



LOS ANGELES COUNTY
SANITATION DISTRICTS
Converting Waste Into Resources

2021

Annual Comprehensive Financial Report



Fiscal Year Ended June 30 ♦ Los Angeles County, California

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
Annual Comprehensive Financial Report
Fiscal Year Ended June 30, 2021

Prepared by the Accounting Section
Mr. Alan C. Nyberg
Chief Accountant
Financial Management Department



Taking Water Recycling to the Next Level

Much of the western United States is in the grips of a severe drought. In 2020, California recorded the least amount of rainfall since 1895. Key reservoirs that Southern Californians rely on, such as Lake Oroville and Lake Mead, are at their lowest levels ever.

Since 1962, the Sanitation Districts have been producing recycled water that provides a reliable, drought-resilient source of water for the region. Nonetheless, we are striving to do more. This year, we completed a flow equalization project and a study of recycled water discharges needed to sustain river habitat. Both projects help to maximize water reuse.

Most of the cleaned water from 10 of our 11 wastewater treatment plants is reused—mainly for groundwater replenishment. Our last untapped source is the cleaned water produced by our Joint Water Pollution Control Plant (JWPCP). That water is too salty to reuse without advanced treatment.

The Regional Recycled Water Program (RRWP) would purify the treated water from the JWPCP and could provide enough water for 1.5 million people. The RRWP is now in its planning phase and could become one of the largest water recycling projects in the world.

FRONT COVER: Lake Oroville (July 2021) in Northern California was at its lowest level ever (photo courtesy California Department of Water Resources).

BACK COVER: Hay has been grown in Palmdale using recycled water for decades.

San Jose Creek Water Reclamation Plant recycles over 50 million gallons of water per day.

Los Angeles County Sanitation Districts
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Groundwater Replenishment

More than half of the recycled water produced annually by the Sanitation Districts is used for groundwater recharge. In partnership with the Water Replenishment District of Southern California and Los Angeles County Department of Public Works, this water has been used to replenish groundwater aquifers in the southern part of Los Angeles County since 1962. Several million people rely on this groundwater source as part of their domestic water supply.

The San Gabriel Coastal Spreading Grounds use recycled water as well as captured local stormwater for groundwater replenishment.



Boards of Directors
Los Angeles County Sanitation Districts

Directors:

In accordance with the California Government Code, we hereby submit the Annual Comprehensive Financial Report (ACFR) of the Los Angeles County Sanitation Districts (Districts) for the fiscal year ended June 30, 2021. The ACFR 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, 2021, 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

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 5.5 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.

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



Two of our 1,700 employees performing sewer maintenance work

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.

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 serve the Joint Outfall System, which consists of 17 Districts in the Los Angeles basin, 16 of which are active. In total, the Districts' facilities convey

and treat approximately 390 million gallons per day (MGD) of wastewater, of which approximately 93 MGD is beneficially reused, and an additional 44 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, one refuse-to-energy facility, 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. The solid waste management facilities process an average of 5,000 tons per day of refuse and recyclable materials.

The Districts are party to nine Joint Powers Agreements that form the basis of the following authorities or agreements: (1) the Southern California Coastal Water Research Project Authority; (2) the Southeast Resource Recovery Facility Authority; (3) the Puente Hills Native Habitat Preservation Authority; (4) Puente Hills Landfill Joint Powers Agreement; (5) the Inland Empire Regional Composting Authority; (6) the Los Angeles County Sanitation Districts Financing Authority; (7) Joint Powers Agreement – Scholl Canyon; (8) Calabasas Landfill Joint Powers Agreement; and (9) 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 (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 ACFR.

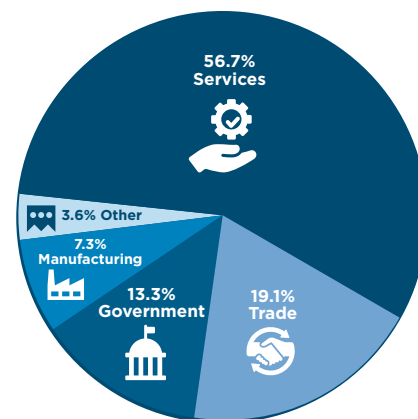
Budgets

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 2020-21 were \$710 million and \$172 million, respectively. Actual expenses for wastewater and solid waste management were \$722 million and \$172 million, respectively.

GENERAL FACTORS IMPACTING ECONOMIC CONDITION

Overview of Los Angeles County

The COVID-19 pandemic and resulting business shutdowns and slowdowns, along with changes in behavior by residents, had significant impacts on the local economy starting in March 2020 and continuing into 2021. With the roll-out of the vaccine starting in late 2020, the number of cases declined and by June 2021 most restrictions on businesses were lifted. Despite a resurgence in COVID-19 cases over the summer of 2021, economic activity continued to increase. Concerns about supply chain constraints and inflation remain, although most forecasters expect these conditions to moderate in 2022. Population levels in Los Angeles County were relatively flat in recent years, with no change between 2016 and 2020 and only a 3.6% increase from 2010 to 2020. The California Department of Finance reports that the County’s population declined by 0.9% between January 2020 and 2021; although, forecasts generally expect that population will continue to be relatively stable. A table showing more economic indicators is provided in Schedule 19 of the Statistical Section.



L.A. County Economic Employment Sectors. Source: U.S. Department of Labor, Bureau of Labor Statistics

Overall employment in Los Angeles County decreased by as much as 1.2 million jobs during the COVID-19 pandemic, but over 70% of those jobs have since been added back. Current employment is down almost 7% from pre-pandemic levels; however, the UCLA Anderson School of Management forecasts continued employment recovery over the next two years.

WASTEWATER SYSTEM

Operational Undertakings and Capital Projects

Treated water 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 currently 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 reliability of the effluent disposal system and allow the existing tunnels to be taken out of service and rehabilitated, as necessary. Construction of the tunnel began in April 2019 and it is anticipated to be completed by 2027, 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 finance the majority of the project, with the balance paid for using capital improvement and other surplus funds.

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



In 2021, the Clearwater Project's tunnel boring machine, *Rachel*, began her four-year, seven-mile journey from Carson to Royal Palms Beach

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 began in July 2021 at Saugus WRP and August 2021 at Valencia WRP. A construction contract for the advanced water treatment facilities was awarded in January 2019 and startup is expected by the end of 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 SRF loans, with \$5.2 million eligible for principal forgiveness.

The Newhall Ranch Sanitation District (NRSD), serving the Newhall Ranch Specific Plan Area development in unincorporated north Los Angeles County, became active in July 2021 with the first flush in August 2021. Initial collection facilities designed to convey the wastewater flows from the first 6,000 homes to the SCVSD's Valencia Water Reclamation Plant are expected to be completed in early 2022. Eventually, as the community grows, a new water reclamation plant will be built to serve the community.

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 and 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, which has required Districts' staff to modify operations at its WRPs in an effort to maintain compliance with effluent discharge requirements. The

long-term trend of decreasing flows has significantly impacted all of the Districts' WRPs, with an overall 32% decrease in recycled water production from a peak of 199 MGD in fiscal year 2000-01 to 137 MGD in 2020-21.

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 flow equalization project at the San Jose Creek WRP that was completed in 2020, 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 2020-21, roughly 67% of the recycled water produced was beneficially reused, with over half of that going to recharge groundwater basins. In total, approximately 93 MGD of recycled water was used at 833 active sites.

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 of purified water from the Districts' JWPCP for groundwater recharge. MWD proposes to build an advanced water treatment plant adjacent to JWPCP, along with distribution pipelines, that would help replenish groundwater basins in Los Angeles and Orange counties. Construction of a 0.5 MGD demonstration plant was completed in September 2019 and testing at the demonstration plant continued through 2021. The MWD Board approved the start of environmental planning studies in November 2020 and amended the existing agreement with the Districts to include a financial contribution from the Districts for the studies.

The Districts worked with the Water Replenishment District of Southern California (WRD) on the Groundwater Reliability Improvement Program to supply recycled water to the Albert Robles Center for Water Recycling and Environmental Learning, which can produce 10,000 acre feet per year of purified 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 or potentially a new facility with effluent from the Los Coyotes WRP. The additional purified water would supply the Alamitos Seawater Barrier and replenish the Central Groundwater Basin via injection wells. Additionally, the Districts are 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 Leo J. Vander Lans Advanced Water Treatment Facility purifies effluent from the Long Beach WRP

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 System 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, comply with increasingly stringent regulatory requirements, and 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 provide sufficient debt coverage for repayment of the SRF loans used to finance the project. The average annual increase over the 6-year period was \$20.50 per single-family home. Beginning with fiscal year 2020-21 and continuing at least through the end of fiscal year 2021-22, no additional rate increase was implemented.

In 2019, District Nos. 14 and 20 adopted 4-year rate ordinances, 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. In 2020 and 2021, the Boards updated the rate ordinances to keep rates flat through fiscal year 2021-22 to minimize impacts to rate payers due to the COVID-19 pandemic. The most recently adopted ordinances call for the same rates in 2022-23 that were in the ordinances originally adopted in 2019. However, the refunding of four SRF loans (completed in September 2021) and the rescheduling of several large capital projects may reduce the need for this upcoming rate increase for District No. 14 and the ordinance will be re-evaluated in spring of 2022. The rate increases for District No. 20 are driven by several significant capital improvement projects, including a possible additional effluent storage reservoir for the Palmdale WRP, and increases in ongoing operations costs.

OUTREACH

- 53** Virtual School Tours
- 2** Speakers Bureau Events
- 34** Virtual Public Tours
- 10** Virtual Bixby Marshland Events
- 51** Household Hazardous Waste Roundups
- 5** Clearwater Project Events



Recycled water is stored in one of the Palmdale WRP’s two reservoirs

In addition to service charges, the Districts collect connection fees from new users of the wastewater collection and treatment system and existing users with increased discharge. 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, most of the Districts’ Boards adopted new 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 on actual values, rather than projections of future expansion needs and costs; collected fees can be used for any capital project, not only projects that increase capacity;

and the rate is lower for new users. The new connection fee rates took effect July 1, 2020. District Nos. 4, 9, and 27, which contract with the 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 2020-21, the Districts received approximately \$2.6 million in SRF and \$1.0 million in Proposition 1 loans. In addition, the Districts also received \$2.4 million in Proposition 1 and \$1.0 million in Proposition 84 grant funding.

Impact of COVID-19 on Districts' Operations

In early March 2020, the Districts began taking action to respond to the COVID-19 pandemic including modifying operations to comply with County, State, Federal, and other health experts' guidance and emergency orders. While there has been no negative impact on the Districts' ability to carry out its mission, the pandemic has had major impacts on Districts' day-to-day operations, as well as on 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 ensure continued operation included:



A laboratory technician takes an effluent sample at San Jose Creek WRP

- 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 for some employees.
- Operating hours of solid waste facilities were temporarily reduced to limit the need for overlapping shifts.
- Office employees that could work from home were allowed and encouraged to do so. Technical support for remote work was expanded, including remote access to the agency network, videoconferencing software, and call forwarding.
- Face coverings and social distancing were required at Districts' facilities.
- Self-screening for symptoms or potential exposure was required by all employees and visitors before entering any Districts facility.
- A system for reporting and tracking COVID-19 testing, 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 by video conference.
- Physical modifications such as improved HVAC filters, plexiglass partitions, and other office modifications were implemented where possible.
- Enhanced cleaning measures were instituted, including 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 is inactivated by our wastewater treatment plant processes, which is consistent with other viruses. The Districts' technical staff was successful in developing a test method to measure the virus in incoming wastewater and began testing on a weekly basis starting in mid-April. Based on this data, it became apparent that higher measured concentrations of the COVID-19 virus in wastewater samples generally preceded peaks in other community infection indicators such as new infections and hospitalizations. Information about the testing was shared with health officials, other wastewater agencies, and regulators.

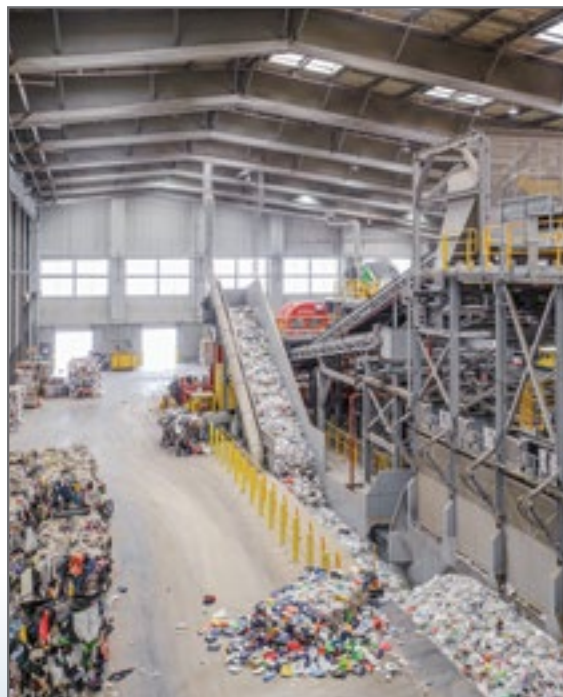
The COVID-19 emergency orders and guidance also had a significant impact on the users of the Districts' facilities and the Districts took several actions in response, including creation of a rebate program for commercial customers whose businesses were shut down or reduced. Throughout this entire period, 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. Some of the Districts' solid waste facilities have experienced more significant and sustained reductions in incoming tonnage and associated revenue as a result of COVID-19. Although tonnage has stabilized at the Districts' facilities, it is at a lower level than before the pandemic began.

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 recycling requirements, including AB 341, which increased the statewide recycling goal from 50% to 75%, the Districts have been implementing a number of projects to assist member cities and the County in complying with the new laws. These include a new materials recovery sorting line at the Puente Hills Materials Recovery Facility (PHMRF) that uses the latest recycling equipment technology and is capable of processing 500 tons per day of mixed waste and commingled recyclables. The new sorting line is highly automated with three times the



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

processing capacity of the previous system and produces higher quality recyclables, which is critical for meeting the more stringent material quality standards imposed on recyclables in recent years.

The state passed several laws recently requiring the diversion of organic waste away from landfills. These laws include SB 1383, which requires a 50% reduction in disposal of organics by 2020 and a 75% reduction by 2025. 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



A tanker truck unloads food waste slurry at the JWPCP receiving station

waste using a combination of solid waste and wastewater facilities. The Districts own both types of facilities, which provides a unique opportunity to quickly and cost-effectively provide food waste recycling services, since most other companies and public agencies only have either solid waste or wastewater facilities. Food waste slurry stations are being constructed at JWPCP to allow 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 2022. To manage the additional digester gas from the food waste slurry, a pipeline was constructed to bring digester gas to a new biogas conditioning system (BCS). The BCS purifies the methane in the digester gas so that it can be used to fuel passenger and commercial vehicles. The purified gas is dispensed at the Districts' natural gas fueling station currently in operation at the JWPCP. Both projects were completed in November 2020. The pipeline cost \$1.9 million and the BCS cost \$3.1 million. A \$2.5 million grant from the California Energy Commission was used to offset the costs of the BCS, and a \$4.0 million grant from CalRecycle is being used to offset the costs of the slurry stations and pipeline.

Effective January 1, 2020, AB 1594 required that green waste used as alternative daily cover at landfills would no longer be considered recycling. In response, 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. Tipping fees for the Calabasas Landfill are set by the Board of Supervisors of Los Angeles County. Rates were raised on April 1, 2021, at the South Gate Transfer Station (SGTS) and on July 1, 2021, at the PHMRF, Downey Area Recycling and Transfer (DART), and Scholl Canyon Landfill. These rate increases accounted for higher operating expenses related to the pandemic and customary cost of living increases.

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 Districts

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 gives the Districts the authority to acquire, construct, operate, and maintain facilities to divert, manage, discharge, and beneficially use stormwater and dry weather runoff



Trucks being weighed at the Puente Hills Materials Recovery Facility scales

from the stormwater drainage system. The Districts will provide these services to cities on a case-by-case, reimbursable basis.

The Districts are currently assisting the City of Carson with designing, permitting, and constructing a project at Carriage Crest Park. When completed, the project 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 entered into a Stormwater Services Agreement with the Los Angeles County Department of Public Works to provide on-call stormwater services and are working on a demonstration project with Public Works to assess the use of real time sewer monitoring to allow diversion of stormwater during wet weather events.

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.

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 2020, the Districts received Platinum Awards for the Lancaster WRP, Whittier Narrows WRP, and Los Coyotes WRP; and Gold Awards for the JWPCP, La Cañada WRP, Long Beach WRP, Palmdale WRP, Pomona WRP, and San Jose Creek WRP (West).

In 2020, the Districts also received the following recognition:

- The Tulare Lake Compost facility received both the Superior Achievement and Grand Prize Awards for Environmental Sustainability. These awards were issued by American Academy of Environmental Engineers and Scientists (AAEES).
- 2020 Public Communication & Outreach Program Award by the Water Environment Federation.
- A Districts' engineer was the recipient of the Stanley E. Kappe Award from AAEES for outstanding service in advancement of public awareness to the betterment of the total environment.
- 2020 National Environmental Achievement Award in the Public Information and Education-Education Program category for their efforts on the Clearwater Project.
- The Districts' Waterborne Infectious Disease Outbreak Control effort was selected by the Water Environment Federation as the 2020 recipient of the Water Heroes Award.
- First place in engineering and research from the California Water Environment Association for Pilot-Scale Evaluation of ANITA Mox for Concurrent Mainstream Deammonification and Phosphorus Removal.



Platinum
Lancaster, Los Coyotes, Whittier Narrows

Gold
JWPCP, La Cañada, Long Beach, Palmdale, Pomona, San Jose Creek West



Research Achievement
Los Angeles Basin Section



Community & Outreach Program



National Environmental Achievement Award
Clearwater Project



Superior Achievement & Grand Prize
Tulare Lake Compost

Stanley E. Kappe Award
Wendy A. Wert, P.E., BCEE



Water Heroes Award

Certificate of Achievement

The Districts' ACFR for the fiscal year ended June 30, 2021, has been completed by Districts' staff and audited by Moss, Levy & Hartzheim, LLP. The ACFR 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 37 consecutive years and have submitted this year's ACFR for consideration as well.

Acknowledgments

In submitting this 2020-21 ACFR, 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, 2021)

Alhambra DIST. 2, 16	Katherine Lee; <i>Jeffrey K. Maloney</i>
Arcadia DIST. 15, 22	Sho Tay; <i>Roger Chandler</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	Emmanuel J. Estrada <i>Monica Garcia</i>
Bell DIST. 1, 2	Ali Saleh
Bell Gardens DIST. 2	Marco Barcena; <i>Jorgel Chavez</i>
Bellflower DIST. 2, 18 DIST. 3	Dan Koops; <i>Ray Dunton</i> Dan Koops; <i>Sonny R. Santa Ines</i>
Beverly Hills DIST. 4	Robert Wunderlich; <i>John Mirisch</i>
Bradbury DIST. 15, 22	D. Montgomery Lewis <i>Richard Barakat</i>
Carson DIST. 8	Lula Davis-Holmes; <i>Jim Dear</i>
Cerritos DIST. 2, 3, 18, 19	Grace Hu; <i>Bruce Barrows</i>
Claremont DIST. 21	Jennifer Stark; <i>Jed Leano</i>
City of Commerce DIST. 2	Leonard Mendoza <i>Ivan Altamirano</i>
Compton DIST. 1, 2, 8	Aja Brown; <i>Michelle Chambers</i>
Covina DIST. 22	Jorge A. Marquez; <i>Patricia Cortez</i>
Cudahy DIST. 1	Jose R. Gonzalez; <i>Elizabeth Alcantar</i>
Culver City DIST. 5	Alex Fisch; <i>Yasmine-Imani McMorrin</i>
Diamond Bar DIST. 21	Nancy Lyons; <i>Ruth Low</i>
Downey DIST. 2, 18	Claudia Frometa; <i>Blanca Pacheco</i>
Duarte DIST. 15, 22	Bryan Urias; <i>Margaret Finlay</i>
El Monte DIST. 15	Jessica Ancona; <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	Karen Davis; <i>Michael Allawos</i>
Hawaiian Gardens DIST. 19	Luis Roa; <i>Maria Teresa Del Rio</i>
Hawthorne DIST. 5	Alex Vargas; <i>Alex Monteiro</i>
Hermosa Beach SBC	Justin Massey; <i>Michael Detoy</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	H. Manuel Ortiz; <i>Larry Burrola</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	Dennis Laherty; <i>Brian Bergman</i>
La Mirada DIST. 18	Ed Eng; <i>Steve De Ruse</i>
La Puente DIST. 15, 21	Charlie Klinakis; <i>Valerie Munoz</i>
La Verne DIST. 21, 22	Tim Hepburn; <i>Muir Davis</i>
Lakewood DIST. 3, 19	Jeff Wood; <i>Steve Croft</i>
Lancaster DIST. 14	R. Rex Parris; <i>Marvin Crist</i>
Lawndale DIST. 5	Robert Pullen-Miles; <i>Pat Kearney</i>
Lomita DIST. 5	Mark Waronek; <i>James Gazeley</i>
Long Beach DIST. 1, 2, 3, 8, 19	Robert Garcia
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, 8, 9	Hilda Solis; <i>Holly Mitchell</i>
DIST. 3, 5, 18, 19, 21, 27, NR	Hilda Solis; <i>Janice Hahn</i>
DIST. 14, 20, 22, SCV	Hilda Solis; <i>Kathryn Barger</i>
DIST. 15, 16, 17	Hilda Solis; <i>Sheila Kuehl</i>
DIST. 9 (2nd DIR)	Janice Hahn; <i>Holly Mitchell</i>
DIST. 17 (2nd DIR)	Kathryn Barger; <i>Sheila Kuehl</i>
Lynwood DIST. 1	Marisela Santana; <i>Jose Luis Solache</i>
Manhattan Beach DIST. 5, SBC	Suzanne Hadley; <i>Hildy Stern</i>
Maywood DIST. 1	Ricardo Lara; <i>Jessica Torres</i>
Monrovia DIST. 15, 22	Tom Adams; <i>Becky A. Shevlin</i>
Montebello DIST. 2, 15	Kimberly Ann Cobos-Cawthorne <i>Scarlet Peralta</i>
Monterey Park DIST. 2, 15	Yvonne Yiu; <i>Henry Lo</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	Michael Kemps <i>David McGowan</i>
Paramount DIST. 1, 2	Brenda Olmos; <i>Vilma Cuellar Stallings</i>
Pasadena DIST. 15, 16, 17	Victor Gordo
Pico Rivera DIST. 2, 18	Raul Elias; <i>Gustavo Camacho</i>
Pomona DIST. 21	Tim Sandoval; <i>Steve Lustru</i>
Rancho Palos Verdes DIST. 5, SBC	Eric Alegria <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	Steve Zuckerman <i>Frank Zerunyan</i>
Rosemead DIST. 15	Polly Low; <i>Sean Dang</i>
San Dimas DIST. 21, 22	Emmett Badar; <i>Denis Bertone</i>
San Gabriel DIST. 2, 15	Chin Ho Liao; <i>Denise Menchaca</i>
San Marino DIST. 15, 16	Ken Ude; <i>Susan Jakubowski</i>
Santa Clarita SCV SCV (2nd DIR)	Bill Miranda; <i>Marsha McLean</i> Laurene Weste; <i>Marsha McLean</i>
Santa Fe Springs DIST. 18	John M. Mora; <i>Joe Angel Zamora</i>
Sierra Madre DIST. 15	Rachelle Arizmendi
Signal Hill DIST. 3, 29 DIST. 29	Edward H. J. Wilson; <i>Keir Jones</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	Al Rios; <i>Maria Davila</i>
South Pasadena DIST. 16	Diana Mahmud; <i>Jack Donovan</i>
Temple City DIST. 15	Vincent Yu; <i>Cynthia Sternquist</i>
Torrance DIST. 5, SBC	Patrick J. Furey
Vernon DIST. 1, 2, 23 DIST. 1, 2 DIST. 23	Melissa Ybarra <i>William J Davis</i> Carol Menke; <i>Leticia Lopez</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	Letty Lopez-Viado <i>Dario Castellanos</i>
West Hollywood DIST. 4	Lindsey P. Horvath; <i>John D'Amico</i>
Whittier DIST. 2, 15, 18	Joe Vinatieri; <i>Cathy Warner</i>

