	<u>10,449</u>	<u>9,960</u>	<u>9,594</u>	<u>9,544</u>
EXPENSES⁽³⁾				
Total O&M	6,618	5,565	5,710	5,188
Rate Stabilization Fund ⁽⁴⁾	879	2,510	2,019	923
Total	<u>7,497</u>	<u>8,075</u>	<u>7,729</u>	<u>6,111</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	354	346	334	339
Revenue Bonds	603	604	605	604
Total Senior Debt Payments	<u>957</u>	<u>950</u>	<u>939</u>	<u>943</u>
Subordinate				
State Loans	192	170	102	102
Revenue Bonds	-	-	-	-
Total Subordinate Debt Payments	<u>192</u>	<u>170</u>	<u>102</u>	<u>102</u>
Total Debt Service	1,149	1,120	1,041	1,045
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	2.30	1.20	1.31	3.01
SUBORDINATE	2.57	1.68	1.79	3.29

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LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

District No. 21	Fiscal Year 2019-20	Fiscal Year 2018-19	Fiscal Year 2017-18	Fiscal Year 2016-17
REVENUE SOURCES				
User Fees	\$ 30,890	\$ 29,927	\$ 28,196	\$ 27,715
Other Revenues	3,498	3,218	3,442	2,829
A.V. Tax	5,368	4,862	4,417	4,149
Interest	2,069	2,057	1,445	1,074
Rate Stabilization Fund ⁽¹⁾	-	-	-	-
Subtotal	<u>41,825</u>	<u>40,064</u>	<u>37,500</u>	<u>35,767</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	41,825	40,064	37,500	35,767
CIF Connection Fee Revenue ⁽²⁾	2,370	2,488	2,567	2,465
Total Revenue for Subordinate Calculation	<u>44,195</u>	<u>42,552</u>	<u>40,067</u>	<u>38,232</u>
EXPENSES⁽³⁾				
Total O&M	26,221	24,892	22,379	21,828
Rate Stabilization Fund ⁽⁴⁾	3,846	7,777	6,010	1,174
Total	<u>30,067</u>	<u>32,669</u>	<u>28,389</u>	<u>23,002</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	1,483	1,538	1,450	1,450
Revenue Bonds	2,017	2,019	2,024	2,021
Total Senior Debt Payments	<u>3,500</u>	<u>3,557</u>	<u>3,474</u>	<u>3,471</u>
Subordinate				
State Loans	804	757	445	437
Revenue Bonds	-	-	-	-
Total Subordinate Debt Payments	<u>804</u>	<u>757</u>	<u>445</u>	<u>437</u>
Total Debt Service	4,304	4,314	3,919	3,908
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	3.13	1.87	2.49	3.55
SUBORDINATE	3.28	2.29	2.98	3.90

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LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

District No. 22	Fiscal Year 2019-20	Fiscal Year 2018-19	Fiscal Year 2017-18	Fiscal Year 2016-17
REVENUE SOURCES				
User Fees	\$ 24,646	\$ 23,031	\$ 22,566	\$ 23,187
Other Revenues	2,024	2,047	2,048	1,636
A.V. Tax	5,013	4,591	4,420	4,211
Interest	1,787	1,788	1,265	1,215
Rate Stabilization Fund ⁽¹⁾	-	-	-	-
Subtotal	<u>33,470</u>	<u>31,457</u>	<u>30,299</u>	<u>30,249</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	33,470	31,457	30,299	30,249
CIF Connection Fee Revenue ⁽²⁾	1,790	2,282	2,059	2,475
Total Revenue for Subordinate Calculation	<u>35,260</u>	<u>33,739</u>	<u>32,358</u>	<u>32,724</u>
EXPENSES⁽³⁾				
Total O&M	20,688	20,646	18,333	17,608
Rate Stabilization Fund ⁽⁴⁾	3,043	6,550	5,071	3,818
Total	<u>23,731</u>	<u>27,196</u>	<u>23,404</u>	<u>21,426</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	1,194	1,285	1,210	1,186
Revenue Bonds	<u>1,744</u>	<u>1,747</u>	<u>1,751</u>	<u>1,749</u>
Total Senior Debt Payments	2,938	3,032	2,961	2,935
Subordinate				
State Loans	648	633	371	357
Revenue Bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Subordinate Debt Payments	648	633	371	357
Total Debt Service	3,586	3,665	3,332	3,292
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	3.09	1.20	2.20	2.88
<u>SUBORDINATE</u>	<u>3.22</u>	<u>1.79</u>	<u>2.69</u>	<u>3.43</u>