Alternate Directors in italics

AGENCY 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 Technology	Accounting	Employee Benefits	Energy Recovery	Air Quality	Industrial Waste
Electrical & Instrumentation Design	Planning & Property Management	Budget & Finance	Employee Relations	Fleet Management	Environmental Health & Safety	Joint Water Pollution Control Plant
Sewer Design	Public Information	Purchasing	Employment Services	Solid Waste Operations & Engineering	Laboratories	Wastewater Collection Systems
Structural, Architectural, & Geotechnical Design	Wastewater Planning		Payroll		Legislative & Regulatory Programs	
Civil & Mechanical Design			Training & Development		Reuse & Compliance	Water Reclamation Plants
					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

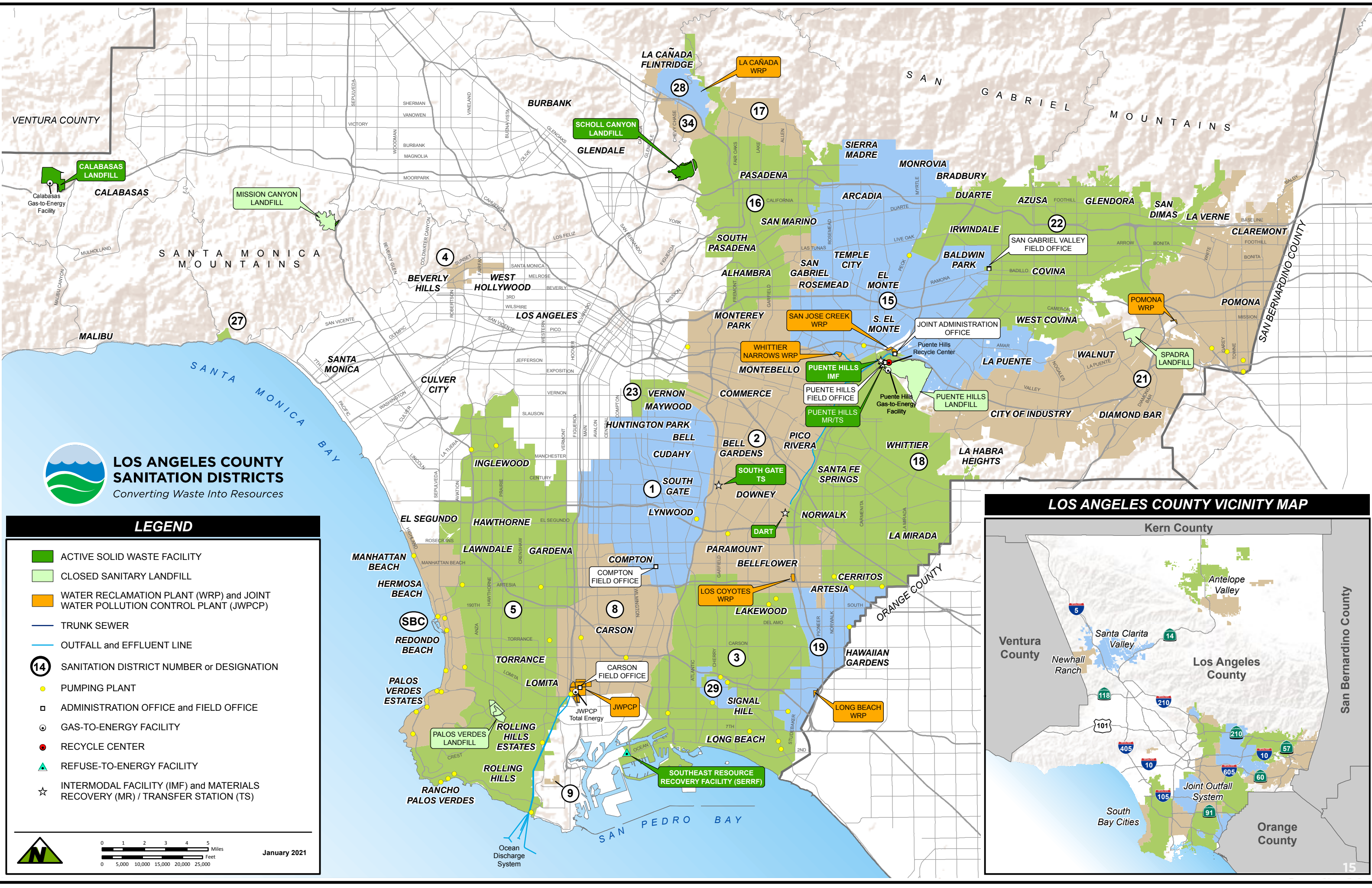
Operation and maintenance of the solid waste management facilities and energy recovery facilities

TECHNICAL SERVICES

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

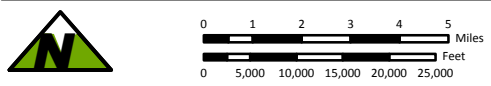
WASTEWATER MANAGEMENT

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



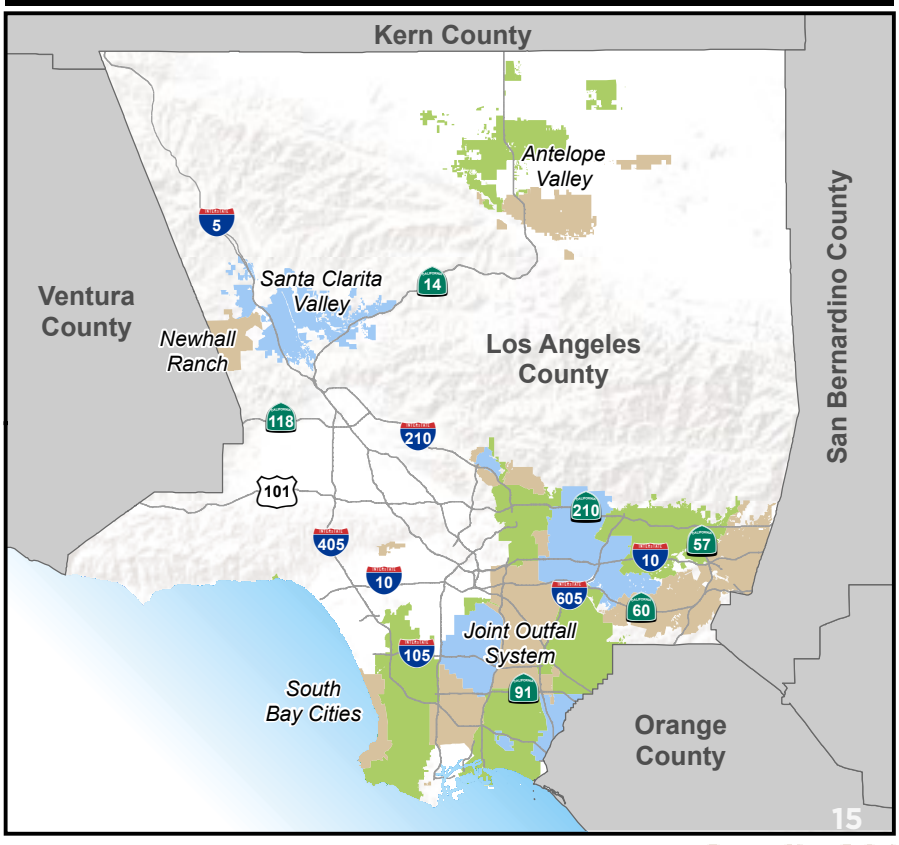
LEGEND

- ACTIVE SOLID WASTE FACILITY
- CLOSED SANITARY LANDFILL
- WATER RECLAMATION PLANT (WRP) and JOINT WATER POLLUTION CONTROL PLANT (JWPCP)
- TRUNK SEWER
- OUTFALL and EFFLUENT LINE
- 14 SANITATION DISTRICT NUMBER or DESIGNATION
- PUMPING PLANT
- ADMINISTRATION OFFICE and FIELD OFFICE
- GAS-TO-ENERGY FACILITY
- RECYCLE CENTER
- REFUSE-TO-ENERGY FACILITY
- INTERMODAL FACILITY (IMF) and MATERIALS RECOVERY (MR) / TRANSFER STATION (TS)

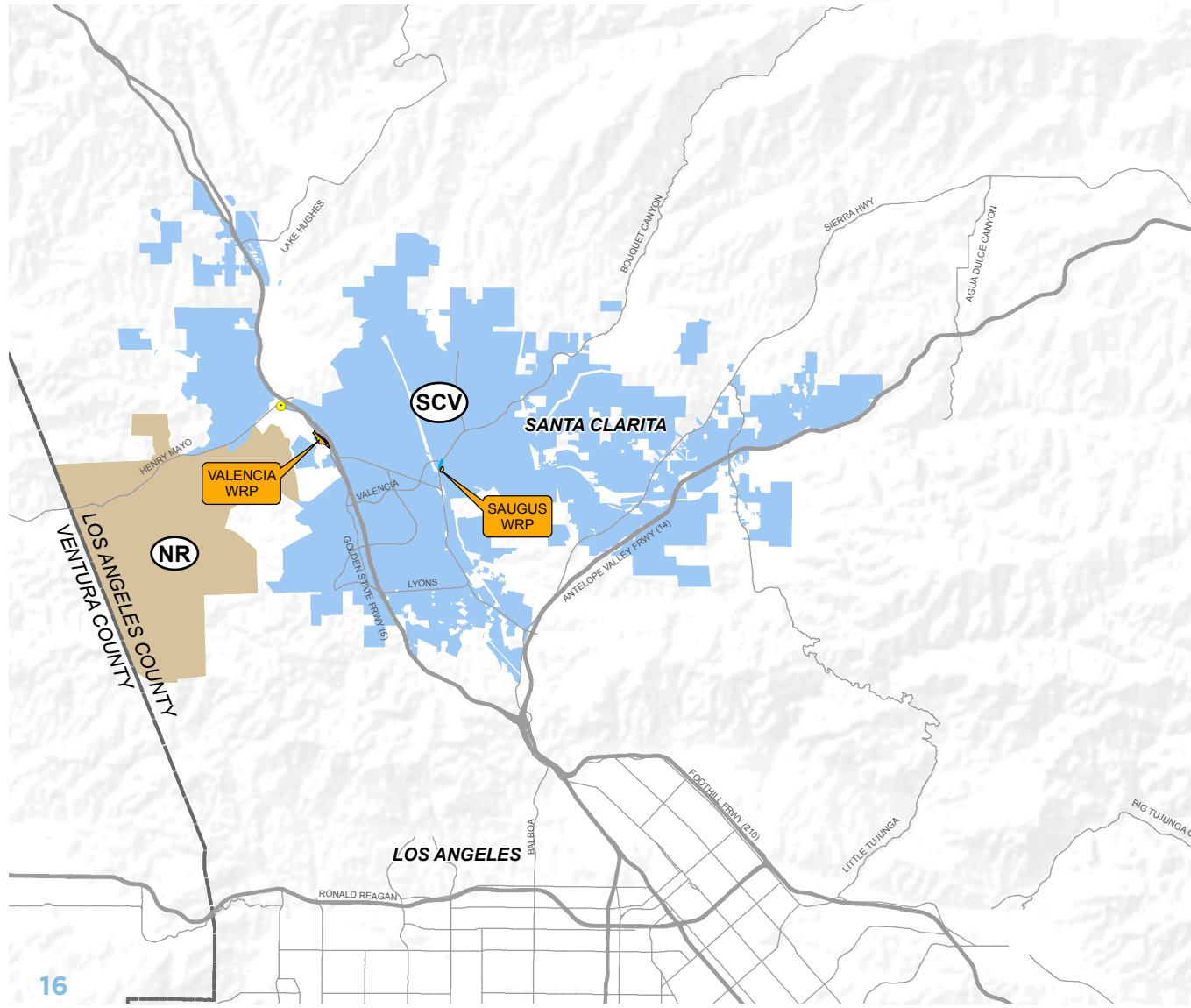


January 2021

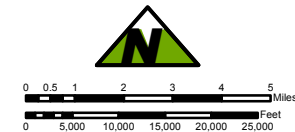
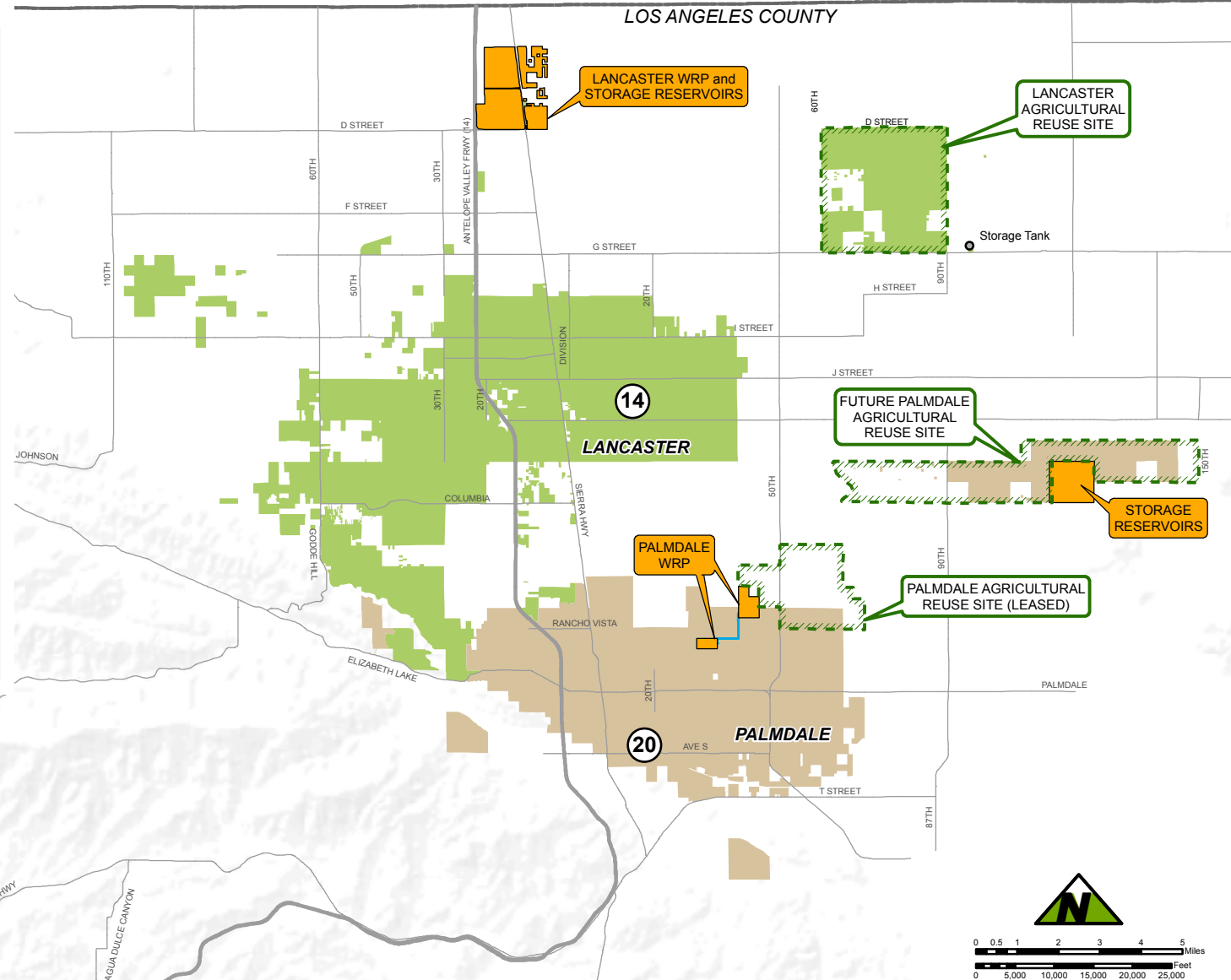
LOS ANGELES COUNTY VICINITY MAP



REGIONAL FACILITIES



KERN COUNTY LOS ANGELES COUNTY



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	



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

LEGEND

- SOLID WASTE FACILITY
- WATER RECLAMATION FACILITY
- AGRICULTURAL REUSE SITE
- COMPOSTING FACILITY
- 14 SANITATION DISTRICT NUMBER or DESIGNATION
- PUMPING PLANT
- TRUNK SEWER



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, 2020

Christopher P. Morill

Executive Director/CEO

Matching Flows with Demand

Treatment plants receive uneven amounts of flow throughout the day with peaks in the morning and evening and very low flow overnight. To even out flows, the Sanitation Districts constructed two 4-million-gallon underground storage tanks. This flow equalization results in more efficient treatment and makes more recycled water available overnight when irrigation demands are highest.

Construction of the flow equalization tanks at our San Jose Creek Water Reclamation Plant.



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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CULVER CITY, CA 90230
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Independent Auditor’s Report

The Honorable Boards of Directors
Los Angeles County Sanitation Districts:

Report on the Financial Statements

We have audited the accompanying financial statements of the Los Angeles County Sanitation Districts (Districts) as of and for the fiscal year ended June 30, 2021, 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 Los Angeles County Sanitation Districts as of June 30, 2021, 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

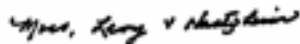
Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Districts' basic financial statements. The introductory section, combining and individual supplemental schedules, statistical section, and bond disclosure information are presented 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 13, 2021 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, LLP
Culver City, California
December 13, 2021

LOS ANGELES COUNTY SANITATION DISTRICTS

Management's Discussion and Analysis

June 30, 2021

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 ACFR 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

- The impact of COVID-19 on businesses, restaurants, schools, and consumer habits continued to have a negative effect on solid waste revenues, which experienced a substantial decrease of 19% from last fiscal year and 35% from 2019 (prior to the pandemic). Although wastewater revenues do not appear to have been impacted thus far, it is possible that the full impact of COVID-19 on wastewater revenue will not be known until future years due to the nature of the Districts' revenue streams. Service charge revenue and property tax revenue both increased as compared to last fiscal year.
- 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.
- The Newhall Ranch Sanitation District began receiving revenue as new homes and businesses were connected to the sewer system. The first 6,000 homes will convey wastewater to Santa Clarita Valley Sanitation District's Valencia Water Reclamation Plant.

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 ACFR 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.

LOS ANGELES COUNTY SANITATION DISTRICTS

Management's Discussion and Analysis, Continued

- 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.

Financial Analysis of the Districts

Net Position

Condensed Statement of Net Position
(In millions of dollars)

	FY 2021	FY 2020	Dollar Change	Total Percent Change
Current and Other Assets	\$ 2,448	\$ 2,594	\$ (146)	(5.6) %
Capital Assets, net	3,686	3,521	165	4.7
Total Assets	<u>6,134</u>	<u>6,115</u>	<u>19</u>	<u>0.3</u>
Deferred Outflow of Resources	<u>94</u>	<u>105</u>	<u>(11)</u>	<u>(10.5)</u>
Current Liabilities	197	196	1	0.5
Other Liabilities	1,164	1,122	42	3.7
Long-Term Debt	<u>498</u>	<u>562</u>	<u>(64)</u>	<u>(11.4)</u>
Total Liabilities	<u>1,859</u>	<u>1,880</u>	<u>(21)</u>	<u>(1.1)</u>
Deferred Inflow of Resources	<u>41</u>	<u>74</u>	<u>(33)</u>	<u>(44.6)</u>
Net Investment in Capital Assets	3,149	2,897	252	8.7
Restricted	191	342	(151)	(44.2)
Unrestricted	<u>988</u>	<u>1,027</u>	<u>(39)</u>	<u>(3.8)</u>
Total Net Position	\$ <u><u>4,328</u></u>	\$ <u><u>4,266</u></u>	\$ <u><u>62</u></u>	<u><u>1.5 %</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.

LOS ANGELES COUNTY SANITATION DISTRICTS

Management's Discussion and Analysis, Continued

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.

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 2021	FY 2020	Dollar Change	Total Percent Change
Operating Revenues:				
Industrial Waste Surcharge	\$ 70	\$ 73	\$ (3)	(4.1) %
Refuse Tipping Fees	102	126	(24)	(19.0)
Sale of Energy	19	21	(2)	(9.5)
Service Charges	392	390	2	0.5
Other	34	24	10	41.7
Total Operating Revenues	<u>617</u>	<u>634</u>	<u>(17)</u>	<u>(2.7)</u>
Operating Expenses:				
Depreciation	114	103	11	10.7
Operations & Maintenance	216	216	0	0.0
Salaries & Benefits	265	264	1	0.4
Other	25	168	(143)	(85.1)
Total Operating Expenses	<u>620</u>	<u>751</u>	<u>(131)</u>	<u>(17.4)</u>
Nonoperating Revenues/(Expenses):				
Interest Revenue	21	44	(23)	(52.3)
Taxes	95	88	7	8.0
Other	(6)	21	(27)	(128.6)
Interest Expense	(21)	(24)	3	(12.5)
Tax & Assessment Expense	(10)	(11)	1	(9.1)
Total Net Nonoperating Revenue	<u>79</u>	<u>118</u>	<u>(39)</u>	<u>(33.1)</u>
Income Before Capital				
Contribution Revenue	76	1	75	7,500.0
Capital Contribution Revenue	25	44	(19)	(43.2)
Beginning Net Position	4,266	4,259	7	0.2
Prior-Period Adjustment	(39)	(38)	(1)	2.6
Ending Net Position	<u>\$ 4,328</u>	<u>\$ 4,266</u>	<u>\$ 62</u>	<u>1.5 %</u>

LOS ANGELES COUNTY SANITATION DISTRICTS

Management's Discussion and Analysis, Continued

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 91% of the Districts' operating revenue. Service charge fees were increased in fiscal year 2020-2021 for nearly all Districts, averaging \$2 per single family home.

Solid waste refuse tipping fees decreased by more than \$24 million from last year. The dramatic decrease is due to the continuing impacts of COVID-19. Though the majority of closures began to lift during the second half of fiscal year 2020-2021, disposal tonnage not only failed to increase, a steady decline continued. Additionally, in response to increased regulations, solid waste disposal contracts were negotiated at higher rates, which resulted in lower incoming tonnage commitments.

Also impacting solid waste is the sale of commodities. During the last fiscal year, a new sort line was being installed, which restricted the amount of processing of recycled goods in fiscal year 2019-2020. For fiscal year 2020-2021, the new sort line became operational and production increased. At the same time, the price of several commodity types soared, in some instances, quadrupling since the lows in 2019. The overall impact of these factors resulted in commodity revenue doubling over the previous year.

Operating Expenses: Other operating expenses returned to normal levels after a 5-year permit review for the Puente Hills Landfill in fiscal year 2019-2020 resulted in a significant increase in cost estimates for postclosure maintenance.

Nonoperating Revenues/Expenses: Interest revenue decreased as a result of decreasing interest rates (a weighted average of 0.96% in fiscal year 2020-2021 as opposed to 1.82% in fiscal year 2019-2020), and a decrease in the overall specific investment portfolio from \$1.35 billion in the beginning of the last fiscal year to less than half that amount at the end of this fiscal year.

LOS ANGELES COUNTY SANITATION DISTRICTS

Management's Discussion and Analysis, Continued

Capital Analysis of the Districts

As of June 30, 2021, the Districts had \$6.1 billion invested in a broad range of assets, as shown below:

Capital Assets (In millions of dollars)		Dollar Change	Total Percent Change
	FY 2021	FY 2020	
Buildings and Equipment	\$ 89	\$ 88	1.1 %
Capital Improvements	546	546	0.0
Composting Facility	124	124	0.0
Construction in Progress	599	546	9.7
Disposal Rights	97	94	3.2
Equipment Pool	73	75	(2.7)
Gas-to-Energy Facilities	222	217	2.3
Land	221	221	0.0
Other	54	53	1.9
Rail Facilities	224	111	101.8
Recycling and Transfer Stations	77	74	4.1
Treatment Plants	2,203	2,126	3.6
Trunk Lines	1,485	1,465	1.4
Use Rights	70	70	0.0
Subtotal	6,084	5,810	4.7
Less Accumulated Depreciation & Amortization	2,398	2,289	4.8
Net Capital Assets	\$ 3,686	\$ 3,521	4.7 %

Major capital asset projects that were completed and placed in operation during fiscal year 2020-2021 included the following:

- \$113 million – Puente Hills Intermodal Facility
- \$50 million – San Jose Creek Water Reclamation Plant Flow Equalization Facilities
- \$14 million – Joint Outfall trunk sewer rehabilitations
- \$4 million – Marina Pumping Plant No. 3 Site Improvements

Expenses to date of ongoing construction in progress of \$599 million as of June 30, 2021, included, in part, the following projects:

- \$257 million – various water reclamation and pumping plant modifications
- \$203 million – Clearwater Project plan, design, and construction
- \$37 million – various Districts' trunk sewer relief/rehabilitation projects
- \$24 million – Puente Hills Material Recovery Facility recycling modifications and additions
- \$22 million – Puente Hills Intermodal Facility railroad improvements
- \$18 million – various solid waste system projects
- \$10 million – Waste-by-Rail Disposal System development

LOS ANGELES COUNTY SANITATION DISTRICTS

Management's Discussion and Analysis, Continued

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

2021-2022 Capital Spending Plan (In millions of dollars)

Capital Project	Amount Planned
Treatment Plant and Pumping Plant Improvements	\$ 150
Clearwater Tunnel	110
Sewer Relief and Rehabilitation	39
Chloride Compliance	24
Administration and Miscellaneous Improvements	16
Landfill Improvements	8
Gas Control Measures	6
Material Recovery/Transfer Station	4
Intermodal Facility Development	4
Sewage Disposal Contracts	2
Total	\$ <u>363</u>

Outstanding Debt

During the fiscal year, the Districts' revenue bond and state loan obligations decreased by 15%.

Outstanding Debt (In millions of dollars)

	FY 2021	FY 2020	Dollar Change	Total Percent Change
Revenue Bonds	\$ 312	\$ 379	\$ (67)	(17.7) %
Clean Renewable Energy Bonds	1	3	(2)	(66.7)
State Water Resources Control Board Loans	226	252	(26)	(10.3)
Total Long-Term Debt	\$ <u>539</u>	\$ <u>634</u>	\$ <u>(95)</u>	<u>(15.0) %</u>

Revenue bond obligations and Clean Renewable Energy obligations decreased due to scheduled principal payments and the defeasance of the 2011 Series A Bonds and 2013 Series A Bonds. State Water Resources Control Board obligations had a net decrease due to new obligations and net of scheduled principal payments.

LOS ANGELES COUNTY SANITATION DISTRICTS

Management's Discussion and Analysis, Continued

Bond Debt Ratings As of June 30, 2021

	<u>Standard & Poor's</u>	<u>Moody's Investor Service</u>	<u>Fitch Ratings</u>
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

In August 2021, Fitch Ratings and Standard & Poor's upgraded the rating of the 2015 Capital Projects Revenue Bonds Series A (District No. 14) from AA- to AA.

On September 15, 2021, the Districts' Financing Authority issued \$41,645,000 (face value) in Capital Projects Revenue Bonds Series A. The proceeds from the bond sale have been used to prepay four District No. 14 California State Water Resources Control Board loans and costs of issuance.

Solid waste disposal rates will increase on December 1, 2021, for the Puente Hills Material Recovery Facility, the Downey Area Recycling and Transfer Facility, and the South Gate Transfer Station. The average increase for municipal solid waste will be \$3.80 per ton. These increases are necessary to cover increases in contract labor and transportation costs.

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, 2021

Assets

Current assets:

Unrestricted cash and cash equivalents (note 3):	
Cash in bank	\$ 32,979,161
Cash on hand	42,653
Cash and cash equivalents	<u>546,722,913</u>
Total unrestricted cash and cash equivalents	<u>579,744,727</u>

Receivables:

Accounts, net (note 6)	32,278,435
Interest	4,937,588
Service charges	18,196,497
Taxes	<u>6,734,391</u>
Total receivables	<u>62,146,911</u>

Inventory	<u>19,192,388</u>
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Restricted/designated cash and investments (note 3):

Cash and cash equivalents	1,093,898,283
Specific investments	608,129,740
Bond proceeds with Trustee	
Cash and cash equivalents	<u>7,679</u>

Total restricted/designated cash and investments	<u>1,702,035,702</u>
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Other specific investments (note 3)	<u>44,190,784</u>
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Total current assets	<u>2,407,310,512</u>
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Long-term assets:

Investment in joint ventures (note 17)	40,002,680
Other assets	39,444

Capital assets (note 7):

Buildings & equipment	89,044,580
Improvements	546,336,631
Disposal rights	96,648,437
Equipment pool	73,335,018
Gas-to-energy facilities	221,693,639
Rail facilities	223,843,590
Recycling and transfer facilities	77,345,757
Treatment plants	2,202,660,001
Trunk lines	1,485,392,870
Use rights	69,779,636
Composting facilities	124,064,747
Other capital assets	54,535,475
Construction in progress	598,605,547
Land	221,017,538
Less accumulated depreciation/amortization	<u>(2,398,028,551)</u>

Net capital assets	<u>3,686,274,915</u>
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Total long-term assets	<u>3,726,317,039</u>
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Total assets	<u>\$ 6,133,627,551</u>
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Deferred Outflow of Resources

Deferred loss on refunding	\$ 1,607,765
Deferred pension contribution	65,022,768
Other postemployment benefit deferral	<u>27,244,090</u>
Total deferred outflow of resources	<u>\$ 93,874,623</u>

(Continued on following page)

Exhibit A-2
LOS ANGELES COUNTY SANITATION DISTRICTS
Statement of Net Position
June 30, 2021

Liabilities

Current liabilities:	
Accounts payable	\$ 54,309,646
Accrued employee absences (notes 1J and 14)	30,000,000
Amounts held for others	8,840,041
Bonds payable (note 8)	9,049,399
Claims liabilities (note 9)	2,300,593
Contractual obligations to other governments	38,000,000
Estimated liability for closure and postclosure care (note 18)	14,855,761
Estimated liability for pollution remediation (note 19)	2,000,000
Interest payable	5,699,701
Loans payable to State of California (note 8)	31,862,777
Other	<u>528,435</u>
Total current liabilities	<u>197,446,353</u>
Long-term liabilities:	
Accrued employee absences (notes 1J and 14)	16,220,467
Bonds payable, net (note 8)	303,451,057
Claims liabilities (note 9)	6,901,959
Contractual obligations to other governments	43,428,852
Estimated liability for closure and postclosure care (note 18)	450,333,745
Estimated liability for pollution remediation (note 19)	18,000,000
Loans payable to State of California (note 8)	194,328,537
Other postemployment benefits liability (note 12)	190,880,574
Pension liability (note 11)	<u>438,339,215</u>
Total long-term liabilities	<u>1,661,884,406</u>
Total liabilities	<u>\$ 1,859,330,759</u>

Deferred Inflow of Resources

Other postemployment benefits deferrals (note 12)	\$ 30,439,313
Pension deferrals (note 11)	<u>10,420,730</u>
Total deferred inflow of resources	<u>\$ 40,860,043</u>

Net Position

Net position:	
Net investment in capital assets	\$ 3,149,190,910
Restricted for capital projects	145,204,226
Restricted for closure/postclosure maintenance	45,197,318
Unrestricted	<u>987,718,918</u>
Total net position	<u>\$ 4,327,311,372</u>

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, 2021

Operating revenues:	
Commodities	\$ 3,022,234
Contract revenue	29,973,873
Industrial waste surcharge	69,528,920
Refuse/food waste tipping fees	102,434,160
Sale of energy	18,975,707
Service charges (note 4)	392,291,323
Other	<u>752,075</u>
Total operating revenues	<u>616,978,292</u>
Operating expenses:	
Chemicals	39,210,860
Collection charges	1,405,361
Depreciation/amortization (note 7)	114,156,932
Insurance and claims	5,896,540
Landfill closure and postclosure costs (note 18)	12,939,401
Materials and supplies	31,348,431
Operations, repairs, and maintenance	23,973,132
Pollution remediation costs (note 19)	91,201
Salaries and benefits (notes 11 and 12)	265,358,218
Services	97,014,557
Tonnage	4,672,145
Utilities	<u>23,641,915</u>
Total operating expenses	<u>619,708,693</u>
Operating loss	<u>(2,730,401)</u>
Nonoperating revenues (expenses):	
Interest revenue	20,575,001
Investment in joint ventures	(3,544)
Property taxes	95,192,895
Amortization of bond premium	4,993,302
Amortization of deferred loss on refunding	(5,506,551)
Interest expense	(21,419,022)
Loss on sale of equipment/assets	(589,347)
Other nonoperating revenue	9,034,331
Tax and assessment expense	(10,274,536)
Unrealized loss on investments	<u>(13,116,972)</u>
Net nonoperating revenues	<u>78,885,557</u>
Income before capital contribution revenue and transfers	76,155,156
Capital contribution revenue:	
Connection fees	20,476,550
Grants	<u>3,940,402</u>
Change in net position	<u>100,572,108</u>
Total net position, July 1, 2020, as previously stated	4,266,323,411
Prior-period adjustments (note 20)	<u>(39,584,147)</u>
Total net position, July 1, 2020 as restated	<u>4,226,739,264</u>
Total net position, June 30, 2021	<u>\$ 4,327,311,372</u>

See accompanying notes to basic financial statements.

Exhibit C
LOS ANGELES COUNTY SANITATION DISTRICTS
Statement of Cash Flows
Fiscal year ended June 30, 2021

Cash flows from operating activities:	
Receipts from customers and users	\$ 620,936,755
Payments to suppliers	(224,722,981)
Payments for salaries/benefits	(260,850,650)
	<hr/>
Net cash provided by operating activities	135,363,124
Cash flows from noncapital financing activities:	
Receipts from property taxes	94,742,966
Payments for tax and assessment	(10,274,536)
	<hr/>
Net cash provided by noncapital financing activities	84,468,430
Cash flows from capital and related financing activities:	
Borrowings on loans	3,571,141
Purchases of capital assets	(286,696,879)
Connection fees proceeds	20,476,550
Grant proceeds	7,701,041
Bond defeasement	(25,849,572)
Interest paid on capital-related debt	(18,972,189)
Payment to joint venture	(250,000)
Principal payments on bonds	(39,334,401)
Principal payments on loans	(31,445,792)
Proceeds from sale of assets/equipment	393,814
	<hr/>
Net cash used by capital and related financing activities	(370,406,287)
Cash flows from investing activities:	
Interest received	27,118,393
Purchases of investments	(201,717,900)
Proceeds from maturities of investments	527,392,770
	<hr/>
Net cash provided by investing activities	352,793,263
Net increase in cash and cash equivalents	202,218,530
Cash and cash equivalents at beginning of fiscal year	<hr/> 1,471,432,159
Cash and cash equivalents at end of fiscal year	\$ <hr/> 1,673,650,689
Reconciliation of cash and cash equivalents at end of fiscal year:	
Unrestricted cash and cash equivalents	
Cash in bank	\$ 32,979,161
Cash on hand	42,653
Cash and cash equivalents	546,722,913
Restricted/designated cash and investments:	
Cash and cash equivalents	1,093,898,283
Bond proceeds with Trustee	
Cash and cash equivalents	<hr/> 7,679
	<hr/>
	\$ <hr/> 1,673,650,689

(Continued on following page)

Exhibit C-2
LOS ANGELES COUNTY SANITATION DISTRICTS
Statement of Cash Flows
Fiscal year ended June 30, 2021

Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	\$ <u>(2,730,401)</u>
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation and amortization	114,156,932
Landfill closure/postclosure costs	12,939,401
Decrease in accounts receivable	4,531,214
Increase in service charge receivable	(1,008,941)
Decrease in inventory	2,905,162
Decrease in deferred outflow of resources	5,191,399
Increase in accounts payable	3,032,749
Increase in accrued employee absences	4,896,464
Decrease in estimated liability for closure and postclosure costs	(10,460,771)
Decrease in claims liabilities	(221,424)
Increase in contractual obligations	303,663
Decrease in estimated pollution remediation	(91,201)
Increase in other postemployment benefits liability	4,047,297
Increase in pension liability	31,931,396
Decrease in amounts held for others	(1,279,335)
Increase in other liabilities	76,193
Decrease in deferred inflow of resources	<u>(32,856,673)</u>
Net cash provided by operating activities	<u>\$ 135,363,124</u>
Schedule of noncash investing activities:	
Unrealized loss on fair value of investments	\$ (13,116,972)
Amortization of investment premium	1,619,149

See accompanying notes to basic financial statements.

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements

June 30, 2021

(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,

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

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.

(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.

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

(E) Operating Budgets

Each year, the Districts' personnel prepare annual operating budgets for both the wastewater and the solid waste systems. These annual budgets serve as a basis for monitoring financial progress and determining 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. All assets, other than those described in further detail below, are depreciated using the straight-line method over each asset's estimated useful life.

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.

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.

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

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 costs 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).

(J) Accrued Employee Absences - Service Operations

Vacation and sick leave pay is recorded as an expense when earned by Districts' employees (see Note 14 for balance details) 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.

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

(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 can result 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 gain/loss on refunding (net), is 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 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.

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

(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.

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 JPAs 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

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

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 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 measure 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.

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

As of June 30, 2021, 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	\$ 278,593,258 (1)	150,709,500	-	127,883,758
AA-Rated Medium-Term Corporate Notes	227,488,465 (1)	-	76,269,081	151,219,384
A-Rated Medium-Term Corporate Notes	146,238,801 (1)	-	48,300,426	97,938,375
Los Angeles County Pooled Surplus Investment Fund	1,622,729,673	1,622,729,673	-	-
U.S. Bank Commercial Paper	17,891,523	17,891,523	-	-
First American Government Obligation Mutual Fund	7,679	7,679	-	-
	<u>\$ 2,292,949,399</u>	<u>1,791,338,375</u>	<u>124,569,507</u>	<u>377,041,517</u>

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

	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026
Quarterly	\$ 259,319,824	-	53,704,914	-	-
Semi-annually	104,534,154	-	-	-	-
Annually	-	46,021,206	-	-	-
Continuously	68,194,759	-	-	3,782,772	11,892,960
One Time	25,362,000	4,398,783	-	-	-
	<u>\$ 457,410,737</u>	<u>50,419,989</u>	<u>53,704,914</u>	<u>3,782,772</u>	<u>11,892,960</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, 2021, 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 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 30% of a District's funds.

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

The Districts' cash, cash equivalents, and specific investments at June 30, 2021, are classified on the accompanying statement of net position as follows:

Unrestricted cash and cash equivalents	\$	546,722,913
Restricted/designated cash equivalents and specific investments		1,702,035,702
Other specific investments		44,190,784
		2,292,949,399
Cash in bank		32,979,161
Cash on hand		42,653
		\$ 2,325,971,213

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. The total restricted and designated cash, cash equivalents, and specific investments are comprised of the following at June 30, 2021:

	Fund Type	Cash and Cash Equivalents	Specific Investments	Total
Bond Proceeds with Trustee	Restricted	\$ 7,679	-	7,679
Capital Improvement	Restricted	293,557,593	86,670,482	380,228,075
Capital Projects Financial Stability	Designated	158,033,429	52,202,338	210,235,767
Closure/Postclosure Reserves	Restricted	197,005,642	222,012,184	419,017,826
Corrective Action	Restricted	637,538	2,880,889	3,518,427
Emergency	Designated	13,884,296	-	13,884,296
Vacation/Sick Leave	Designated	30,430,897	-	30,430,897
Liability Reserve	Designated	12,643,682	6,026,394	18,670,076
O&M Financial Stability	Designated	189,658,859	137,177,495	326,836,354
Other	Both	10,954,319	957,424	11,911,743
Site Development	Restricted	37,638,124	242,313	37,880,437
Backup Post Closure Reserve	Designated	149,453,904	99,960,221	249,414,125
		\$ 1,093,905,962	608,129,740	1,702,035,702

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

Cash in Bank

At June 30, 2021, the Districts' cash in bank deposits was \$32,979,161. 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, 2021, the Districts had imprest cash funds in the amount of \$42,653.

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 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 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, 2021, bond funds of \$7,679 are invested in First American Government Obligation Mutual Fund, as permitted by the bond indentures.

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

(4) Service Charges

The Districts assess service charges against property owners for use of the Districts' sewerage system as a means of offsetting the cost of providing sanitation facilities. These service charges are collected through the County of Los Angeles property tax billing system pursuant to Section 5473 of the California Health and Safety Code. Service charge rates are adopted annually as part of the budget for individual districts. At the end of each year, the County of Los Angeles provides the outstanding service charge assessments, which are recorded as receivables. For the fiscal year ended June 30, 2021, the Districts assessed \$403,088,934 with a 3% delinquency rate.

(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 2020 tax levy is for the fiscal year 2020-2021.