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LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

District No. 23	Fiscal Year 2019-20	Fiscal Year 2018-19	Fiscal Year 2017-18	Fiscal Year 2016-17
REVENUE SOURCES				
User Fees	\$ 4,664	\$ 4,966	\$ 3,523	\$ 3,880
Other Revenues	278	259	276	220
A.V. Tax	562	506	426	424
Interest	371	332	248	194
Rate Stabilization Fund ⁽¹⁾	-	-	-	-
Subtotal	<u>5,875</u>	<u>6,063</u>	<u>4,473</u>	<u>4,718</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	<u>5,875</u>	<u>6,063</u>	<u>4,473</u>	<u>4,718</u>
CIF Connection Fee Revenue ⁽²⁾	235	247	258	209
Total Revenue for Subordinate Calculation	<u>6,110</u>	<u>6,310</u>	<u>4,731</u>	<u>4,927</u>
EXPENSES⁽³⁾				
Total O&M	3,643	3,335	3,264	2,989
Rate Stabilization Fund ⁽⁴⁾	553	2,010	170	290
Total	<u>4,196</u>	<u>5,345</u>	<u>3,434</u>	<u>3,279</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	167	163	164	154
Revenue Bonds	370	369	370	369
Total Senior Debt Payments	<u>537</u>	<u>532</u>	<u>534</u>	<u>523</u>
Subordinate				
State Loans	91	80	50	46
Revenue Bonds	-	-	-	-
Total Subordinate Debt Payments	<u>91</u>	<u>80</u>	<u>50</u>	<u>46</u>
Total Debt Service	628	612	584	569
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	2.96	1.20	1.85	2.66
SUBORDINATE	3.05	1.58	2.22	2.90

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LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

District No. 28	Fiscal Year 2019-20	Fiscal Year 2018-19	Fiscal Year 2017-18	Fiscal Year 2016-17
REVENUE SOURCES				
User Fees	\$ 683	\$ 651	\$ 640	\$ 804
Other Revenues	67	69	71	59
A.V. Tax	755	717	679	635
Interest	169	162	117	88
Rate Stabilization Fund ⁽¹⁾	-	-	-	-
Subtotal	<u>1,674</u>	<u>1,599</u>	<u>1,507</u>	<u>1,586</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	<u>1,674</u>	<u>1,599</u>	<u>1,507</u>	<u>1,586</u>
CIF Connection Fee Revenue ⁽²⁾	56	80	52	57
Total Revenue for Subordinate Calculation	<u>1,730</u>	<u>1,679</u>	<u>1,559</u>	<u>1,643</u>
EXPENSES⁽³⁾				
Total O&M	913	794	666	589
Rate Stabilization Fund ⁽⁴⁾	497	615	650	595
Total	<u>1,410</u>	<u>1,409</u>	<u>1,316</u>	<u>1,184</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	40	43	41	229
Revenue Bonds	96	97	97	97
Total Senior Debt Payments	<u>136</u>	<u>140</u>	<u>138</u>	<u>326</u>
Subordinate				
State Loans	22	21	13	12
Revenue Bonds	-	-	-	-
Total Subordinate Debt Payments	<u>22</u>	<u>21</u>	<u>13</u>	<u>12</u>
Total Debt Service	158	161	151	338
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	1.78	1.21	1.29	1.20
SUBORDINATE	2.03	1.68	1.61	1.36

- (1) Previously expensed funds used to pay unexpected operating costs to minimize the impact on rates.
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- (3) Does not include depreciation.
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- (5) Senior debt coverage calculation includes a deduction for subordinate debt payments pursuant to the applicable rate covenants. The subordinate debt coverage calculation is based on total debt service.

LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

District No. 29	Fiscal Year 2019-20	Fiscal Year 2018-19	Fiscal Year 2017-18	Fiscal Year 2016-17
REVENUE SOURCES				
User Fees	\$ 2,053	\$ 2,031	\$ 1,937	\$ 1,960
Other Revenues	86	88	90	109
A.V. Tax	173	154	154	124
Interest	158	149	107	79
Rate Stabilization Fund ⁽¹⁾	-	-	-	-
Subtotal	<u>2,470</u>	<u>2,422</u>	<u>2,288</u>	<u>2,272</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	<u>2,470</u>	<u>2,422</u>	<u>2,288</u>	<u>2,272</u>
CIF Connection Fee Revenue ⁽²⁾	75	87	80	85
Total Revenue for Subordinate Calculation	<u>2,545</u>	<u>2,509</u>	<u>2,368</u>	<u>2,357</u>
EXPENSES⁽³⁾				
Total O&M	1,325	1,262	1,229	1,304
Rate Stabilization Fund ⁽⁴⁾	696	974	703	653
Total	<u>2,021</u>	<u>2,236</u>	<u>1,932</u>	<u>1,957</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	52	55	53	48
Revenue Bonds	30	30	30	30
Total Senior Debt Payments	<u>82</u>	<u>85</u>	<u>83</u>	<u>78</u>
Subordinate				
State Loans	85	84	73	72
Revenue Bonds	-	-	-	-
Total Subordinate Debt Payments	<u>85</u>	<u>84</u>	<u>73</u>	<u>72</u>
Total Debt Service	167	169	156	150
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	4.44	1.20	3.41	3.12
<u>SUBORDINATE</u>	<u>3.14</u>	<u>1.62</u>	<u>2.79</u>	<u>2.67</u>

(1) Previously expensed funds used to pay unexpected operating costs to minimize the impact on rates.

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(3) Does not include depreciation.

(4) Funds being set aside to minimize the impact on rates in the event of future unexpected operating costs.

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LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

<u>South Bay Cities</u>	<u>Fiscal Year</u> <u>2019-20</u>	<u>Fiscal Year</u> <u>2018-19</u>	<u>Fiscal Year</u> <u>2017-18</u>	<u>Fiscal Year</u> <u>2016-17</u>
REVENUE SOURCES				
User Fees	\$ 7,036	\$ 6,822	\$ 6,725	\$ 6,462
Other Revenues	752	736	756	650
A.V. Tax	6,298	5,937	5,615	5,229
Interest	892	865	633	460
Rate Stabilization Fund ⁽¹⁾	-	-	-	-
Subtotal	<u>14,978</u>	<u>14,360</u>	<u>13,729</u>	<u>12,801</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	14,978	14,360	13,729	12,801
CIF Connection Fee Revenue ⁽²⁾	642	755	832	636
Total Revenue for Subordinate Calculation	<u>15,620</u>	<u>15,115</u>	<u>14,561</u>	<u>13,437</u>
EXPENSES⁽³⁾				
Total O&M	8,893	8,116	7,556	7,520
Rate Stabilization Fund ⁽⁴⁾	2,107	4,330	2,928	1,294
Total	<u>11,000</u>	<u>12,446</u>	<u>10,484</u>	<u>8,814</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	451	464	448	454
Revenue Bonds	933	934	936	935
Total Senior Debt Payments	<u>1,384</u>	<u>1,398</u>	<u>1,384</u>	<u>1,389</u>
Subordinate				
State Loans	245	228	137	137
Revenue Bonds	-	-	-	-
Total Subordinate Debt Payments	<u>245</u>	<u>228</u>	<u>137</u>	<u>137</u>
Total Debt Service	1,629	1,626	1,521	1,526
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	2.70	1.21	2.25	2.77
<u>SUBORDINATE</u>	<u>2.84</u>	<u>1.64</u>	<u>2.68</u>	<u>3.03</u>

(1) Previously expensed funds used to pay unexpected operating costs to minimize the impact on rates.

(2) All connection fees pledged for repayment of debt is considered in calculating senior debt service coverage, while all connection fees collected were considered in calculating subordinate debt service coverage.

(3) Does not include depreciation.

(4) Funds being set aside to minimize the impact on rates in the event of future unexpected operating costs.

(5) Senior debt coverage calculation includes a deduction for subordinate debt payments pursuant to the applicable rate covenants. The subordinate debt coverage calculation is based on total debt service.

LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

<u>District No. 4</u>	<u>Fiscal Year 2019-20</u>	<u>Fiscal Year 2018-19</u>	<u>Fiscal Year 2017-18</u>	<u>Fiscal Year 2016-17</u>
REVENUE SOURCES				
User Fees	\$ 3,984	\$ 3,852	\$ 3,925	\$ 3,798
Other Revenues	-	-	-	-
A. V. Tax	756	705	656	597
Interest	808	749	596	483
Rate Stabilization Fund ⁽¹⁾	-	-	-	387
Subtotal	<u>5,548</u>	<u>5,306</u>	<u>5,177</u>	<u>5,265</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	<u>5,548</u>	<u>5,306</u>	<u>5,177</u>	<u>5,265</u>
CIF Connection Fee Revenue ⁽²⁾	47	217	480	191
Total Revenue for Subordinate Calculation	<u>5,595</u>	<u>5,523</u>	<u>5,657</u>	<u>5,456</u>
EXPENSES⁽³⁾				
Total O&M	2,256	1,976	1,924	1,810
Rate Stabilization Fund ⁽⁵⁾	1,275	2,930	450	-
Total	<u>3,531</u>	<u>4,906</u>	<u>2,374</u>	<u>1,810</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	-	-	-	-
Revenue Bonds	323	324	324	324
Total Senior Debt Payments	<u>323</u>	<u>324</u>	<u>324</u>	<u>324</u>
Subordinate				
State Loans	-	-	-	-
Revenue Bonds	-	-	-	-
Total Subordinate Debt Payments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Debt Service	323	324	324	324
DEBT SERVICE COVERAGE:				
SENIOR	6.24	1.23	8.65	10.66

(1) Previously expensed funds used to pay unexpected operating costs to minimize the impact on rates.

(2) All connection fees pledged for repayment of debt is considered in calculating senior debt service coverage, while all connection fees collected were considered in calculating subordinate debt service coverage.

(3) Does not include depreciation.

(4) In fiscal years 2011-12, 2012-13, and 2013-14, the City of Los Angeles undercharged District No. 4 for services provided. They later sent corrected invoices for all the undercharged years, which was paid during fiscal year 2015-16.

(5) Funds being set aside to minimize the impact on rates in the event of future unexpected operating costs.

LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

District No. 9	Fiscal Year 2019-20	Fiscal Year 2018-19	Fiscal Year 2017-18	Fiscal Year 2016-17
REVENUE SOURCES				
User Fees	\$ 106	84	57	103
Other Revenues	-	-	-	-
A.V. Tax	111	106	100	94
Interest	89	84	68	56
Rate Stabilization Fund ⁽¹⁾	18	-	-	-
Subtotal	324	274	225	253
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	324	274	225	253
CIF Connection Fee Revenue ⁽²⁾	4	3	-	-
Total Revenue for Subordinate Calculation	328	277	225	253
EXPENSES⁽³⁾				
Total O&M	145 ⁽⁴⁾	153 ⁽⁴⁾	163	159
Rate Stabilization Fund ⁽⁵⁾	-	66	7	39
Total	145	219	170	198
DEBT SERVICE PAYMENTS				
Senior				
State Loans	-	-	-	-
Revenue Bonds	45	46	46	46
Total Senior Debt Payments	45	46	46	46
Subordinate				
State Loans	-	-	-	-
Revenue Bonds	-	-	-	-
Total Subordinate Debt Payments	-	-	-	-
Total Debt Service	45	46	46	46
DEBT SERVICE COVERAGE:				
SENIOR	3.98	1.20	1.20	1.20

(1) Previously expensed funds used to pay unexpected operating costs to minimize the impact on rates.

(2) All connection fees pledged for repayment of debt is considered in calculating senior debt service coverage, while all connection fees collected were considered in calculating subordinate debt service coverage.

(3) Does not include depreciation.

(4) In fiscal year 2014-15, the City of Los Angeles undercharged District No. 9 for services provided. They later sent corrected invoices for all the undercharged years, which was paid during fiscal years 2016-17 and 2017-18.

(5) Funds being set aside to minimize the impact on rates in the event of future unexpected operating costs.

LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

District No. 14	Fiscal Year 2019-20	Fiscal Year 2018-19	Fiscal Year 2017-18	Fiscal Year 2016-17
REVENUE SOURCES				
User Fees	\$ 36,680	\$ 34,613	\$ 34,731	\$ 34,132
Other Revenues	1,228	1,183	1,325	834
A.V. Tax	1,952	1,754	1,565	1,498
Interest	1,172	1,168	759	543
Rate Stabilization Fund ⁽¹⁾	-	-	-	-
Subtotal	<u>41,032</u>	<u>38,718</u>	<u>38,380</u>	<u>37,007</u>
CIF Pledged for Debt ⁽²⁾	<u>2,377</u>	<u>2,377</u>	<u>2,597</u>	<u>2,788</u>
Total Revenue for Senior Calculation	43,409	41,095	40,977	39,795
CIF Connection Fee Revenue ⁽²⁾	<u>2,290</u>	<u>1,394</u>	<u>1,433</u>	<u>1,645</u>
Total Revenue for Subordinate Calculation	43,322	40,112	39,813	38,652
EXPENSES⁽³⁾				
Total O&M	15,110	13,422	14,078	12,832
Rate Stabilization Fund ⁽⁴⁾	<u>5,609</u>	<u>1,375</u>	<u>4,567</u>	<u>6,750</u>
Total	20,719	14,797	18,645	19,582
DEBT SERVICE PAYMENTS				
Senior				
State Loans	-	-	-	-
Revenue Bonds	<u>459</u>	<u>460</u>	<u>460</u>	<u>460</u>
Total Senior Debt Payments	459	460	460	460
Subordinate				
State Loans	6,854	6,856	6,856	6,856
Revenue Bonds	<u>9,996</u>	<u>9,993</u>	<u>9,995</u>	<u>9,994</u>
Total Subordinate Debt Payments	16,850	16,849	16,851	16,850
Total Debt Service	17,309	17,309	17,311	17,310
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	12.72	20.54	11.92	7.31
<u>SUBORDINATE</u>	<u>1.31</u>	<u>1.46</u>	<u>1.22</u>	<u>1.10</u>

(1) Previously expensed funds used to pay unexpected operating costs to minimize the impact on rates.

(2) All connection fees pledged for repayment of debt is considered in calculating senior debt service coverage, while all connection fees collected were considered in calculating subordinate debt service coverage.

(3) Does not include depreciation.

(4) Funds being set aside to minimize the impact on rates in the event of future unexpected operating costs.

(5) Senior debt coverage calculation includes a deduction for subordinate debt payments pursuant to the applicable rate covenants. The subordinate debt coverage calculation is based on total debt service.

LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

District No. 20	Fiscal Year 2019-20	Fiscal Year 2018-19	Fiscal Year 2017-18	Fiscal Year 2016-17
REVENUE SOURCES				
User Fees	\$ 25,460	\$ 25,097	\$ 23,761	\$ 23,531
Other Revenues	525	494	485	464
A.V. Tax	1,614	1,476	1,360	1,303
Interest	878	784	484	314
Rate Stabilization Fund ⁽¹⁾	-	-	-	-
Subtotal	<u>28,477</u>	<u>27,851</u>	<u>26,090</u>	<u>25,612</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	2,398
Total Revenue for Senior Calculation	28,477	27,851	26,090	28,010
CIF Connection Fee Revenue ⁽²⁾	1,116	722	1,043	1,128
Total Revenue for Subordinate Calculation	<u>29,593</u>	<u>28,573</u>	<u>27,133</u>	<u>26,740</u>
EXPENSES⁽³⁾				
Total O&M	12,180	11,440	12,107	10,712
Rate Stabilization Fund ⁽⁴⁾	5,200	5,030	2,550	1,721
Total	<u>17,380</u>	<u>16,470</u>	<u>14,657</u>	<u>12,433</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	-	-	-	-
Revenue Bonds	382	383	384	383
Total Senior Debt Payments	<u>382</u>	<u>383</u>	<u>384</u>	<u>383</u>
Subordinate				
State Loans	-	-	-	-
Revenue Bonds	10,622	10,622	10,622	6,779
Total Subordinate Debt Payments	<u>10,622</u>	<u>10,622</u>	<u>10,622</u>	<u>6,779</u>
Total Debt Service	11,004	11,005	11,006	7,162
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	1.24	1.98	2.11	22.97
<u>SUBORDINATE</u>	<u>1.11</u>	<u>1.10</u>	<u>1.13</u>	<u>2.00</u>

(1) Previously expensed funds used to pay unexpected operating costs to minimize the impact on rates.

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(3) Does not include depreciation.

(4) Funds being set aside to minimize the impact on rates in the event of future unexpected operating costs.

(5) Senior debt coverage calculation includes a deduction for subordinate debt payments pursuant to the applicable rate covenants. The subordinate debt coverage calculation is based on total debt service.

LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

<u>District No. 27</u>	<u>Fiscal Year</u> <u>2019-20</u>	<u>Fiscal Year</u> <u>2018-19</u>	<u>Fiscal Year</u> <u>2017-18</u>	<u>Fiscal Year</u> <u>2016-17</u>
REVENUE SOURCES				
User Fees	\$ -	\$ -	\$ -	\$ -
Other Revenues	-	1	-	-
A.V. Tax	408	385	355	343
Interest	26	25	16	10
Rate Stabilization Fund ⁽¹⁾	-	-	-	-
Subtotal	<u>434</u>	<u>411</u>	<u>371</u>	<u>353</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	<u>434</u>	<u>411</u>	<u>371</u>	<u>353</u>
CIF Connection Fee Revenue ⁽²⁾	-	-	3	-
Total Revenue for Subordinate Calculation	<u>434</u>	<u>411</u>	<u>374</u>	<u>353</u>
EXPENSES⁽³⁾				
Total O&M	130 ⁽⁴⁾	54 ⁽⁴⁾	52 ⁽⁴⁾	27
Rate Stabilization Fund ⁽⁵⁾	<u>225</u>	<u>281</u>	<u>220</u>	<u>231</u>
Total	<u>355</u>	<u>335</u>	<u>272</u>	<u>258</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	-	-	-	-
Revenue Bonds	<u>64</u>	<u>63</u>	<u>64</u>	<u>63</u>
Total Senior Debt Payments	<u>64</u>	<u>63</u>	<u>64</u>	<u>63</u>
Subordinate				
State Loans	-	-	-	-
Revenue Bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Subordinate Debt Payments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Debt Service	<u>64</u>	<u>63</u>	<u>64</u>	<u>63</u>
DEBT SERVICE COVERAGE⁽⁶⁾:				
SENIOR	1.23	1.21	1.55	1.51

(1) Previously expensed funds used to pay unexpected operating costs to minimize the impact on rates.

(2) All connection fees pledged for repayment of debt is considered in calculating senior debt service coverage, while all connection fees collected were considered in calculating subordinate debt service coverage.

(3) Does not include depreciation.

(4) In fiscal year 2014-15, the City of Los Angeles overcharged District No. 27 for services provided. A credit was issued to the District in fiscal year 2016-17. In fiscal year 2019-20, a system error was discovered that had resulting in an under-reporting of the District's flow and strength in previous years. The new calculations resulted in charges of nearly double the previous year.

(5) Funds being set aside to minimize the impact on rates in the event of future unexpected operating costs.

LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

Santa Clarita Valley	Fiscal Year 2019-20	Fiscal Year 2018-19	Fiscal Year 2017-18	Fiscal Year 2016-17
REVENUE SOURCES				
User Fees	\$ 37,291	\$ 34,315	\$ 33,154	\$ 30,749
Other Revenues	699	890	837	625
A.V. Tax	8,090	7,432	7,256	6,912
Interest	2,614	2,571	1,859	1,393
Rate Stabilization Fund ⁽¹⁾	-	-	-	-
Subtotal	<u>48,694</u>	<u>45,208</u>	<u>43,106</u>	<u>39,679</u>
CIF Pledged for Debt ⁽²⁾	<u>2,785</u>	<u>2,785</u>	<u>4,721</u>	<u>4,801</u>
Total Revenue for Senior Calculation	51,479	47,993	47,827	44,480
CIF Connection Fee Revenue ⁽²⁾	<u>3,004</u>	<u>6,652</u>	<u>4,648</u>	<u>4,206</u>
Total Revenue for Subordinate Calculation	51,698	51,860	47,754	43,885
EXPENSES⁽³⁾				
Total O&M	25,286	22,099	22,536	20,512
Rate Stabilization Fund ⁽⁴⁾	<u>13,112</u>	<u>14,815</u>	<u>10,372</u>	<u>3,598</u>
Total	38,398	36,914	32,908	24,110
DEBT SERVICE PAYMENTS				
Senior				
State Loans	627	627	627	627
Revenue Bonds	<u>3,310</u>	<u>3,314</u>	<u>3,322</u>	<u>3,318</u>
Total Senior Debt Payments	3,937	3,941	3,949	3,945
Subordinate				
State Loans	2,661	2,659	2,659	2,659
Revenue Bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Subordinate Debt Payments	2,661	2,659	2,659	2,659
Total Debt Service	6,598	6,600	6,608	6,604
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	2.65	2.14	3.10	4.49
<u>SUBORDINATE</u>	<u>2.02</u>	<u>2.26</u>	<u>2.25</u>	<u>2.99</u>

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(3) Does not include depreciation.

(4) Funds being set aside to minimize the impact on rates in the event of future unexpected operating costs.

(5) Senior debt coverage calculation includes a deduction for subordinate debt payments pursuant to the applicable rate covenants. The subordinate debt coverage calculation is based on total debt service.

Thank You

LACSD STAFF FOR CONTINUING TO
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