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:

	2021	2020
Sale of commodities	\$ 716,371	123,499
Sale of energy	4,424,370	4,782,112
Industrial waste surcharge	18,685,766	20,719,168
Tipping fees, net of allowance	4,957,032	8,315,083
Other	3,494,896	2,869,787
Total accounts receivable	\$ 32,278,435	36,809,649

(7) Capital Assets

Capital asset activity for the fiscal year ended June 30, 2021 was as follows (in thousands):

	June 30, 2020	Increases	Decreases	June 30, 2021
Capital assets, not being depreciated:				
Construction in progress (see note 16)	\$ 546,342	189,318	(137,054)	598,606
Land	220,790	227	-	221,017
Total capital assets, not being depreciated	767,132	189,545	(137,054)	819,623
Capital assets, being depreciated or amortized:				
Buildings and equipment	88,235	810	-	89,045
Capital improvements	546,295	41	-	546,336
Composting facility	123,416	649	-	124,065
Disposal rights	94,274	2,375	-	96,649
Equipment pool	75,221	4,002	(5,887)	73,336
Gas-to-energy facilities	217,148	4,545	-	221,693
Other	52,889	1,646	-	54,535
Rail facilities	110,372	113,472	-	223,844
Recycling and transfer facilities	74,399	2,946	-	77,345
Treatment plants	2,125,389	77,271	-	2,202,660
Trunk lines	1,465,110	20,283	-	1,485,393
Use rights	69,780	-	-	69,780
Total capital assets, being depreciated or amortized	5,042,528	228,040	(5,887)	5,264,681
Accumulated depreciation and amortization:				
Buildings and equipment	(54,595)	(2,576)	-	(57,171)
Capital improvements	(449,735)	(1,556)	-	(451,291)
Composting facility	(16,009)	(3,104)	-	(19,113)
Disposal rights	(43,192)	(2,248)	-	(45,440)
Equipment pool	(36,025)	(5,107)	4,909	(36,223)
Gas-to-energy facilities	(144,848)	(5,116)	-	(149,964)
Other	(24,378)	(1,929)	-	(26,307)
Rail facilities	(4,810)	(13,936)	-	(18,746)
Recycling and transfer facilities	(26,620)	(1,833)	-	(28,453)
Treatment plants	(851,853)	(54,615)	-	(906,468)
Trunk lines	(609,951)	(22,086)	-	(632,037)
Use rights	(26,765)	(51)	-	(26,816)
Total accumulated depreciation and amortization	(2,288,781)	(114,157)	4,909	(2,398,029)
Total capital assets, being depreciated, net	2,753,747	113,883	(978)	2,866,652
Total capital assets, net	\$ 3,520,879	303,428	(138,032)	3,686,275

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

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

Sewerage Operations	\$	82,402
Solid Waste Facilities Operations		21,031
Trustee Solid Waste Operations		3,140
Service Operations		<u>7,584</u>
Total depreciation and amortization expense	\$	<u>114,157</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+. On October 1, 2020, the Districts defeased all outstanding balances of the 2011 Series A Ad Valorem Obligation Bonds. The principal amount defeased was \$21,890,000. 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.

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+. On October 1, 2020, the Districts defeased all outstanding balances of the 2013 Series A Ad Valorem Obligation Bonds. The principal amount defeased was \$2,795,000. 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.

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

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

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.

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.

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

Total Bond Indebtedness

The Districts' bond indebtedness is summarized as follows:

		Balance at June 30, 2020	Additions	Redemptions	Balance at June 30, 2021	Due Within One Year
2008 Series A	Direct Placement	\$ 2,808,799	-	(1,404,400)	1,404,399	1,404,399
2011 Series A	Revenue Bonds	48,760,000	-	(48,760,000)	-	-
2013 Series A	Revenue Bonds	6,830,000	-	(6,830,000)	-	-
2015 Series A	Revenue Bonds	133,185,000	-	(3,425,000)	129,760,000	3,600,000
2016 Series A	Revenue Bonds	160,465,000	-	(3,600,000)	156,865,000	4,045,000
		\$ 352,048,799	-	(64,019,400)	288,029,399	9,049,399
Plus unamortized premium		29,464,359	-	(4,993,302)	24,471,057	-
Bonds payable, net		<u>\$ 381,513,158</u>	<u>-</u>	<u>(69,012,702)</u>	<u>312,500,456</u>	<u>9,049,399</u>

Total Bond Debt Outstanding

The annual requirements to satisfy all bond debt outstanding as of June 30, 2021, are as follows:

Fiscal year ending June 30:	Revenue Bonds		Direct Placements		Total	
	Interest	Principal	Interest	Principal	Interest	Principal
2022	\$ 13,233,119	7,645,000	8,778	1,404,399	13,241,897	9,049,399
2023	12,840,119	8,075,000	-	-	12,840,119	8,075,000
2024	12,425,994	8,490,000	-	-	12,425,994	8,490,000
2025	11,976,619	9,485,000	-	-	11,976,619	9,485,000
2026	11,490,244	9,970,000	-	-	11,490,244	9,970,000
2027-2031	48,406,470	66,640,000	-	-	48,406,470	66,640,000
2032-2036	27,538,570	109,130,000	-	-	27,538,570	109,130,000
2037-2041	8,992,497	46,035,000	-	-	8,992,497	46,035,000
2042-2043	854,700	21,155,000	-	-	854,700	21,155,000
	\$ 147,758,332	286,625,000	8,778	1,404,399	147,767,110	288,029,399
Unamortized premium	-	24,471,057	-	-	-	24,471,057
Bonds payable, net	<u>\$ 147,758,332</u>	<u>311,096,057</u>	<u>8,778</u>	<u>1,404,399</u>	<u>147,767,110</u>	<u>312,500,456</u>

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, 2021, undrawn credit of \$6,092,507 was available for the San Jose Creek East Flow Equalization loan.

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

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

Description	Balance at July 1, 2020	Drawdowns/ Capitalized Interest	Redemptions	Balance at June 30, 2021	Due Within One Year
Alamitos Pumping Plant Force Main No. 2	\$ 662,326	-	45,956	616,370	46,737
Biological Reactors/Secondary Clarifiers	18,603,262	-	6,054,614	12,548,648	6,199,925
Central Odor Control System	2,870,497	-	574,099	2,296,398	574,099
Cryogenic Oxygen Generation	3,603,867	-	1,201,289	2,402,578	1,201,289
Digestion Tanks 17-23	10,634,465	-	2,658,616	7,975,849	2,658,616
Environmental Laboratory Building	1,927,469	-	481,867	1,445,602	481,867
Fuel Gas Compressor Upgrade	110,441	-	36,813	73,628	36,813
Heat Recovery Steam Generation Equipment	1,518,700	-	216,957	1,301,743	216,957
High-Speed Scroll Centrifuges Purch & Install	1,161,477	-	232,295	929,182	232,295
Install of Secondary Infl Pumping Equip Stg II	405,639	-	81,128	324,511	81,128
Installation of Secondary Influent Pumping Equip	713,805	-	237,935	475,870	237,935
JO "A" Unit 1A - Dist 5 Interceptor Trunk Sewer	10,264,552	-	546,432	9,718,120	557,907
JO "A" Unit 6 Rehabilitation	11,566,166	-	311,880	11,254,286	317,182
JO "B" Unit 1A Rehabilitation	9,761,003	-	275,096	9,485,907	279,773
JO "D" Units 7&8 Rehabilitation	8,365,061	-	235,754	8,129,307	239,762
Lancaster - Rosamond Outfall & TS, Phase 1	2,861,413	-	381,423	2,479,990	390,195
Lancaster - Rosamond Outfall & TS, Phase 2	4,971,576	-	662,705	4,308,871	677,947
Lancaster - Rosamond Outfall & TS, Phase 3	4,560,514	-	607,911	3,952,603	621,893
Lancaster WRP Stage V Expansion	50,147,863	-	3,614,575	46,533,288	3,708,554
Long Beach Main PP Facility Upgrades	39,426,124	-	1,857,644	37,568,480	1,892,939
Long Beach WRP Aeration System	69,096	-	23,032	46,064	23,032
Long Beach WRP Ammonia Addition Station	208,550	-	52,137	156,413	52,137
Long Beach WRP NDN Facilities	1,900,669	-	237,584	1,663,085	33,632
Long Beach WRP NDN Facilities Equip. Purch.	100,894	-	33,632	67,262	237,584
Los Coyotes WRP Ammonia Addition Station	302,150	-	75,537	226,613	75,537
Los Coyotes WRP Interceptor Sewer Rehab Phase	7,660,084	-	607,363	7,052,721	623,762
Los Coyotes WRP NDN Facilities	7,015,528	-	876,941	6,138,587	876,941
Modification of Biological Reactors	8,670,491	-	2,091,130	6,579,361	2,141,318
Modifications of Electrical Power	611,072	-	203,690	407,382	203,690
Pomona WRP NDN Facilities	1,232,885	-	308,222	924,663	308,222
Pomona WRP NDN Facilities Equip. Purch.	45,655	-	11,414	34,241	11,414
Power Generation Equipment Purchase	1,956,734	-	652,244	1,304,490	652,244
Power Generation Steam Turbine Generator	1,131,638	-	161,662	969,976	161,662
Primary Screenings and Grit Dewatering Fac.	1,758,517	-	586,172	1,172,345	586,172
Primary Tank Covers	452,610	-	223,621	228,989	228,988
Purch of Secondary Infl Pump Station Equip	2,738,696	-	547,739	2,190,957	547,739
Relocating and Installing High-Speed Centrifuge	316,358	-	105,453	210,905	105,453
San Jose Creek East Flow Equalization	19,601,773	3,571,141	-	23,172,914	-
San Jose Creek WRP NDN Fac. Equip Purch	384,090	-	76,818	307,272	76,818
San Jose Creek WRP NDN Facilities	2,611,480	-	522,296	2,089,184	522,296
Saugus WRP Equipment Purchases	445,649	-	89,130	356,519	89,130
Secondary Effluent Pumps	224,857	-	73,037	151,820	74,936
Silo Odor Control Facilities, Phase I	1,389,511	-	347,378	1,042,133	347,378
Silo Odor Control Facilities, Phase II	982,613	-	163,769	818,844	163,769

(continued on following page)

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

Description	Balance at July 1, 2020	Drawdowns/ Capitalized Interest	Redemptions	Balance at June 30, 2021	Due Within One Year
Valencia WRP Stage V Expansion	\$ 211,540	-	70,514	141,026	70,514
Valencia WRP Stage V	9,310,944	-	2,327,736	6,983,208	2,327,736
Valencia WRP Steam Boiler Upgrade	3,222,870	-	205,838	3,017,032	209,338
Waste Activated Sludge Thickening Expansion	628,657	-	209,552	419,105	209,552
Whittier Narrows WRP NDN Facilities	2,160,251	-	216,025	1,944,226	216,025
Wright Road Trunk Sewer Repair	390,682	-	31,137	359,545	31,945
	<u>261,872,764</u>	<u>3,571,141</u>	<u>31,445,792</u>	<u>233,998,113</u>	<u>31,862,777</u>
Less unamortized discount	<u>(10,076,791)</u>	<u>-</u>	<u>(2,269,991)</u>	<u>(7,806,800)</u>	<u>-</u>
Loans payable to State, net	<u>\$ 251,795,973</u>	<u>3,571,141</u>	<u>29,175,801</u>	<u>226,191,313</u>	<u>31,862,777</u>

(continued on following page)

The annual debt service requirements as of June 30, 2021, for the Districts' indebtedness to the State are as follows:

Fiscal year ending June 30:	Interest	Principal	Total
2022	\$ 5,865,629	31,862,777	37,728,406
2023	6,307,314	32,194,211	38,501,525
2024	4,861,973	23,140,291	28,002,264
2025	3,525,067	14,871,229	18,396,296
2026	3,101,208	12,994,659	16,095,867
2027-2031	9,992,120	54,951,339	64,943,459
2032-2036	4,652,202	32,293,953	36,946,155
2037-2041	2,274,624	12,013,163	14,287,787
2042-2046	1,372,826	10,308,221	11,681,047
2047-2051	494,054	7,713,003	8,207,057
2052-2056	42,003	1,655,267	1,697,270
	<u>\$ 42,489,020</u>	<u>233,998,113</u>	<u>276,487,133</u>
Unamortized discount	<u>-</u>	<u>(7,806,800)</u>	<u>(7,806,800)</u>
Loans payable to State, net	<u>\$ 42,489,020</u>	<u>226,191,313</u>	<u>268,680,333</u>

(9) Insurance

The Districts are exposed to various risks of loss that are managed 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, 2021, the liability for workers' compensation claims was estimated at \$9,202,552. Accordingly, this amount has been accrued in the accompanying basic financial statements. At June 30, 2021, there were no reportable claims other than workers' compensation benefits as follows:

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

	2021	2020
Unpaid claims, beginning of fiscal year	\$ 9,423,976	11,081,926
Incurred claims	1,779,229 *	130,789
Claim payments	<u>(2,000,653)</u>	<u>(1,788,739)</u>
Unpaid claims, end of fiscal year	<u>\$ 9,202,552</u>	<u>9,423,976</u>
 Due within one year	 \$ 2,300,593	 2,376,278

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

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, 2021:

Type of Insurance	Limits
Property Policy - (Fire and Theft)	
Building and Business Personal - Blanket	\$511,244,759
Deluxe Business Income & Extra Expense	10,000,000
Property Policy - (Fire and Theft) CALF/Saugus	
Building and Business Personal - Blanket	\$4,799,348
Property Policy - (Fire and Theft) Valencia	
Building and Business Personal - Blanket	\$19,373,165
Pollution Legal Liability	\$5,000,000
Drone Liability	\$1,000,000
General Liability - IERCF	\$1,000,000
Gap Coverage	\$4,000,000 excess of \$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:	\$176,454,270
Business Interruption	14,173,270
Extra Expense	22,300,000
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	\$9,000,000 excess of \$1,000,000

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

Type of Insurance	Limits
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
Property Insurance - IERCF	\$50,000,000 \$50,000,000 \$25,000,000 excess of \$50,000,000
Values	\$112,856,191

(10) Litigation

The Districts are defendants in various litigation matters arising from the normal conduct of business. Among these matters, Westlake Farms vs County Sanitation District No. 2 of Los Angeles County (Westlake) was heard by a jury in San Luis Obispo Superior Court in September and October of 2021. A preliminary verdict was rendered and settlement proposals from all parties were heard by the court in December 2021. The plaintiffs in this case seek monetary damages up to \$88 million, but at this time the matter is unresolved, and a good estimate of potential damages cannot be made. The District has vigorously defended the Westlake matter and intends to continue. It is the opinion of the Districts' legal counsel that the resolution of the Westlake matter, and all other litigation matters, are not likely to have a material adverse effect on the Districts' overall financial condition.

(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.

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

The Plan's provisions and benefits in effect at June 30, 2021, 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⁾	6.50%

The required employer blended contribution rate is 9.107%

⁽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%.

Employees Covered

The following employees were covered by the benefit terms for each Plan as of June 30, 2020, the date of the latest actuarial valuation:

Inactive employees or beneficiaries currently receiving benefits	1,738
Inactive employees or beneficiaries entitled to but not yet receiving benefits	505
Active employees not receiving benefits	1,663
	3,906

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.

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

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, 2020, using an annual actuarial valuation as of June 30, 2019, rolled forward to June 30, 2020, 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, 2019
Measurement date	June 30, 2020
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, 2019, 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.

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.

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

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

Asset Class	Assumed Asset Allocation	Real Return Years 1-10 (a)	Real Return Years 11+ (b)
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

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, 2020 ⁽¹⁾	\$ 1,825,293,599	1,418,885,771	406,407,828
Changes in the year:			
Service cost	25,258,197	-	25,258,197
Administrative expenses	-	(2,000,281)	2,000,281
Interest on the total pension liability	128,130,878	-	128,130,878
Difference between expected and actual experience	(115,510)	-	(115,510)
Changes in assumptions	-	-	-
Contributions-employer	-	41,493,975	(41,493,975)
Contributions-employee (paid by employer)	-	11,564,538	(11,564,538)
Net investment income	-	70,283,946	(70,283,946)
Other miscellaneous income/(expense)	-	-	-
Benefit payments, including refunds	(91,533,867)	(91,533,867)	-
Net Changes	<u>61,739,698</u>	<u>29,808,311</u>	<u>31,931,387</u>
Balance at June 30, 2021 ⁽²⁾	<u>\$ 1,887,033,297</u>	<u>1,448,694,082</u>	<u>438,339,215</u>

⁽¹⁾ Measurement date June 30, 2019

⁽²⁾ Measurement date June 30, 2020

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

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	\$ 679,686,462	438,339,215	237,477,416

Pension Plan Fiduciary Net Position

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

Pension Expenses and Deferred Outflow/Inflow of Resources

For the fiscal year ended June 30, 2021, the Districts recognized pension expense of \$63,796,689. At June 30, 2021, 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	\$ 45,869,913	-
Changes in assumptions	6,805,339	(3,119,224)
Difference between expected and actual experiences	1,529,982	(7,301,506)
Net difference between projected and actual pension plan investments	10,817,534	-
Total	\$ 65,022,768	(10,420,730)

Deferred outflow of resources of \$45,869,913 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, 2022. 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
2022	\$ (7,236,738)
2023	2,552,301
2024	7,502,814
2025	5,913,748
Total	\$ 8,732,125

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

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, 2021.

(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).

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 <u>Employees</u>	Monthly <u>Employees</u>
2020	\$	664.39	1,634.81
2021	\$	669.84	1,649.00

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 of Districts service and reach full vesting at 20 years of CalPERS service. Disability retirement qualifies for 100% vested benefit.

		<u>Single</u>	<u>2-Party</u>	<u>Family</u>
2020	\$	767.00	1,461.00	1,868.00
2021	\$	798.00	1,519.00	1,937.00

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

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, 2020, the date of the latest actuarial valuation:

Inactive employees or beneficiaries currently receiving benefits	1,409
Inactive employees or beneficiaries entitled to but not yet receiving benefits	93
Active employees not receiving benefits	1,644
	<u>3,146</u>

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, 2021, the Districts total employer contribution to the plan was \$23,384,874.

Net OPEB Liability

The Districts' net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2020. 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

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

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 reach major asset class are summarized in the following table.

Asset Class	Target Allocation	Expected Real Rate of Return
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%

Changes in the Net OPEB Liability

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

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
Balance at June 30, 2020 ⁽¹⁾	\$ 388,896,309	202,063,027	186,833,282
Changes in the year:			
Service cost	10,208,395	-	10,208,395
Administrative expenses	-	(135,852)	135,852
Interest on the total OPEB liability	26,375,707	-	26,375,707
Difference between expected and actual experience	-	-	-
Changes in assumptions	-	-	-
Contributions-employer	-	25,308,182	(25,308,182)
Net investment income	-	7,364,480	(7,364,480)
Benefit payments, including refunds	(16,706,986)	(16,706,986)	-
Net Changes	19,877,116	15,829,824	4,047,292
Balance at June 30, 2021 ⁽²⁾	\$ 408,773,425	217,892,851	190,880,574

⁽¹⁾ Measurement date June 30, 2019

⁽²⁾ Measurement date June 30, 2020

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.

	1% Decrease	Current Rate	1% Increase
Discount Rate	5.75%	6.75%	7.75%
Net OPEB liability	\$ 247,655,129	190,880,574	144,319,602

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

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.

	1% Decrease	Current Rate	1% Increase
Net OPEB liability	\$ 136,854,788	190,880,574	258,121,708

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, 2021, the Districts recognized OPEB expense of \$14,800,402. At June 30, 2021, 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	\$ 23,384,874	-
Changes in assumptions	-	6,049,259
Difference between expected and actual experiences	-	24,390,054
Net difference between projected and actual OPEB plan investments	3,859,216	-
Total	\$ 27,244,090	30,439,313

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

Deferred outflow of resources of \$23,384,874 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, 2022. 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
2022	\$ (8,012,940)
2023	(6,918,942)
2024	(6,548,568)
2025	(5,099,647)
Total	\$ <u>(26,580,097)</u>

(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 plan contribution limit is determined annually by the IRS and is \$19,500 for calendar year 2021.

At June 30, 2021, assets with a fair value of \$418,260,914 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.

(14) Compensated Absences

The changes to compensated absences balances at June 30, 2021, were as follows:

Balance at July 1, 2020	Earned	Taken	Balance at June 30, 2021	Due Within One Year
\$ 42,035,073	30,806,699	26,621,305	46,220,467	30,000,000

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

(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, 2021:

Receivable/(Payable) - Due To (From):	Payable/(Receivable) - Due From/(To) Service Operations for:						
	Advance Subsequent Month's Operations	Additional Liquidity	Unsettled Salaries and Benefits	Advance for Equipment Purchases	Obsolete Inventory	Unsettled Payment Corrections	Total Due From
Sewerage Operations	\$ 15,150,618	19,744,480	(1,003,157)	4,277,480	-	891,153	39,060,574
Stormwater Operations	-	10,440	5,465	-	-	-	15,905
Solid Waste Facilities Operations	773,307	3,384,845	(37,395)	47,110	(3,101,428)	2,424	1,068,863
Trustee Solid Waste Facilities Operations:	454,075	1,709,035	(120,366)	25,410	(204,180)	-	1,863,974
Total Payable/(Receivable) from Service Operations	\$ 16,378,000	24,848,800	(1,155,453)	4,350,000	(3,305,608)	893,577	42,009,316

(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, 2021:

Transfers Out:	Transfers In:		
	Sewerage Operations	Service Operations	Net Transfers Out
Sewerage Operations	\$ -	2,854,104	2,854,104
Solid Waste Facilities Operations	-	299,817	299,817
Trustee Solid Waste Facilities Operations	-	193,330	193,330
Net Transfer In	\$ -	3,347,251	3,347,251

(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.

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

(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 three 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 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

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

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 and 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) 9/30/2020 Audited
Total assets	\$	84,581	6,059	44,326
Total deferred outflows of resources		-	-	1,491
Other liabilities		2,115	1,186	28,876
Bonds payable		-	-	-
Total liabilities	\$	2,115	1,186	28,876
Total deferred inflows of resources		-	-	766
Districts' investment		39,752	-	-
Other		42,714	4,873	16,175
Total net position	\$	82,466	4,873	16,175
Operating revenues	\$	8,944	9,909	86,033
Operating expenses		(11,767)	(9,339)	(90,397)
Nonoperating revenues (expenses)		93	73	941
Transfers in/(out)		-	-	(683)
Change in net position	\$	(2,730)	643	(4,106)

(18) Landfill Closure and Postclosure Care

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, 2021, contributions of approximately \$419 million are held in restricted funds for these purposes. The Districts expect that future costs will be paid from interest earnings on these restricted funds. 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 2025 and 2038, respectively.

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

At June 30, 2021, the Districts reported a closure and postclosure care liability of \$465,189,506, which represents the cumulative amount reported to date based on the use of estimated capacity of the landfill sites as follows:

Landfills	Estimated Remaining Closure/ Postclosure Costs	Total Estimated Capacity (Tons in Millions)	Percentage of Capacity Used to Date	Closure/ Postclosure Liability Balance at July 1, 2020	Change in Estimated Closure/ Postclosure Cost	Closure/ Postclosure Costs Applied to Liability	Closure/ Postclosure Liability Balance at June 30, 2021
Trustee Landfills							
Calabasas	\$ 89,854,542	32.20	85.71%	78,679,806	(1,661,627)	-	77,018,179
Scholl Canyon	12,634,563	34.00	94.41%	11,709,068	219,446	-	11,928,514
Total Trustee Landfills	102,489,105			90,388,874	(1,442,181)	-	88,946,693
Districts' Landfills							
Puente Hills	321,698,886	142.05	100.00%	318,326,236	11,384,765	(8,012,115)	321,698,886
Spadra	54,543,927	17.19	100.00%	54,003,940	2,996,817	(2,456,830)	54,543,927
Total Districts' Landfills	376,242,813			372,330,176	14,381,582	(10,468,945)	376,242,813
Total all sites	\$ 478,731,918			462,719,050	12,939,401	(10,468,945)	465,189,506

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, 2021. Actual costs may be higher due to inflation, changes in technology, or changes in regulation. The current liability due within one year is \$3,369,017 for Spadra, and \$11,486,744 for Puente Hills. The Palos Verdes Landfill has been closed since 1980. The County of Los Angeles is responsible for the site postclosure care and has contracted with the Districts to perform these services at no cost to the Districts.

(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, 2020	Additions or Adjustments	Payments Current Year	Balance at June 30, 2021	Due Within One Year
\$	20,000,000	91,201	(91,201)	20,000,000	2,000,000

During fiscal year 2020-2021, the Districts completed remediation efforts for the surface soils (the first 30 feet) and obtained regulatory closure from the Los Angeles Regional Water Quality Control Board (RWQCB) allowing 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

LOS ANGELES COUNTY SANITATION DISTRICTS

Notes to Basic Financial Statements, Continued

closure, performance of the remediation technology, or changes in laws or regulations governing the remediation efforts.

(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, 2020, from amounts previously reported as detailed below:

Increase/ (Decrease) in Net Position	<u>Prior-Period Adjustment</u>
\$ (42,134,876)	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 Landfill. The net position has been restated to reflect the updated Districts' liability.
(310,303)	Correction to previously recognized O&M expenses as capital additions.
<u>2,861,032</u>	Correction to previously recognized salary and related benefits liabilities.
<u>\$ (39,584,147)</u>	

(21) Subsequent Event

On September 15, 2021, the Districts' Financing Authority issued \$41,645,000 (face value) in Capital Projects Revenue Bonds Series A (2021 Series A Bonds). The purpose of the bonds is to provide funds to prepay District No. 14 California State Water Resources Control Board loans and pay costs of issuance. The change in annual debt service requirements for District No. 14 is reflected below:

	Revenue Bonds Principal & Interest Increase in Debt Service	State Water Resources Control Board Loans Principal & Interest Decrease in Debt Service
Fiscal year ending June 30:		
2022	\$ -	\$ -
2023	3,774,794	(6,855,508)
2024	6,392,250	(6,855,508)
2025	6,392,750	(6,855,508)
2026	6,392,250	(6,855,508)
2027-2031	26,141,250	(28,466,273)
2032-2036	4,452,000	(4,918,419)
	<u>\$ 53,545,294</u>	<u>\$ (60,806,724)</u>

LOS ANGELES COUNTY SANITATION DISTRICTS

Required Supplemental Disclosure

June 30, 2021

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

Measurement Period	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Total Pension Liability							
Service Cost	\$ 25,258,197	24,608,396	24,400,248	24,204,172	21,537,967	22,319,935	23,304,566
Interest	128,130,878	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	(115,510)	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	(91,533,867)	(84,454,739)	(78,714,273)	(73,905,142)	(68,412,261)	(63,161,978)	(55,255,873)
Net Changes in Total Pension Liability	61,739,698	66,810,605	37,778,896	133,491,562	52,369,230	32,028,768	74,010,799
Total Pension Liability, Beginning	1,825,293,599	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)	\$ 1,887,033,297	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	\$ 41,493,975	34,883,099	29,347,050	26,848,459	24,285,923	21,082,283	20,091,038
Contribution-Employee	11,564,538	11,327,002	11,175,795	11,300,541	11,387,270	11,456,578	12,344,493
Net Investment Income	70,283,946	89,308,730	109,161,181	134,988,348	6,422,215	28,129,212	187,477,208
Administrative Expenses	(2,000,281)	(976,802)	(2,031,552)	(1,780,853)	(751,740)	(1,381,953)	-
Benefits Payments, Including Refunds of Employee Contributions	(91,533,867)	(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	29,808,311	50,090,475	65,077,064	97,451,353	(27,068,593)	(3,875,858)	164,656,866
Plan Fiduciary Net Position, Beginning	1,418,885,771	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)	\$ 1,448,694,082	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)	\$ 438,339,215	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	76.77%	77.73%	77.84%	75.77%	76.00%	80.36%	82.33%
Covered Payroll	165,845,023	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	264.31%	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 amounts do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2019, valuation date.

Assumption Changes: None in 2020 or 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>2020-2021</u>	<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	\$ 45,869,913	41,493,975	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>(45,869,913)</u>	<u>(41,493,975)</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>-</u>	<u>(40,812)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered Payroll	\$ 170,881,958	165,845,023	160,524,436	160,665,356	160,696,932	161,103,800	166,392,842	167,309,687
Contributions as a Percentage of Covered Payroll	26.84%	25.02%	21.73%	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 2020-2021 were from the June 30, 2019, funding valuation report.

Actuarial Cost Method	Entry Age Normal
Amortization Method/Period	For details, see June 30, 2017, Funding Valuation Report
Asset Valuation Method	Fair value of assets. For details, see June 30, 2017, Funding Valuation Report.
Inflation	2.625%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	2.875%
Investment Rate of Return	7.25% Net of Pension Plan Investment and Administrative Expenses; includes Inflation.
Retirement Age	The probabilities of retirement are based on the 2017 CalPERS Experience Study for the period from 1997-2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997-2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

LOS ANGELES COUNTY SANITATION DISTRICTS

Required Supplemental Disclosure, Continued

Measurement Period	2019-2020	2018-2019	2017-2018	2016-2017
Total OPEB Liability				
Service Cost	\$ 10,208,395	9,666,245	9,384,704	9,112,000
Interest	26,375,707	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	(16,706,986)	(16,078,323)	(15,538,305)	(15,240,000)
Net Changes in Total OPEB Liability	19,877,116	(24,835,368)	20,498,677	19,219,000
Total OPEB Liability, Beginning	388,896,309	413,731,677	393,233,000	374,014,000
Total OPEB Liability, Ending (a)	\$ 408,773,425	388,896,309	413,731,677	393,233,000
Plan Fiduciary Net Position				
Contribution-Employer	\$ 25,308,182	25,681,125	21,766,305	22,344,000
Contribution-Employee	-	-	-	-
Net Investment Income	7,364,480	11,739,879	12,939,641	15,137,000
Administrative Expenses	(135,852)	(68,514)	(301,781)	(77,000)
Benefits Payments, Including Refunds of Employee Contributions	(16,706,986)	(16,078,323)	(15,538,305)	(15,240,000)
Other Changes in Fiduciary Net Position	-	-	-	-
Net Changes in Fiduciary Net Position	15,829,824	21,274,167	18,865,860	22,164,000
Plan Fiduciary Net Position, Beginning	202,063,027	180,788,860	161,923,000	139,759,000
Plan Fiduciary Net Position, Ending (b)	\$ 217,892,851	202,063,027	180,788,860	161,923,000
Plan Net OPEB Liability/(Asset)-Ending (a)-(b)	\$ 190,880,574	186,833,282	232,942,817	231,310,000
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	53.30%	51.96%	43.70%	41.18%
Covered Payroll	\$ 165,845,023	160,624,258	160,665,356	160,696,932
Plan Net OPEB Liability/(Asset) as a Percentage of Covered Payroll	115.10%	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

	2020-2021	2019-2020	2018-2019	2017-2018
Actuarially Determined Contribution	\$ 24,665,000	27,380,000	25,681,125	21,766,000
Contributions in Relation to the Actuarially Determined Contribution	(23,384,874)	(25,308,182)	(25,681,125)	(21,766,000)
Contributions Deficiency (Excess)	<u>\$ 1,280,126</u>	<u>2,071,818</u>	<u>-</u>	<u>-</u>
Covered Payroll	174,504,774	170,881,958	160,624,258	160,665,356
Contributions as a Percentage of Covered Payroll	13.40%	14.81%	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 2020-2021.
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 retirement 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, 2021

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	\$ -	-	1,541,924	1,041,606	30,395,631	32,979,161
Cash on hand	-	-	19,360	10,976	12,317	42,653
Cash and cash equivalents	<u>418,240,446</u>	<u>1,507,842</u>	<u>30,178,322</u>	<u>69,569,394</u>	<u>27,226,909</u>	<u>546,722,913</u>
Total unrestricted cash and cash equivalents	<u>418,240,446</u>	<u>1,507,842</u>	<u>31,739,606</u>	<u>70,621,976</u>	<u>57,634,857</u>	<u>579,744,727</u>
Receivables:						
Accounts, net	20,754,339	871	8,651,847	2,629,937	241,441	32,278,435
Due from other funds (1)	58,081,564	15,905	1,554,470	1,863,974	235,993	61,751,906
Interest	3,025,339	32,198	1,503,141	180,063	196,847	4,937,588
Service charges	18,196,497	-	-	-	-	18,196,497
Taxes	<u>6,734,391</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,734,391</u>
Total receivables	<u>106,792,130</u>	<u>48,974</u>	<u>11,709,458</u>	<u>4,673,974</u>	<u>674,281</u>	<u>123,898,817</u>
Inventory	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,192,388</u>	<u>19,192,388</u>
Restricted/designated cash and investments:						
Cash and cash equivalents	656,875,243	-	369,775,504	16,743,592	50,503,944	1,093,898,283
Specific investments	277,007,734	-	263,640,180	61,455,432	6,026,394	608,129,740
Bond proceeds with Trustee:						
Cash and cash equivalents	<u>7,674</u>	<u>-</u>	<u>5</u>	<u>-</u>	<u>-</u>	<u>7,679</u>
Total restricted/designated cash and investments	<u>933,890,651</u>	<u>-</u>	<u>633,415,689</u>	<u>78,199,024</u>	<u>56,530,338</u>	<u>1,702,035,702</u>
Other specific investments	<u>35,435,866</u>	<u>-</u>	<u>-</u>	<u>2,795,512</u>	<u>5,959,406</u>	<u>44,190,784</u>
Total current assets	<u>1,494,359,093</u>	<u>1,556,816</u>	<u>676,864,753</u>	<u>156,290,486</u>	<u>139,991,270</u>	<u>2,469,062,418</u>
Investment in joint ventures	40,002,680	-	-	-	-	40,002,680
Other assets	<u>(1,393)</u>	<u>-</u>	<u>12</u>	<u>4</u>	<u>40,821</u>	<u>39,444</u>
Capital assets:						
Buildings & equipment	-	-	18,543,720	-	70,500,860	89,044,580
Improvements	-	-	369,176,074	177,160,557	-	546,336,631
Disposal rights	96,648,437	-	-	-	-	96,648,437
Equipment pool	-	-	-	19,283,020	54,051,998	73,335,018
Gas-to-energy facilities	-	-	205,136,406	16,557,233	-	221,693,639
Rail facilities	-	-	223,843,590	-	-	223,843,590
Recycling and transfer facilities	-	-	77,345,757	-	-	77,345,757
Treatment plants	2,202,660,001	-	-	-	-	2,202,660,001
Trunk lines	1,485,392,870	-	-	-	-	1,485,392,870
Use rights	770,580	-	64,003,525	5,005,531	-	69,779,636
Composting facilities	124,064,747	-	-	-	-	124,064,747
Other capital assets	16,928,796	-	729,821	61,907	36,814,951	54,535,475
Construction in progress	513,960,780	-	74,293,590	4,923,723	5,427,454	598,605,547
Land	160,057,455	-	54,884,982	5,482,200	592,901	221,017,538
Accumulated depreciation & amortization	<u>(1,618,231,364)</u>	<u>-</u>	<u>(505,205,450)</u>	<u>(188,221,965)</u>	<u>(86,369,772)</u>	<u>(2,398,028,551)</u>
Net capital assets	<u>2,982,252,302</u>	<u>-</u>	<u>582,752,015</u>	<u>40,252,206</u>	<u>81,018,392</u>	<u>3,686,274,915</u>
Total assets	<u>\$ 4,516,612,682</u>	<u>1,556,816</u>	<u>1,259,616,780</u>	<u>196,542,696</u>	<u>221,050,483</u>	<u>6,195,379,457</u>
Deferred Outflow of Resources						
Deferred loss on refunding	\$ 1,607,765	-	-	-	-	1,607,765
Deferred pension contribution	37,233,770	(2,517)	5,788,124	2,710,954	19,292,437	65,022,768
Other postemployment benefit deferral	<u>14,609,514</u>	<u>684</u>	<u>2,897,835</u>	<u>1,496,327</u>	<u>8,239,730</u>	<u>27,244,090</u>
Total deferred outflow of resources	<u>\$ 53,451,049</u>	<u>(1,833)</u>	<u>8,685,959</u>	<u>4,207,281</u>	<u>27,532,167</u>	<u>93,874,623</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, 2021

Liabilities	Sewerage Operations	Stormwater Operations	Solid Waste Facilities Operations	Trustee Solid Waste Facilities Operations	Service Operations	Total
Current liabilities:						
Accounts payable	\$ 30,196,812	-	6,206,121	5,847,161	12,059,552	54,309,646
Accrued employee absences	-	-	-	-	30,000,000	30,000,000
Amounts held for others	2,000,818	224,232	-	-	6,614,991	8,840,041
Bonds payable	7,645,000	-	1,404,399	-	-	9,049,399
Claims liabilities	-	-	-	-	2,300,593	2,300,593
Contractual obligations to other governments	-	-	38,000,000	-	-	38,000,000
Due to other funds (1)	19,020,990	-	485,607	-	42,245,309	61,751,906
Estimated liability for closure/postclosure care	-	-	14,855,761	-	-	14,855,761
Estimated liability for pollution remediation	2,000,000	-	-	-	-	2,000,000
Interest payable	5,698,872	-	829	-	-	5,699,701
Loans payable to State of California	31,862,777	-	-	-	-	31,862,777
Other	83,637	-	32,570	(7,012)	419,240	528,435
Total current liabilities	98,508,906	224,232	60,985,287	5,840,149	93,639,685	259,198,259
Long-term liabilities:						
Accrued employee absences	-	-	-	-	16,220,467	16,220,467
Bonds payable, net	303,451,057	-	-	-	-	303,451,057
Claims liabilities	-	-	-	-	6,901,959	6,901,959
Contractual obligations to other governments	-	-	42,000,000	1,428,852	-	43,428,852
Estimated liability for closure and postclosure care	-	-	361,387,052	88,946,693	-	450,333,745
Estimated liability for pollution remediation	18,000,000	-	-	-	-	18,000,000
Loans payable to State of California	194,328,537	-	-	-	-	194,328,537
Other postemployment benefits liability	106,159,449	1,430	18,526,908	9,375,416	56,817,371	190,880,574
Pension liability	241,454,351	11,278	39,002,967	22,156,990	135,713,629	438,339,215
Total long-term liabilities	863,393,394	12,708	460,916,927	121,907,951	215,653,426	1,661,884,406
Total liabilities	\$ 961,902,300	236,940	521,902,214	127,748,100	309,293,111	1,921,082,665
Deferred Inflow of Resources						
Other postemployment benefits deferrals	\$ 15,426,706	(3,778)	2,325,739	1,833,459	10,857,187	30,439,313
Pension deferrals	6,965,094	(7,827)	780,957	137,187	2,545,319	10,420,730
Total deferred inflow of resources	\$ 22,391,800	(11,605)	3,106,696	1,970,646	13,402,506	40,860,043
Net Position						
Net position:						
Net investment in capital assets	\$ 2,446,572,696	-	581,347,616	40,252,206	81,018,392	3,149,190,910
Restricted for capital projects	134,400,831	-	8,080,000	2,723,395	-	145,204,226
Restricted for closure/postclosure maintenance	-	-	17,997,661	27,199,657	-	45,197,318
Unrestricted	1,004,796,104	1,329,648	135,868,552	855,973	(155,131,359)	987,718,918
Total net position	\$ 3,585,769,631	1,329,648	743,293,829	71,031,231	(74,112,967)	4,327,311,372

(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, 2021

	Sewerage Operations	Stormwater Operations	Solid Waste Facilities Operations	Trustee Solid Waste Facilities Operations	Service Operations	Total
Operating revenues:						
Commodities	\$ 19,912	-	2,994,379	7,639	304	3,022,234
Contract revenue	19,183,454	627,638	3,038,178	7,124,603	-	29,973,873
Equipment pool (1)	-	-	-	6,091,574	11,256,491	17,348,065
Industrial waste surcharge	69,528,920	-	-	-	-	69,528,920
Internal services revenue (1)	176,941,363	-	-	-	108,364,470	285,305,833
Refuse/food waste tipping fees	386,206	-	54,010,408	48,037,546	-	102,434,160
Sale of energy	820,389	-	18,149,073	-	6,245	18,975,707
Service charges	392,291,323	-	-	-	-	392,291,323
Other	290,107	-	212,042	1,403	248,523	752,075
Total operating revenues	659,461,674	627,638	78,404,080	61,262,765	119,876,033	919,632,190
Operating expenses:						
Chemicals	39,035,967	-	140,049	25,947	8,897	39,210,860
Collection charges	1,405,361	-	-	-	-	1,405,361
Depreciation/amortization	82,401,706	-	21,030,167	3,140,733	7,584,326	114,156,932
Equipment and vehicle rentals (1)	6,917,576	400	2,902,999	6,603,627	923,463	17,348,065
Insurance and claims	1,455,512	-	1,092,341	394,344	2,954,343	5,896,540
Internal administrative costs (1)	273,371,785	-	7,424,467	4,509,581	-	285,305,833
Landfill closure and postclosure costs	-	-	14,381,582	(1,442,181)	-	12,939,401
Materials and supplies	17,786,729	-	1,936,502	1,816,284	9,808,916	31,348,431
Operations, repairs, and maintenance	4,715,218	-	4,746,485	9,293,278	5,218,151	23,973,132
Pollution remediation costs	91,201	-	-	-	-	91,201
Salaries and benefits	132,249,694	106,449	21,768,098	16,881,184	94,352,793	265,358,218
Services	46,195,747	516,400	33,462,875	8,243,294	8,596,241	97,014,557
Tonnage	-	-	-	4,672,145	-	4,672,145
Utilities	18,618,634	-	2,555,458	1,218,605	1,249,218	23,641,915
Total operating expenses	624,245,130	623,249	111,441,023	55,356,841	130,696,348	922,362,591
Operating income (loss)	35,216,544	4,389	(33,036,943)	5,905,924	(10,820,315)	(2,730,401)
Nonoperating revenues (expenses):						
Interest revenue	11,351,987	6,824	7,403,038	1,029,385	783,767	20,575,001
Investment in joint ventures	-	-	-	-	(3,544)	(3,544)
Property taxes	95,192,895	-	-	-	-	95,192,895
Amortization of bond premium	4,993,302	-	-	-	-	4,993,302
Amortization of deferred loss on refunding	(5,506,551)	-	-	-	-	(5,506,551)
Interest expense	(21,393,519)	-	(25,503)	-	-	(21,419,022)
Loss on sale of equipment/assets	-	-	-	(512,157)	(77,190)	(589,347)
Other nonoperating revenue	1,251,583	-	3,588,756	3,997,320	196,672	9,034,331
Tax and assessment expense	(3,218,582)	-	(2,302,807)	(4,607,421)	(145,726)	(10,274,536)
Unrealized loss on investments	(6,020,501)	-	(5,672,344)	(1,071,542)	(352,585)	(13,116,972)
Net nonoperating revenues (expenses)	76,650,614	6,824	2,991,140	(1,164,415)	401,394	78,885,557
Income (loss) before capital contribution revenue and transfers	111,867,158	11,213	(30,045,803)	4,741,509	(10,418,921)	76,155,156
Capital contribution revenue:						
Connection fees	20,476,550	-	-	-	-	20,476,550
Grants	3,443,851	-	496,551	-	-	3,940,402
Transfers in	865,231	-	16,396,456	13,696,324	3,454,624	34,412,635
Transfers out	(3,719,335)	-	(16,696,273)	(13,889,654)	(107,373)	(34,412,635)
Change in net position	132,933,455	11,213	(29,849,069)	4,548,179	(7,071,670)	100,572,108
Total net position, July 1, 2020, as previously stated	3,453,146,479	1,318,435	815,277,774	66,483,052	(69,902,329)	4,266,323,411
Prior-period adjustments	(310,303)	-	(42,134,876)	-	2,861,032	(39,584,147)
Total net position, July 1, 2020, as restated	3,452,836,176	1,318,435	773,142,898	66,483,052	(67,041,297)	4,226,739,264
Total net position, June 30, 2021	\$ 3,585,769,631	1,329,648	743,293,829	71,031,231	(74,112,967)	4,327,311,372

(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, 2021**

	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	\$ 482,457,836	1,007,597	81,123,483	56,005,129	342,710	620,936,755
Receipts for internal services (1)	176,841,368	-	-	-	108,464,467	285,305,835
Receipts for equipment rental (1)	-	-	-	6,091,574	11,256,490	17,348,064
Payments to suppliers	(130,443,228)	(561,519)	(43,063,097)	(27,016,595)	(23,638,542)	(224,722,981)
Payments for salaries/benefits	(127,008,366)	(106,963)	(27,454,297)	(16,468,520)	(89,812,504)	(260,850,650)
Payment for equipment rental (1)	(6,917,575)	(400)	(2,902,999)	(6,603,627)	(923,463)	(17,348,064)
Payment for internal administrative costs (1)	(273,371,787)	-	(7,424,467)	(4,509,581)	-	(285,305,835)
Net cash provided by operating activities	<u>121,558,248</u>	<u>338,715</u>	<u>278,623</u>	<u>7,498,380</u>	<u>5,689,158</u>	<u>135,363,124</u>
Cash flows from noncapital financing activities:						
Receipts from property taxes	94,742,966	-	-	-	-	94,742,966
Payments for tax and assessment	(3,218,582)	-	(2,302,807)	(4,607,421)	(145,726)	(10,274,536)
Transfers from other funds	78,737,476	-	1,430,498	-	7,697,251	87,865,225
Transfers to other funds	(85,869,060)	-	(1,777,425)	(218,740)	-	(87,865,225)
Net cash provided (used) by noncapital financing activities	<u>84,392,800</u>	<u>-</u>	<u>(2,649,734)</u>	<u>(4,826,161)</u>	<u>7,551,525</u>	<u>84,468,430</u>
Cash flows from capital and related financing activities:						
Borrowings on loans	3,571,141	-	-	-	-	3,571,141
Purchases of capital assets	(260,854,298)	-	(19,331,617)	441,103	(6,952,067)	(286,696,879)
Connection fees proceeds	20,476,550	-	-	-	-	20,476,550
Grant proceeds	3,443,851	-	4,067,172	190,018	-	7,701,041
Bond defeasement	(25,849,572)	-	-	-	-	(25,849,572)
Interest paid on capital-related debt	(18,970,531)	-	(1,658)	-	-	(18,972,189)
Payment to joint venture	(250,000)	-	-	-	-	(250,000)
Principal payments on bonds	(37,930,002)	-	(1,404,399)	-	-	(39,334,401)
Principal payments on loans	(31,445,792)	-	-	-	-	(31,445,792)
Proceeds from sale of assets/equipment	-	-	-	74,365	319,449	393,814
Net cash provided (used) by capital and related financing activities	<u>(347,808,653)</u>	<u>-</u>	<u>(16,670,502)</u>	<u>705,486</u>	<u>(6,632,618)</u>	<u>(370,406,287)</u>
Cash flows from investing activities:						
Interest received	16,010,775	9,217	9,200,876	936,296	961,229	27,118,393
Purchases of investments	(51,998,792)	-	(85,940,413)	(60,083,595)	(3,695,100)	(201,717,900)
Proceeds from maturities of investments	206,358,990	-	234,387,943	71,871,145	14,774,692	527,392,770
Net cash provided by investing activities	<u>170,370,973</u>	<u>9,217</u>	<u>157,648,406</u>	<u>12,723,846</u>	<u>12,040,821</u>	<u>352,793,263</u>
Net increase in cash and cash equivalents	28,513,368	347,932	138,606,793	16,101,551	18,648,886	202,218,530
Cash and cash equivalents at beginning of fiscal year	1,046,609,995	1,159,910	262,908,322	71,264,017	89,489,915	1,471,432,159
Cash and cash equivalents at end of fiscal year	<u>\$ 1,075,123,363</u>	<u>1,507,842</u>	<u>401,515,115</u>	<u>87,365,568</u>	<u>108,138,801</u>	<u>1,673,650,689</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:						
Operating income (loss)	\$ 35,216,544	4,389	(33,036,943)	5,905,924	(10,820,315)	(2,730,401)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:						
Depreciation and amortization	82,401,706	-	21,030,167	3,140,733	7,584,326	114,156,932
Landfill closure and postclosure costs	-	-	14,381,582	(1,442,181)	-	12,939,401
Decrease (increase) in accounts receivable	1,017,778	229,959	2,517,893	834,427	(68,843)	4,531,214
Increase in service charge receivable	(1,008,941)	-	-	-	-	(1,008,941)
Decrease in inventory	-	-	-	-	2,905,162	2,905,162
Decrease in deferred outflow of resources	2,704,511	1,834	557,132	322,477	1,605,445	5,191,399
Increase (decrease) in accounts payable	(1,000,320)	(45,119)	1,528,686	(1,854,144)	4,403,646	3,032,749
Increase in accrued employee absences	-	-	-	-	4,896,464	4,896,464
Decrease in estimated liability for closure and postclosure costs	-	-	(10,460,771)	-	-	(10,460,771)
Decrease in claims liabilities	-	-	-	-	(221,424)	(221,424)
Increase in contractual obligations	-	-	-	303,663	-	303,663
Decrease in estimated pollution remediation	(91,201)	-	-	-	-	(91,201)
Increase in other postemployment benefits liability	2,108,481	1,430	434,349	251,408	1,251,629	4,047,297
Increase in pension liability	16,634,990	11,278	3,426,822	1,983,498	9,874,808	31,931,396
Increase (decrease) in amounts held for others	-	150,000	-	-	(1,429,335)	(1,279,335)
Increase (decrease) in other liabilities	(64,342)	-	81,386	59,149	-	76,193
Increase (decrease) in due to/from other funds	756,065	(3,451)	3,344,441	93,549	(4,190,604)	-
Decrease in deferred inflow of resources	(17,117,023)	(11,605)	(3,526,121)	(2,040,974)	(10,160,950)	(32,856,673)
Net cash provided by operating activities	<u>\$ 121,558,248</u>	<u>338,715</u>	<u>278,623</u>	<u>7,498,380</u>	<u>5,689,158</u>	<u>135,363,124</u>
Schedule of noncash investing activities:						
Unrealized loss on fair value of investments	\$ (6,020,501)	-	(5,672,344)	(1,071,542)	(352,585)	(13,116,972)
Amortization of investment premium (discount)	1,885,055	-	233,929	(507,210)	7,375	1,619,149

(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, 2021

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	\$ 27,374,579	45,680,518	25,914,789	2,879,111	42,342,883	13,713,315	165,339	25,679,146	34,118,351
Total unrestricted cash and cash equivalents	27,374,579	45,680,518	25,914,789	2,879,111	42,342,883	13,713,315	165,339	25,679,146	34,118,351
Receivables:									
Accounts	3,268,445	1,990,603	922,758	18,320	1,835,643	1,724,254	-	333,026	2,029,096
Due from other funds	4,854,879	7,118,193	5,427,241	9,748	8,064,206	3,504,805	-	1,400,960	5,817,237
Interest	142,801	183,968	111,578	88,465	146,359	48,007	9,355	159,321	165,039
Service charges	2,326,861	1,914,173	1,496,974	199,221	2,100,927	528,833	8,506	1,740,057	1,187,567
Taxes	269,453	635,201	451,127	57,925	1,028,853	183,855	8,853	117,475	713,916
Total receivables	10,862,439	11,842,138	8,409,678	373,679	13,175,988	5,989,754	26,714	3,750,839	9,912,855
Restricted/designated cash and investments:									
Cash and cash equivalents	27,342,902	28,084,677	22,777,938	25,968,587	27,701,806	10,209,751	2,647,497	40,173,973	41,310,765
Specific investments	14,556,099	22,593,518	14,095,800	17,616,577	9,979,749	1,184,638	2,128,110	5,704,287	20,678,232
Bond proceeds with Trustee									
Cash and cash equivalents	-	-	-	-	-	-	-	5,559	-
Total restricted/designated cash and investments	41,899,001	50,678,195	36,873,738	43,585,164	37,681,555	11,394,389	4,775,607	45,883,819	61,988,997
Other specific investments	3,061,532	4,605,098	6,021,619	-	7,447,695	449,888	-	4,473,857	2,475,225
Total current assets	83,197,551	112,805,949	77,219,824	46,837,954	100,648,121	31,547,346	4,967,660	79,787,661	108,495,428
Investment in joint ventures	-	-	-	-	-	-	-	-	-
Other assets	99	46	2	-	-	-	-	-	-
Capital assets:									
Disposal rights	-	60,119	-	74,946,987	8,747,194	-	2,274,125	-	-
Treatment plants	62,978	6,668,306	11,789,125	-	14,591,429	5,942,370	-	337,160,322	1,882,099
Trunk lines	26,663,228	43,158,047	25,345,997	1,284,217	62,797,916	18,036,159	-	58,744,871	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	5,451,934	6,338,001	446,242	-	5,118,853	10,553,333	-	909,919	281,746
Land	-	235,159	2,520	-	28,125	2,508	-	65,751,695	-
Accumulated depreciation & amortization	(10,058,652)	(14,152,944)	(12,464,582)	(36,719,953)	(31,919,636)	(9,331,193)	(1,097,536)	(106,578,195)	(4,610,844)
Net capital assets	22,126,573	42,316,967	25,122,274	39,514,599	59,370,753	25,210,868	1,176,870	356,610,324	9,726,287
Total assets	\$ 105,324,223	155,122,962	102,342,100	86,352,553	160,018,874	56,758,214	6,144,530	436,397,985	118,221,715
Deferred Outflow of Resources									
Deferred loss/(gain) on refunding	\$ -	-	-	-	-	-	-	(2,581,276)	-
Deferred pension contribution	271,005	923,350	536,946	11,873	914,578	184,211	495	1,829,818	282,775
Other postemployment benefit deferral	93,702	234,181	124,733	7,445	276,705	127,723	479	669,442	85,997
Total deferred outflow of resources	\$ 364,707	1,157,531	661,679	19,318	1,191,283	311,934	974	(82,016)	368,772

(Continued on the following page)

Exhibit E-1-2
LOS ANGELES COUNTY SANITATION DISTRICTS
Sewerage Operations
Combining Schedule of Net Position
June 30, 2021

	Districts								
	No. 16	No. 17	No. 18	No. 19	No. 20	No. 21	No. 22	No. 23	No. 27
Assets									
Current assets:									
Unrestricted cash and cash equivalents:									
Cash and cash equivalents	\$ 21,717,579	2,293,382	29,366,162	6,928,419	23,803,893	29,124,520	22,830,136	3,491,662	175,579
Total unrestricted cash and cash equivalents	21,717,579	2,293,382	29,366,162	6,928,419	23,803,893	29,124,520	22,830,136	3,491,662	175,579
Receivables:									
Accounts	176,170	-	821,031	129,254	64,899	1,036,603	407,895	2,124,137	-
Due from other funds	2,965,252	385,326	3,810,553	1,043,959	776,820	4,669,587	3,746,483	646,320	-
Interest	115,043	13,718	112,099	40,954	118,676	164,293	141,248	22,946	2,007
Service charges	693,006	129,572	947,214	227,562	1,323,496	1,050,131	770,219	33,891	-
Taxes	521,522	55,100	395,353	135,847	79,927	380,817	414,683	16,322	33,219
Total receivables	4,470,993	583,716	6,086,250	1,577,576	2,363,818	7,301,431	5,480,528	2,843,616	35,226
Restricted/designated cash and investments:									
Cash and cash equivalents	26,419,552	7,165,643	14,691,520	8,582,421	13,920,941	32,841,680	32,726,884	9,847,050	1,627,353
Specific investments	16,123,352	-	10,920,749	4,808,580	6,812,484	19,934,820	19,234,665	3,067,073	-
Bond proceeds with Trustee									
Cash and cash equivalents	-	-	-	-	2,112	-	-	-	-
Total restricted/designated cash and investments	42,542,904	7,165,643	25,612,269	13,391,001	20,735,537	52,776,500	51,961,549	12,914,123	1,627,353
Other specific investments	-	-	544,001	-	329,585	1,011,028	-	491,215	-
Total current assets	68,731,476	10,042,741	61,608,682	21,896,996	47,232,833	90,213,479	80,272,213	19,740,616	1,838,158
Investment in joint ventures	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Capital assets:									
Disposal rights	8,227,128	-	16,824	180,603	-	-	-	-	2,195,457
Treatment plants	-	-	-	379,443	247,829,157	12,802,949	-	-	2,569,204
Trunk lines	13,604,022	597,520	17,799,433	2,521,906	16,620,287	13,181,711	16,029,728	-	16,900
Use rights	-	-	-	-	358,790	-	-	-	-
Composting facilities	-	-	-	-	-	-	-	-	-
Other capital assets	537	1,418	128,012	1,750	105,639	9,667	978	-	41
Construction in progress	506,246	-	5,691,964	-	1,552,852	7,492,239	22,804	-	-
Land	-	-	-	5,600	16,608,378	79,240	-	-	-
Accumulated depreciation & amortization	(7,959,845)	(349,828)	(6,339,594)	(2,348,695)	(78,609,689)	(13,734,496)	(6,890,509)	-	(2,369,024)
Net capital assets	14,378,088	249,110	17,296,639	740,607	204,465,414	19,831,310	9,163,001	-	2,412,578
Total assets	\$ 83,109,564	10,291,851	78,905,321	22,637,603	251,698,247	110,044,789	89,435,214	19,740,616	4,250,736
Deferred Outflow of Resources									
Deferred loss/(gain) on refunding	\$ -	-	-	-	4,189,041	-	-	-	-
Deferred pension contribution	93,539	15,666	236,735	120,231	1,384,312	367,139	155,658	11,823	442
Other postemployment benefit deferral	30,951	5,545	84,744	29,423	554,361	153,766	46,430	2,090	757
Total deferred outflow of resources	\$ 124,490	21,211	321,479	149,654	6,127,714	520,905	202,088	13,913	1,199

(Continued on the following page)

Exhibit E-1-3
LOS ANGELES COUNTY SANITATION DISTRICTS
Sewerage Operations
Combining Schedule of Net Position
June 30, 2021

	Districts							Total
	No. 28	No. 29	No. 34	Joint Outfall	Newhall Ranch	Santa Clarita Valley	South Bay Cities	
Assets								
Current assets:								
Unrestricted cash and cash equivalents:								
Cash and cash equivalents	\$ 821,243	1,597,231	(196)	31,614,781	1,417,910	17,107,903	8,082,211	418,240,446
Total unrestricted cash and cash equivalents	821,243	1,597,231	(196)	31,614,781	1,417,910	17,107,903	8,082,211	418,240,446
Receivables:								
Accounts	-	31,869	-	3,403,661	-	429,929	6,746	20,754,339
Due from other funds	118,446	206,409	35	-	50,989	2,008,779	1,455,337	58,081,564
Interest	19,563	18,852	(2)	868,694	4,429	253,388	74,538	3,025,339
Service charges	20,125	95,939	-	-	-	1,103,295	298,928	18,196,497
Taxes	62,125	12,384	-	-	-	647,151	513,283	6,734,391
Total receivables	220,259	365,453	33	4,272,355	55,418	4,442,542	2,348,832	106,792,130
Restricted/designated cash and investments:								
Cash and cash equivalents	6,177,581	5,438,193	-	199,392,835	2,108,566	48,084,879	21,632,249	656,875,243
Specific investments	2,183,637	1,683,443	-	60,723,218	957,418	10,183,541	11,837,744	277,007,734
Bond proceeds with Trustee								
Cash and cash equivalents	-	-	-	-	-	3	-	7,674
Total restricted/designated cash and investments	8,361,218	7,121,636	-	260,116,053	3,065,984	58,268,423	33,469,993	933,890,651
Other specific investments	-	-	-	-	-	2,775,988	1,749,135	35,435,866
Total current assets	9,402,720	9,084,320	(163)	296,003,189	4,539,312	82,594,856	45,650,171	1,494,359,093
Investment in joint ventures	-	-	-	40,002,680	-	-	-	40,002,680
Other assets	-	(26)	-	(1,514)	-	-	-	(1,393)
Capital assets:								
Disposal rights	-	-	-	-	-	-	-	96,648,437
Treatment plants	377,363	2,417,404	525	1,331,873,244	1,150,768	212,245,592	12,917,723	2,202,660,001
Trunk lines	6,886,922	9,008,311	-	1,107,573,733	38,833	29,152,226	4,163,188	1,485,392,870
Use rights	-	-	-	-	-	-	-	770,580
Composting facilities	-	-	-	124,064,747	-	-	-	124,064,747
Other capital assets	-	65	-	16,085,280	-	340,144	1,244	16,928,796
Construction in progress	-	342,264	-	335,440,995	4,821	133,805,802	765	513,960,780
Land	20,000	25,000	-	76,700,427	-	598,803	-	160,057,455
Accumulated depreciation & amortization	(2,635,277)	(2,766,925)	(394)	(1,140,844,802)	(175,722)	(117,001,515)	(9,271,514)	(1,618,231,364)
Net capital assets	4,649,008	9,026,119	131	1,850,893,624	1,018,700	259,141,052	7,811,406	2,982,252,302
Total assets	\$ 14,051,728	18,110,413	(32)	2,186,897,979	5,558,012	341,735,908	53,461,577	4,516,612,682
Deferred Outflow of Resources								
Deferred loss/(gain) on refunding	\$ -	-	-	-	-	-	-	1,607,765
Deferred pension contribution	11,837	107,648	(275)	26,965,333	(37,356)	2,571,384	274,603	37,233,770
Other postemployment benefit deferral	5,903	36,364	1	10,549,941	19,645	1,355,694	113,492	14,609,514
Total deferred outflow of resources	\$ 17,740	144,012	(274)	37,515,274	(17,711)	3,927,078	388,095	53,451,049

(Continued on the following page)

Exhibit E-1-4
LOS ANGELES COUNTY SANITATION DISTRICTS
Sewerage Operations
Combining Schedule of Net Position
June 30, 2021

Districts

Liabilities	No. 1	No. 2	No. 3	No. 4	No. 5	No. 8	No. 9	No. 14	No. 15
Current liabilities:									
Accounts payable	\$ 176,332	46,075	53,405	29	281,981	735,842	36	293,107	68,777
Amounts held for others	-	-	-	-	-	-	-	-	-
Bonds payable	-	-	-	-	-	-	-	3,600,000	-
Due to other funds	-	-	-	-	-	-	1,641	-	-
Estimated liability for pollution remediation	-	-	-	-	-	-	-	-	-
Interest payable	3,241	-	-	-	-	-	-	2,930,339	-
Loans payable to State of California	31,945	-	-	-	-	-	-	5,398,589	-
Other	-	-	86,010	-	-	-	-	(66,429)	36
Total current liabilities	211,518	46,075	139,415	29	281,981	735,842	1,677	12,155,606	68,813
Long-term liabilities:									
Bonds payable	-	-	-	-	-	-	-	137,578,217	-
Estimated liability for pollution remediation	-	-	-	-	-	-	-	-	-
Loans payable to State of California	327,599	-	-	-	-	-	-	51,876,163	-
Other postemployment benefits liability	702,113	2,122,223	1,235,965	39,671	2,202,902	652,239	3,380	4,773,024	657,866
Pension liability	1,603,606	4,583,446	2,990,796	89,211	5,144,127	1,730,470	7,325	11,071,974	1,531,760
Total long-term liabilities	2,633,318	6,705,669	4,226,761	128,882	7,347,029	2,382,709	10,705	205,299,378	2,189,626
Total liabilities	\$ 2,844,836	6,751,744	4,366,176	128,911	7,629,010	3,118,551	12,382	217,454,984	2,258,439
Deferred Inflow of Resources									
Other postemployment benefits deferrals	\$ 94,460	171,913	159,068	12,926	281,396	168,554	762	662,024	89,621
Pension deferrals	62,455	270,688	152,450	2,036	205,864	9,636	(716)	394,172	56,928
Total deferred inflow of resources	\$ 156,915	442,601	311,518	14,962	487,260	178,190	46	1,056,196	146,549
Net Position									
Net position:									
Net investment in capital assets	\$ 21,767,029	42,316,967	25,122,274	39,514,599	59,370,753	25,210,868	1,176,870	155,576,079	9,726,287
Restricted for capital projects	1,298,000	6,230,000	1,890,000	1,805,000	4,046,000	9,215,000	59,000	4,910,000	4,272,000
Unrestricted	79,622,150	100,539,181	71,313,811	44,908,399	89,677,134	19,347,539	4,897,206	57,318,710	102,187,212
Total net position	\$ 102,687,179	149,086,148	98,326,085	86,227,998	153,093,887	53,773,407	6,133,076	217,804,789	116,185,499

Exhibit E-1-5
LOS ANGELES COUNTY SANITATION DISTRICTS
Sewerage Operations
Combining Schedule of Net Position
June 30, 2021

	Districts								
	No. 16	No. 17	No. 18	No. 19	No. 20	No. 21	No. 22	No. 23	No. 27
Liabilities									
Current liabilities:									
Accounts payable	\$ 15,501	2,062	160,096	6,153	411,431	603,571	30,754	2,579	28
Amounts held for others	-	-	-	-	-	-	-	-	-
Bonds payable	-	-	-	-	4,045,000	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	423
Estimated liability for pollution remediation	-	-	-	-	-	-	-	-	-
Interest payable	-	-	-	-	1,753,328	-	-	-	-
Loans payable to State of California	-	-	-	-	-	-	-	-	-
Other	-	-	11	-	64,655	-	-	-	-
Total current liabilities	<u>15,501</u>	<u>2,062</u>	<u>160,107</u>	<u>6,153</u>	<u>6,274,414</u>	<u>603,571</u>	<u>30,754</u>	<u>2,579</u>	<u>451</u>
Long-term liabilities:									
Bonds payable	-	-	-	-	165,872,840	-	-	-	-
Estimated liability for pollution remediation	-	-	-	-	-	-	-	-	-
Loans payable to State of California	-	-	-	-	-	-	-	-	-
Other postemployment benefits liability	285,680	49,923	608,181	256,367	3,891,652	908,800	380,388	25,957	3,261
Pension liability	607,518	96,885	1,714,891	680,843	8,944,229	2,446,814	834,904	52,598	7,213
Total long-term liabilities	<u>893,198</u>	<u>146,808</u>	<u>2,323,072</u>	<u>937,210</u>	<u>178,708,721</u>	<u>3,355,614</u>	<u>1,215,292</u>	<u>78,555</u>	<u>10,474</u>
Total liabilities	<u>\$ 908,699</u>	<u>148,870</u>	<u>2,483,179</u>	<u>943,363</u>	<u>184,983,135</u>	<u>3,959,185</u>	<u>1,246,046</u>	<u>81,134</u>	<u>10,925</u>
Deferred Inflow of Resources									
Other postemployment benefits deferrals	\$ 25,874	7,799	109,430	27,561	549,082	186,489	35,874	1,526	1,095
Pension deferrals	5,288	1,913	20,299	27,912	257,575	68,162	41,698	3,341	41
Total deferred inflow of resources	<u>\$ 31,162</u>	<u>9,712</u>	<u>129,729</u>	<u>55,473</u>	<u>806,657</u>	<u>254,651</u>	<u>77,572</u>	<u>4,867</u>	<u>1,136</u>
Net Position									
Net position:									
Net investment in capital assets	\$ 14,378,088	249,110	17,296,639	740,607	38,736,615	19,831,310	9,163,001	-	2,412,578
Restricted for capital projects	1,801,000	61,000	3,486,000	261,000	2,306,000	1,326,000	2,835,000	79,000	40,000
Unrestricted	66,115,105	9,844,370	55,831,253	20,786,814	30,993,554	85,194,548	76,315,683	19,589,528	1,787,296
Total net position	<u>\$ 82,294,193</u>	<u>10,154,480</u>	<u>76,613,892</u>	<u>21,788,421</u>	<u>72,036,169</u>	<u>106,351,858</u>	<u>88,313,684</u>	<u>19,668,528</u>	<u>4,239,874</u>

Exhibit E-1-6
LOS ANGELES COUNTY SANITATION DISTRICTS
Sewerage Operations
Combining Schedule of Net Position
June 30, 2021

	Districts							Total
	No. 28	No. 29	No. 34	Joint Outfall	Newhall Ranch	Santa Clarita Valley	South Bay Cities	
Liabilities								
Current liabilities:								
Accounts payable	\$ 633	7,214	-	22,981,766	4,441	4,301,592	13,407	30,196,812
Amounts held for others	-	-	-	-	2,000,818	-	-	2,000,818
Bonds payable	-	-	-	-	-	-	-	7,645,000
Due to other funds	-	-	-	19,018,926	-	-	-	19,020,990
Estimated liability for pollution remediation	-	-	-	2,000,000	-	-	-	2,000,000
Interest payable	-	2,620	-	993,653	-	15,691	-	5,698,872
Loans payable to State of California	-	46,737	-	23,688,789	-	2,696,717	-	31,862,777
Other	-	-	-	(646)	-	-	-	83,637
Total current liabilities	<u>633</u>	<u>56,571</u>	<u>-</u>	<u>68,682,488</u>	<u>2,005,259</u>	<u>7,014,000</u>	<u>13,407</u>	<u>98,508,906</u>
Long-term liabilities:								
Bonds payable	-	-	-	-	-	-	-	303,451,057
Estimated liability for pollution remediation	-	-	-	18,000,000	-	-	-	18,000,000
Loans payable to State of California	-	569,634	-	135,000,890	-	6,554,251	-	194,328,537
Other postemployment benefits liability	33,121	277,462	(624)	76,875,416	42,545	9,353,652	778,285	106,159,449
Pension liability	47,477	765,110	330	175,159,142	122,929	19,528,883	1,691,870	241,454,351
Total long-term liabilities	<u>80,598</u>	<u>1,612,206</u>	<u>(294)</u>	<u>405,035,448</u>	<u>165,474</u>	<u>35,436,786</u>	<u>2,470,155</u>	<u>863,393,394</u>
Total liabilities	<u>\$ 81,231</u>	<u>1,668,777</u>	<u>(294)</u>	<u>473,717,936</u>	<u>2,170,733</u>	<u>42,450,786</u>	<u>2,483,562</u>	<u>961,902,300</u>
Deferred Inflow of Resources								
Other postemployment benefits deferrals	\$ 3,625	59,869	469	11,178,591	45,068	1,426,215	127,415	15,426,706
Pension deferrals	3,747	24,317	(254)	5,213,950	(20,434)	117,541	46,485	6,965,094
Total deferred inflow of resources	<u>\$ 7,372</u>	<u>84,186</u>	<u>215</u>	<u>16,392,541</u>	<u>24,634</u>	<u>1,543,756</u>	<u>173,900</u>	<u>22,391,800</u>
Net Position								
Net position:								
Net investment in capital assets	\$ 4,649,008	8,409,748	131	1,692,203,945	1,018,700	249,890,084	7,811,406	2,446,572,696
Restricted for capital projects	19,000	264,000	-	42,098,831	379,000	45,174,000	546,000	134,400,831
Unrestricted	9,312,857	7,827,714	(358)	-	1,947,234	6,604,360	42,834,804	1,004,796,104
Total net position	<u>\$ 13,980,865</u>	<u>16,501,462</u>	<u>(227)</u>	<u>1,734,302,776</u>	<u>3,344,934</u>	<u>301,668,444</u>	<u>51,192,210</u>	<u>3,585,769,631</u>

Exhibit E-2
LOS ANGELES COUNTY SANITATION DISTRICTS
Sewerage Operations
Combining Schedule of Revenues, Expenses, and Changes in Net Position
June 30, 2021

	Districts								
	No. 1	No. 2	No. 3	No. 4	No. 5	No. 8	No. 9	No. 14	No. 15
Operating revenues:									
Commodities	\$ -	-	-	-	-	-	-	2,333	-
Contract revenue					2,630	3,916		1,560,689	
Industrial waste surcharge	7,899,700	8,168,549	2,431,098	49,951	5,343,340	7,551,266		2,288,769	5,840,080
Internal services revenue									
Refuse/food waste tipping fees									
Sale of energy									
Service charges	28,245,647	39,352,079	31,155,062	3,919,764	43,535,832	11,825,318	112,719	33,320,524	30,900,615
Other	9	3,511	12	-	5	1		12,348	2
Total operating revenues	36,145,356	47,524,139	33,586,172	3,969,715	48,881,807	19,380,501	112,719	37,184,663	36,740,697
Operating expenses:									
Chemicals	40,384	86,784	39,189	-	19,589	15,989		1,374,279	10,644
Collection charges	72,527	130,795	96,986	12,809	221,939	37,775	1,655	27,199	148,495
Depreciation/amortization	426,477	820,172	731,890	1,742,829	1,371,052	492,592	53,613	9,576,219	208,329
Equipment and vehicle rentals	724	3,842	3,605		8,385	1,442		338,922	1,442
Insurance and claims	45,200	66,806	51,433	56	77,108	25,842	56	42,233	55,271
Internal administrative costs	23,900,413	35,394,838	26,293,031	9,798	39,161,235	14,373,291	5,329	2,879,112	29,662,937
Materials and supplies	12,245	34,042	58,876	762	130,989	27,118		773,261	10,587
Operations, repairs, and maintenance	6,132	21,935	18,487	24,939	54,952	13,321	4,622	329,697	44,011
Pollution remediation costs									
Salaries and benefits	615,249	1,314,745	861,665	44,241	1,933,563	681,430	12,892	5,861,095	749,747
Services	121,824	219,634	40,399	1,969,230	729,890	155,006	140,881	1,235,008	99,383
Utilities	9,573	18,821	72,310	475	152,496	94,939		1,379,999	16,087
Total operating expenses	25,250,748	38,112,414	28,267,871	3,805,139	43,861,198	15,918,745	219,048	23,817,024	31,006,933
Operating income (loss)	10,894,608	9,411,725	5,318,301	164,576	5,020,609	3,461,756	(106,329)	13,367,639	5,733,764
Nonoperating revenues (expenses):									
Interest revenue	529,845	602,663	449,155	338,189	466,151	150,578	47,978	603,251	552,092
Property taxes	4,547,109	8,887,322	6,957,105	866,514	14,786,188	2,447,159	114,187	2,282,036	9,562,281
Amortization of bond premium	103,306	159,495	121,151	15,412	260,713	63,001	2,166	1,586,848	163,152
Amortization of deferred loss on refunding	(360,748)	(556,962)	(423,065)	(53,822)	(910,420)	(220,000)	(7,563)	104,794	(569,732)
Interest expense	(130,723)	(186,579)	(141,724)	(18,030)	(304,985)	(73,699)	(2,534)	(8,032,963)	(190,857)
Other nonoperating expense	113,659	210,724	143,097	102,293	193,220	-		(22,510)	207,200
Tax and assessment expense	(15,993)	(16,716)	(18,887)	(2,848)	(22,572)	(17,440)		(328,701)	(16,716)
Unrealized loss on investments	(372,077)	(383,555)	(278,637)	(284,497)	(326,911)	(37,673)	(32,502)	(142,340)	(356,064)
Net nonoperating revenues (expenses)	4,414,378	8,716,392	6,808,195	963,211	14,141,384	2,311,926	121,732	(3,949,585)	9,351,356
Income (loss) before capital contribution revenue and transfers	15,308,986	18,128,117	12,126,496	1,127,787	19,161,993	5,773,682	15,403	9,418,054	15,085,120
Capital contribution revenue:									
Connection fees	424,466	1,195,838	378,408	64,966	729,747	183,692		2,066,581	1,484,967
Grants									
Transfers in	10,184,967	8,545,970	5,637,077	1,751,537	20,151,605	(672,677)	115,552	23,222,973	12,169,006
Transfers out	(12,409,034)	(11,840,006)	(8,125,288)	(1,751,861)	(23,851,893)	(593,404)	(115,753)	(23,324,452)	(14,946,702)
Change in net position	13,509,385	16,029,919	10,016,693	1,192,429	16,191,452	4,691,293	15,202	11,383,156	13,792,391
Total net position, July 1, 2020, as previously stated	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
Prior-period adjustments									
Total net position, July 1, 2020, as restated	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
Total net position, June 30, 2021	\$ 102,687,179	149,086,148	98,326,085	86,227,998	153,093,887	53,773,407	6,133,076	217,804,789	116,185,499

Exhibit E-2-2
LOS ANGELES COUNTY SANITATION DISTRICTS
Sewerage Operations
Combining Schedule of Revenues, Expenses, and Changes in Net Position
June 30, 2021

	Districts								
	No. 16	No. 17	No. 18	No. 19	No. 20	No. 21	No. 22	No. 23	No. 27
Operating revenues:									
Commodities	-	-	-	-	-	-	-	-	-
Contract revenue	-	-	445,024	-	492,412	-	18,908	-	-
Industrial waste surcharge	355,087	-	3,018,048	194,947	383,697	3,393,953	1,118,253	5,835,194	-
Internal services revenue	-	-	-	-	-	-	-	-	-
Refuse/food waste tipping fees	-	-	-	-	-	-	-	-	-
Sale of energy	-	-	-	-	-	-	-	-	-
Service charges	18,496,731	2,369,701	22,289,888	6,687,750	25,109,150	26,865,325	21,946,992	451,602	-
Other	-	-	-	1	324	4,855	3,400	-	-
Total operating revenues	18,851,818	2,369,701	25,752,960	6,882,698	25,985,583	30,264,133	23,087,553	6,286,796	-
Operating expenses:									
Chemicals	3,388	1,852	31,274	19,319	888,591	-	-	-	-
Collection charges	98,626	12,508	77,689	27,031	20,903	87,425	80,348	5,460	5,594
Depreciation/amortization	386,465	4,530	247,242	27,416	6,955,428	421,282	215,145	-	83,246
Equipment and vehicle rentals	-	-	-	721	557,588	2,884	-	-	-
Insurance and claims	30,487	(11,281)	35,178	10,394	41,232	44,128	36,152	4,972	56
Internal administrative costs	15,391,998	2,055,909	17,876,994	5,388,950	1,844,070	22,935,284	18,816,542	3,874,925	5,329
Materials and supplies	434	-	4,415	15,153	913,597	55,688	57	-	353
Operations, repairs, and maintenance	20,214	6,683	5,947	23,620	579,403	12,645	11,847	18,950	-
Pollution remediation costs	-	-	-	-	-	-	-	-	-
Salaries and benefits	206,407	62,140	569,503	358,503	5,486,604	828,933	323,916	16,143	5,792
Services	287,685	11,377	349,296	12,171	1,539,096	296,872	186,960	1,035	86,303
Utilities	108	-	1,754	18,270	1,573,149	72,625	-	-	-
Total operating expenses	16,425,812	2,143,718	19,199,292	5,901,548	20,399,661	24,757,766	19,670,967	3,921,485	186,673
Operating income (loss)	2,426,006	225,983	6,553,668	981,150	5,585,922	5,506,367	3,416,586	2,365,311	(186,673)
Nonoperating revenues (expenses):									
Interest revenue	372,375	38,245	373,701	120,702	605,734	490,425	477,161	121,161	7,971
Property taxes	6,810,094	714,499	5,479,246	1,763,461	1,705,804	5,708,183	5,485,088	624,942	426,948
Amortization of bond premium	101,674	13,011	89,180	28,753	1,877,020	96,181	83,231	17,579	3,029
Amortization of deferred loss on refunding	(355,048)	(45,436)	(311,421)	(100,409)	(270,499)	(335,865)	(290,648)	(61,385)	(10,578)
Interest expense	(118,939)	(15,221)	(104,325)	(33,636)	(7,002,060)	(112,513)	(97,366)	(20,564)	(3,544)
Other nonoperating expense	136,050	-	49,442	43,190	(225,922)	177,649	159,577	-	-
Tax and assessment expense	(15,269)	(2,848)	(15,269)	(15,993)	(185,755)	(18,163)	(15,269)	-	-
Unrealized loss on investments	(246,679)	-	(170,385)	(76,572)	(63,896)	(355,794)	(279,618)	(63,693)	-
Net nonoperating revenues (expenses)	6,684,258	702,250	5,390,169	1,729,496	(3,559,574)	5,650,103	5,522,156	618,040	423,826
Income (loss) before capital contribution revenue and transfers	9,110,264	928,233	11,943,837	2,710,646	2,026,348	11,156,470	8,938,742	2,983,351	237,153
Capital contribution revenue:									
Connection fees	234,193	2,834	531,775	10,825	310,777	327,838	276,413	69,307	-
Grants	-	-	-	-	-	-	-	-	-
Transfers in	5,451,819	615,095	1,174,227	1,190,617	13,409,961	6,288,850	11,996,522	2,240,394	1,212,808
Transfers out	(6,926,433)	(812,654)	(2,856,631)	(1,707,827)	(13,480,860)	(8,444,546)	(13,763,915)	(2,552,537)	(1,213,009)
Change in net position	7,869,843	733,508	10,793,208	2,204,261	2,266,226	9,328,612	7,447,762	2,740,515	236,952
Total net position, July 1, 2020, as previously stated	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
Prior-period adjustments	-	-	(310,303)	-	-	-	-	-	-
Total net position, July 1, 2020, as restated	74,424,350	9,420,972	65,820,684	19,584,160	69,769,943	97,023,246	80,865,922	16,928,013	4,002,922
Total net position, June 30, 2021	\$ 82,294,193	10,154,480	76,613,892	21,788,421	72,036,169	106,351,858	88,313,684	19,668,528	4,239,874

Exhibit E-2-3
LOS ANGELES COUNTY SANITATION DISTRICTS
Sewerage Operations
Combining Schedule of Revenues, Expenses, and Changes in Net Position
June 30, 2021

	Districts							Total
	No. 28	No. 29	No. 34	Joint Outfall	Newhall Ranch	Santa Clarita Valley	South Bay Cities	
Operating revenues:								
Commodities	-	-	-	16,740	-	839	-	19,912
Contract revenue	-	-	-	14,822,886	1,188,111	648,878	-	19,183,454
Industrial waste surcharge	-	86,055	-	13,452,353	-	2,101,565	17,015	69,528,920
Internal services revenue	-	-	-	176,941,363	-	-	-	176,941,363
Refuse/food waste tipping fees	-	-	-	386,206	-	-	-	386,206
Sale of energy	-	-	-	820,389	-	-	-	820,389
Service charges	689,409	1,960,986	-	87	246,871	35,798,653	7,010,618	392,291,323
Other	-	1	6,209	246,670	-	12,754	5	290,107
Total operating revenues	689,409	2,047,042	6,209	206,686,694	1,434,982	38,562,689	7,027,638	659,461,674
Operating expenses:								
Chemicals	-	4,750	-	33,644,369	-	2,834,354	21,212	39,035,967
Collection charges	11,500	2,585	-	-	-	128,022	97,490	1,405,361
Depreciation/amortization	94,342	180,850	13	52,439,204	45,214	5,568,728	309,428	82,401,706
Equipment and vehicle rentals	-	1,442	-	5,582,804	1,945	406,062	5,768	6,917,576
Insurance and claims	1,229	1,592	-	797,656	56	86,169	13,487	1,455,512
Internal administrative costs	609,290	800,461	5,329	-	33,490	5,173,433	6,879,797	273,371,785
Materials and supplies	-	11,126	-	14,099,007	96	1,603,957	34,966	17,786,729
Operations, repairs, and maintenance	2,235	36,605	-	3,194,193	57	270,028	14,695	4,715,218
Pollution remediation costs	-	-	-	91,201	-	-	-	91,201
Salaries and benefits	18,553	314,583	942	99,178,029	182,792	11,591,132	1,031,095	132,249,694
Services	356	42,808	-	36,091,264	187,547	2,305,235	86,487	46,195,747
Utilities	-	13,394	-	12,776,344	1,006	2,259,178	158,106	18,618,634
Total operating expenses	737,505	1,410,196	6,284	257,894,071	452,203	32,226,298	8,652,531	624,245,130
Operating income (loss)	(48,096)	636,846	(75)	(51,207,377)	982,779	6,336,391	(1,624,893)	35,216,544
Nonoperating revenues (expenses):								
Interest revenue	61,696	65,564	13	3,507,492	17,267	987,937	364,641	11,351,987
Property taxes	799,969	191,859	-	-	-	8,361,144	6,671,757	95,192,895
Amortization of bond premium	4,599	1,443	-	-	-	157,894	44,464	4,993,302
Amortization of deferred loss on refunding	(16,059)	(5,042)	-	-	-	(551,371)	(155,272)	(5,506,551)
Interest expense	(5,379)	(12,754)	-	(4,080,105)	-	(653,004)	(52,015)	(21,393,519)
Other nonoperating expense	18,185	9,547	-	(30,000)	-	(51,321)	17,503	1,251,583
Tax and assessment expense	(2,848)	(4,657)	-	(2,219,004)	(15,378)	(245,388)	(22,868)	(3,218,582)
Unrealized loss on investments	(38,987)	(37,875)	-	(2,066,555)	(2,582)	(207,014)	(196,595)	(6,020,501)
Net nonoperating revenues (expenses)	821,176	208,085	13	(4,888,172)	(693)	7,798,877	6,671,615	76,650,614
Income (loss) before capital contribution revenue and transfers	773,080	844,931	(62)	(56,095,549)	982,086	14,135,268	5,046,722	111,867,158
Capital contribution revenue:								
Connection fees	2,931	89,409	-	9,197,626	-	2,804,974	88,983	20,476,550
Grants	-	-	-	2,660,255	-	783,596	-	3,443,851
Transfers in	256,115	1,218,811	-	(106,362,370)	1,051,013	(22,182,282)	2,197,641	865,231
Transfers out	(314,587)	(1,294,776)	(200)	128,547,616	(1,051,816)	21,969,784	(2,858,551)	(3,719,335)
Change in net position	717,539	858,375	(262)	(22,052,422)	981,283	17,511,340	4,474,795	132,933,455
Total net position, July 1, 2020, as previously stated	13,263,326	15,643,087	35	1,756,355,198	2,363,651	284,157,104	46,717,415	3,453,146,479
Prior-period adjustments	-	-	-	-	-	-	-	(310,303)
Total net position, July 1, 2020, as restated	13,263,326	15,643,087	35	1,756,355,198	2,363,651	284,157,104	46,717,415	3,452,836,176
Total net position, June 30, 2021	\$ 13,980,865	16,501,462	(227)	1,734,302,776	3,344,934	301,668,444	51,192,210	3,585,769,631

Exhibit E-3
LOS ANGELES COUNTY SANITATION DISTRICTS
Sewerage Operations
Combining Schedule of Cash Flows
Fiscal year ended June 30, 2021

	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	\$ 34,842,378	48,934,421	33,940,973	3,960,852	48,665,540	19,949,439	106,181	37,794,673	36,526,529
Receipts for internal services	-	-	-	-	-	-	-	-	-
Payments to suppliers	(285,227)	(550,839)	(366,059)	(2,128,425)	(1,361,671)	(389,597)	(147,184)	(5,425,849)	(334,704)
Payments for salaries/benefits	(626,353)	(1,280,501)	(842,033)	(47,840)	(1,878,568)	(655,004)	(10,737)	(5,646,238)	(778,396)
Payment for equipment rental	(721)	(3,842)	(3,605)	-	(8,385)	(1,442)	-	(338,922)	(1,442)
Payment for internal administrative costs	(23,900,414)	(35,394,839)	(26,293,031)	(9,798)	(39,161,235)	(14,373,291)	(5,329)	(2,879,112)	(29,662,937)
Net cash provided (used) by operating activities	10,029,663	11,704,400	6,436,245	1,774,789	6,255,681	4,530,105	(57,069)	23,504,552	5,749,050
Cash flows from noncapital financing activities:									
Receipts from property taxes	4,478,103	8,811,580	6,884,458	861,301	14,792,866	2,444,296	113,690	2,301,634	9,552,799
Transfers from other funds	3,824,971	5,905,403	4,485,712	570,666	9,653,085	2,332,640	80,195	10,808,134	6,040,806
Transfers to other funds	(6,071,404)	(9,232,763)	(6,999,437)	(571,025)	(13,390,963)	(3,611,251)	(80,430)	(10,918,748)	(8,846,188)
Payments for tax and assessment	(15,993)	(16,716)	(18,887)	(2,848)	(22,572)	(17,440)	-	(328,701)	(16,716)
Net cash provided (used) by noncapital financing activities	2,215,677	5,467,504	4,351,846	858,094	11,032,416	1,148,245	113,455	1,862,319	6,730,701
Cash flows from capital and related financing activities:									
Borrowings on loans	-	-	-	-	-	-	-	-	-
Purchases of capital assets	(5,076,490)	(2,797,961)	(323,091)	(1,749,605)	(4,764,831)	(3,612,017)	(45,080)	(1,590,834)	(120,146)
Connection fees proceeds	424,466	1,195,838	378,408	64,966	729,747	183,692	-	2,066,581	1,484,967
Bond defeasement	(1,701,419)	(2,626,833)	(1,995,328)	(253,843)	(4,293,872)	(1,037,602)	(35,672)	(360,085)	(2,687,063)
Grant proceeds	-	-	-	-	-	-	-	-	-
Interest paid on capital-related debt	(99,544)	(138,004)	(104,827)	(13,336)	(225,584)	(54,512)	(1,874)	(8,181,437)	(141,168)
Payment to joint venture	-	-	-	-	-	-	-	-	-
Principal payments on bonds	(2,034,167)	(3,140,566)	(2,385,557)	(303,487)	(5,133,630)	(1,240,527)	(42,649)	(3,855,507)	(3,212,575)
Principal payments on loans	(31,136)	-	-	-	-	-	-	(5,266,613)	-
Net cash used by capital and related financing activities	(8,518,290)	(7,507,526)	(4,430,395)	(2,255,305)	(13,688,170)	(5,760,966)	(125,275)	(17,187,895)	(4,675,985)
Cash flows from investing activities:									
Interest received	848,439	1,115,990	788,290	567,424	965,626	178,308	49,992	727,059	1,061,410
Purchases of investments	(2,560,967)	(5,867,784)	(1,230,554)	(2,771,458)	(1,352,392)	-	(184,700)	(6,319,454)	(4,235,912)
Proceeds from maturities of investments	8,301,230	13,336,084	5,039,550	8,326,010	15,065,331	600,000	698,100	7,594,454	12,772,873
Net cash provided (used) by investing activities	6,588,702	8,584,290	4,597,286	6,121,976	14,678,565	778,308	563,392	2,002,059	9,598,371
Net increase (decrease) in cash and cash equivalents	10,315,752	18,248,668	10,954,982	6,499,554	18,278,492	695,692	494,503	10,181,035	17,402,137
Cash and cash equivalents at beginning 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
Cash and cash equivalents at end of fiscal year	\$ 54,717,481	73,765,195	48,692,727	28,847,698	70,044,689	23,923,066	2,812,836	65,858,678	75,429,116

Exhibit E-3 (continued)
LOS ANGELES COUNTY SANITATION DISTRICTS
Sewerage Operations
Combining Schedule of Cash Flows
Fiscal year ended June 30, 2021

	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)	\$ 10,894,608	9,411,725	5,318,301	164,576	5,020,609	3,461,756	(106,329)	13,367,639	5,733,764
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:									
Depreciation and amortization	426,477	820,172	731,890	1,742,829	1,371,052	492,592	53,613	9,576,219	208,329
Decrease (increase) in accounts receivable	(1,048,030)	1,482,490	442,304	(15,345)	98,932	600,131	-	539,172	(205,047)
Decrease (increase) in service charge receivable	(254,947)	(72,208)	(87,504)	6,483	(315,199)	(31,193)	(6,538)	130,073	(9,120)
Decrease in deferred outflow of resources	15,304	30,942	18,970	767	46,982	24,865	222	113,549	14,454
Increase (decrease) in accounts payable	22,694	28,045	12,088	(120,154)	26,023	(19,045)	29	(262,304)	49,841
Decrease in estimated pollution remediation	-	-	-	-	-	-	-	-	-
Increase in other postemployment benefits liability	11,931	24,123	14,790	598	36,628	19,385	173	88,524	11,268
Increase in pension liability	94,131	190,321	116,684	4,719	288,976	152,939	1,367	698,419	88,903
Increase (decrease) in other liabilities	-	-	-	-	-	-	-	-	-
Increase (decrease) in due to/from other funds	(35,647)	(15,374)	(11,213)	(4,828)	(20,972)	(13,955)	1,800	(28,082)	(51,862)
Decrease in deferred inflow of resources	(96,858)	(195,836)	(120,065)	(4,856)	(297,350)	(157,370)	(1,406)	(718,657)	(91,480)
Net cash provided (used) by operating activities	\$ 10,029,663	11,704,400	6,436,245	1,774,789	6,255,681	4,530,105	(57,069)	23,504,552	5,749,050
Schedule of noncash investing activities:									
Unrealized loss on fair value of investments	\$ (372,077)	(383,555)	(278,637)	(284,497)	(326,911)	(37,673)	(32,502)	(142,340)	(356,064)
Amortization of investment premium (discount)	132,159	225,313	150,687	107,017	204,858	-	5	113,097	219,986

Exhibit E-3-2
LOS ANGELES COUNTY SANITATION DISTRICTS
Sewerage Operations
Combining Schedule of Cash Flows
Fiscal year ended June 30, 2021

	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	\$ 18,775,418	2,360,863	25,818,441	6,768,915	26,228,168	31,202,283	23,258,036	5,509,304	-
Receipts for internal services	-	-	-	-	-	-	-	-	-
Payments to suppliers	(471,203)	(28,271)	(443,119)	(120,829)	(5,542,995)	(429,681)	(323,896)	(29,805)	(128,164)
Payments for salaries/benefits	(207,552)	(65,190)	(533,645)	(349,497)	(5,270,081)	(806,635)	(291,940)	(20,072)	(5,630)
Payment for equipment rental	-	-	-	(721)	(557,588)	(2,884)	-	-	-
Payment for internal administrative costs	(15,391,998)	(2,055,909)	(17,876,994)	(5,388,950)	(1,844,070)	(22,935,284)	(18,816,542)	(3,874,925)	(5,329)
Net cash provided (used) by operating activities	<u>2,704,665</u>	<u>211,493</u>	<u>6,964,683</u>	<u>908,918</u>	<u>13,013,434</u>	<u>7,027,799</u>	<u>3,825,658</u>	<u>1,584,502</u>	<u>(139,123)</u>
Cash flows from noncapital financing activities:									
Receipts from property taxes	6,759,581	710,317	5,439,748	1,753,353	1,711,508	5,722,961	5,422,422	630,757	424,605
Transfers from other funds	3,764,535	481,754	3,301,958	1,064,623	11,300,931	3,561,141	3,081,712	650,861	112,157
Transfers to other funds	(5,254,164)	(681,309)	(5,001,757)	(1,587,118)	(11,377,255)	(5,738,992)	(4,866,919)	(965,524)	(112,392)
Payments for tax and assessment	(15,269)	(2,848)	(15,269)	(15,993)	(185,755)	(18,163)	(15,269)	-	-
Net cash provided (used) by noncapital financing activities	<u>5,254,683</u>	<u>507,914</u>	<u>3,724,680</u>	<u>1,214,865</u>	<u>1,449,429</u>	<u>3,526,947</u>	<u>3,621,946</u>	<u>316,094</u>	<u>424,370</u>
Cash flows from capital and related financing activities:									
Borrowings on loans	-	-	-	-	-	-	-	-	-
Purchases of capital assets	(631,527)	-	(2,392,296)	5	(1,254,012)	(2,895,671)	(170,555)	-	(80,061)
Connection fees proceeds	234,193	2,834	531,775	10,825	310,777	327,838	276,413	69,307	-
Bond defeasement	(1,674,535)	(214,293)	(1,468,773)	(473,564)	(300,114)	(1,584,062)	(1,370,803)	(289,515)	(49,890)
Grant proceeds	-	-	-	-	-	-	-	-	-
Interest paid on capital-related debt	(87,974)	(11,258)	(77,164)	(24,879)	(7,042,011)	(83,221)	(72,017)	(15,210)	(2,621)
Payment to joint venture	-	-	-	-	-	-	-	-	-
Principal payments on bonds	(2,002,026)	(256,202)	(1,756,022)	(566,180)	(3,958,807)	(1,893,858)	(1,638,892)	(346,136)	(59,647)
Principal payments on loans	-	-	-	-	-	-	-	-	-
Net cash used by capital and related financing activities	<u>(4,161,869)</u>	<u>(478,919)</u>	<u>(5,162,480)</u>	<u>(1,053,793)</u>	<u>(12,244,167)</u>	<u>(6,128,974)</u>	<u>(2,975,854)</u>	<u>(581,554)</u>	<u>(192,219)</u>
Cash flows from investing activities:									
Interest received	707,257	40,445	512,994	226,403	388,732	910,305	874,194	138,190	10,069
Purchases of investments	(2,385,427)	-	(679,319)	(784,625)	(128,073)	(3,488,999)	(3,022,273)	(470,998)	-
Proceeds from maturities of investments	6,726,662	-	3,527,029	2,119,985	553,298	6,497,497	8,261,828	4,248,522	-
Net cash provided (used) by investing activities	<u>5,048,492</u>	<u>40,445</u>	<u>3,360,704</u>	<u>1,561,763</u>	<u>813,957</u>	<u>3,918,803</u>	<u>6,113,749</u>	<u>3,915,714</u>	<u>10,069</u>
Net increase (decrease) in cash and cash equivalents	8,845,971	280,933	8,887,587	2,631,753	3,032,653	8,344,575	10,585,499	5,234,756	103,097
Cash and cash equivalents at beginning of fiscal year	39,291,160	9,178,092	35,170,095	12,879,087	34,694,293	53,621,625	44,971,521	8,103,956	1,699,835
Cash and cash equivalents at end of fiscal year	<u>\$ 48,137,131</u>	<u>9,459,025</u>	<u>44,057,682</u>	<u>15,510,840</u>	<u>37,726,946</u>	<u>61,966,200</u>	<u>55,557,020</u>	<u>13,338,712</u>	<u>1,802,932</u>

Exhibit E-3-2 (continued)
LOS ANGELES COUNTY SANITATION DISTRICTS
Sewerage Operations
Combining Schedule of Cash Flows
Fiscal year ended June 30, 2021

	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)	\$ 2,426,006	225,983	6,553,668	981,150	5,585,922	5,506,367	3,416,586	2,365,311	(186,673)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:									
Depreciation and amortization	386,465	4,530	247,242	27,416	6,955,428	421,282	215,145	-	83,246
Decrease (increase) in accounts receivable	(1,441)	-	269,528	(84,514)	321,667	959,112	215,761	(769,643)	-
Decrease (increase) in service charge receivable	(74,959)	(8,838)	(204,046)	(29,269)	(79,082)	(20,961)	(45,279)	(7,849)	-
Decrease in deferred outflow of resources	9,205	1,070	22,570	6,175	103,040	26,241	7,047	278	100
Increase (decrease) in accounts payable	(30,262)	(7,133)	62,432	163	15,921	140,333	(8,532)	613	(35,858)
Decrease in estimated pollution remediation	-	-	-	-	-	-	-	-	-
Increase in other postemployment benefits liability	7,176	835	17,596	4,814	80,332	20,458	5,494	217	78
Increase in pension liability	56,618	6,584	138,822	37,982	633,781	161,407	43,347	1,712	613
Increase (decrease) in other liabilities	-	-	-	5,000	-	-	-	-	-
Increase (decrease) in due to/from other funds	(15,885)	(4,763)	(285)	(916)	48,571	(20,356)	20,692	(4,376)	2
Decrease in deferred inflow of resources	(58,258)	(6,775)	(142,844)	(39,083)	(652,146)	(166,084)	(44,603)	(1,761)	(631)
Net cash provided (used) by operating activities	\$ 2,704,665	211,493	6,964,683	908,918	13,013,434	7,027,799	3,825,658	1,584,502	(139,123)
Schedule of noncash investing activities:									
Unrealized loss on fair value of investments	\$ (246,679)	-	(170,385)	(76,572)	(63,896)	(355,794)	(279,618)	(63,693)	-
Amortization of investment premium (discount)	142,243	166	58,215	45,125	-	188,004	170,471	91	1

Exhibit E-3-3
LOS ANGELES COUNTY SANITATION DISTRICTS
Sewerage Operations
Combining Schedule of Cash Flows
Fiscal year ended June 30, 2021

	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	\$ 692,818	2,012,289	6,209	28,065,647	1,531,726	38,488,424	7,018,309	482,457,836
Receipts for internal services	-	-	-	176,841,368	-	-	-	176,841,368
Payments to suppliers	(74,142)	(120,123)	-	(101,486,031)	(187,616)	(9,629,266)	(438,532)	(130,443,228)
Payments for salaries/benefits	(16,053)	(311,615)	(916)	(95,047,148)	(189,516)	(11,098,411)	(1,028,795)	(127,008,366)
Payment for equipment rental	-	(1,442)	-	(5,582,806)	(1,945)	(406,062)	(5,768)	(6,917,575)
Payment for internal administrative costs	(609,290)	(800,461)	(5,329)	-	(33,490)	(5,173,433)	(6,879,797)	(273,371,787)
Net cash provided (used) by operating activities	<u>(6,667)</u>	<u>778,648</u>	<u>(36)</u>	<u>2,791,030</u>	<u>1,119,159</u>	<u>12,181,252</u>	<u>(1,334,583)</u>	<u>121,558,248</u>
Cash flows from noncapital financing activities:								
Receipts from property taxes	795,070	187,133	-	-	-	8,314,449	6,630,335	94,742,966
Transfers from other funds	170,270	53,464	-	-	-	5,846,128	1,646,330	78,737,476
Transfers to other funds	(229,337)	(130,199)	(235)	18,185,249	(838)	(6,072,101)	(2,313,960)	(85,869,060)
Payments for tax and assessment	(2,848)	(4,657)	-	(2,219,004)	(15,378)	(245,388)	(22,868)	(3,218,582)
Net cash provided (used) by noncapital financing activities	<u>733,155</u>	<u>105,741</u>	<u>(235)</u>	<u>15,966,245</u>	<u>(16,216)</u>	<u>7,843,088</u>	<u>5,939,837</u>	<u>84,392,800</u>
Cash flows from capital and related financing activities:								
Borrowings on loans	-	-	-	3,571,141	-	-	-	3,571,141
Purchases of capital assets	-	(110,917)	-	(166,100,794)	(124,477)	(66,846,893)	(167,045)	(260,854,298)
Connection fees proceeds	2,931	89,409	-	9,197,626	-	2,804,974	88,983	20,476,550
Bond defeasement	(75,739)	(23,782)	-	-	-	(2,600,467)	(732,318)	(25,849,572)
Grant proceeds	-	-	-	2,660,255	-	783,596	-	3,443,851
Interest paid on capital-related debt	(3,979)	(12,509)	-	(2,347,521)	-	(191,408)	(38,473)	(18,970,531)
Payment to joint venture	-	-	-	(250,000)	-	-	-	(250,000)
Principal payments on bonds	(90,552)	(28,433)	-	-	-	(3,109,043)	(875,539)	(37,930,002)
Principal payments on loans	-	(45,956)	-	(23,408,869)	-	(2,693,218)	-	(31,445,792)
Net cash used by capital and related financing activities	<u>(167,339)</u>	<u>(132,188)</u>	<u>-</u>	<u>(176,678,162)</u>	<u>(124,477)</u>	<u>(71,852,459)</u>	<u>(1,724,392)</u>	<u>(347,808,653)</u>
Cash flows from investing activities:								
Interest received	104,061	92,245	22	4,069,253	18,741	1,197,787	417,539	16,010,775
Purchases of investments	(187,999)	(202,525)	-	(13,609,210)	(960,000)	(631,275)	(924,848)	(51,998,792)
Proceeds from maturities of investments	1,200,699	1,030,633	-	91,460,923	-	5,970,434	3,027,848	206,358,990
Net cash provided (used) by investing activities	<u>1,116,761</u>	<u>920,353</u>	<u>22</u>	<u>81,920,966</u>	<u>(941,259)</u>	<u>6,536,946</u>	<u>2,520,539</u>	<u>170,370,973</u>
Net increase (decrease) in cash and cash equivalents	1,675,910	1,672,554	(249)	(75,999,921)	37,207	(45,291,173)	5,401,401	28,513,368
Cash and cash equivalents at beginning 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
Cash and cash equivalents at end of fiscal year	<u>\$ 6,998,824</u>	<u>7,035,424</u>	<u>(196)</u>	<u>231,007,616</u>	<u>3,526,476</u>	<u>65,192,785</u>	<u>29,714,460</u>	<u>1,075,123,363</u>

Exhibit E-3-3 (continued)
LOS ANGELES COUNTY SANITATION DISTRICTS
Sewerage Operations
Combining Schedule of Cash Flows
Fiscal year ended June 30, 2021

	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)	\$ (48,096)	636,846	(75)	(51,207,377)	982,779	6,336,391	(1,624,893)	35,216,544
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:								
Depreciation and amortization	94,342	180,850	13	52,439,204	45,214	5,568,728	309,428	82,401,706
Decrease (increase) in accounts receivable	-	(10,195)	-	(1,657,939)	96,744	(230,628)	14,719	1,017,778
Decrease (increase) in service charge receivable	3,410	(24,558)	-	-	-	146,692	(24,049)	(1,008,941)
Decrease in deferred outflow of resources	320	6,629	16	1,932,998	4,403	299,630	18,734	2,704,511
Increase (decrease) in accounts payable	(58,823)	(7,194)	-	(664,247)	1,145	(134,276)	(11,819)	(1,000,320)
Decrease in estimated pollution remediation	-	-	-	(91,201)	-	-	-	(91,201)
Increase in other postemployment benefits liability	249	5,168	13	1,506,996	3,433	233,597	14,605	2,108,481
Increase in pension liability	1,967	40,776	99	11,889,537	27,081	1,842,974	115,231	16,634,990
Increase (decrease) in other liabilities	-	-	-	(69,342)	-	-	-	(64,342)
Increase (decrease) in due to/from other funds	1,988	(7,716)	-	946,463	(13,774)	14,522	(27,969)	756,065
Decrease in deferred inflow of resources	(2,024)	(41,958)	(102)	(12,234,062)	(27,866)	(1,896,378)	(118,570)	(17,117,023)
Net cash provided (used) by operating activities	\$ (6,667)	778,648	(36)	2,791,030	1,119,159	12,181,252	(1,334,583)	121,558,248
Schedule of noncash investing activities:								
Unrealized loss on fair value of investments	\$ (38,987)	(37,875)	-	(2,066,555)	(2,582)	(207,014)	(196,595)	(6,020,501)
Amortization of investment premium (discount)	19,034	10,651	-	27,303	-	52,232	18,397	1,885,055

Exhibit F-1
LOS ANGELES COUNTY SANITATION DISTRICTS
Stormwater Operations
Combining Schedule of Net Position
June 30, 2021

Assets

Current assets:

Unrestricted cash and cash equivalents:	
Cash and cash equivalents	\$ <u>1,507,842</u>

Total unrestricted cash and cash equivalents	<u>1,507,842</u>
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Receivables:

Accounts	871
Due from other funds	15,905
Interest	<u>32,198</u>

Total receivables	<u>48,974</u>
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Total current assets	<u>1,556,816</u>
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Total assets	\$ <u><u>1,556,816</u></u>
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Deferred Outflow of Resources

Deferred pension contribution	\$ (2,517)
Other postemployment benefit deferral	<u>684</u>

Total deferred outflow of resources	\$ <u>(1,833)</u>
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Liabilities

Current liabilities:

Amounts held for others	\$ <u>224,232</u>
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Total current liabilities	<u>224,232</u>
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Long-term liabilities:

Other postemployment benefits liability	1,430
Pension liability	<u>11,278</u>

Total long-term liabilities	<u>12,708</u>
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Total liabilities	\$ <u><u>236,940</u></u>
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Deferred Inflow of Resources

Other postemployment benefits deferrals	\$ (3,778)
Pension deferrals	<u>(7,827)</u>

Total deferred inflow of resources	\$ <u>(11,605)</u>
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Net Position

Net position:

Unrestricted	\$ <u>1,329,648</u>
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Total net position	\$ <u><u>1,329,648</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, 2021

Operating revenues:	
Contract revenue	\$ <u>627,638</u>
Total operating revenues	<u>627,638</u>
Operating expenses:	
Equipment and vehicle rentals	400
Salaries and benefits	106,449
Services	<u>516,400</u>
Total operating expenses	<u>623,249</u>
Operating income	<u>4,389</u>
Nonoperating revenues:	
Interest revenue	<u>6,824</u>
Net nonoperating revenues	<u>6,824</u>
Change in net position	11,213
Total net position, July 1, 2020	<u>1,318,435</u>
Total net position, June 30, 2021	<u><u>\$ 1,329,648</u></u>

Exhibit F-3
LOS ANGELES COUNTY SANITATION DISTRICTS
Stormwater Operations
Combining Schedule of Cash Flows
Fiscal year ended June 30, 2021

Cash flows from operating activities:	
Receipts from customers and users	\$ 1,007,597
Payments to suppliers	(561,519)
Payments for salaries/benefits	(106,963)
Payment for equipment rental	(400)
	338,715
Cash flows from investing activities:	
Interest received	9,217
	9,217
Net cash provided by investing activities	9,217
	9,217
Net increase in cash and cash equivalents	347,932
Cash and cash equivalents at beginning of fiscal year	1,159,910
	1,159,910
Cash and cash equivalents at end of fiscal year	\$ 1,507,842
	1,507,842
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 4,389
Adjustments to reconcile operating income to net cash provided by operating activities:	
Decrease in accounts receivable	229,959
Decrease in deferred outflow of resources	1,834
Decrease in accounts payable	(45,119)
Increase in amounts held for others	150,000
Increase in other postemployment benefits liability	1,430
Increase in pension liability	11,278
Decrease in due to/from other funds	(3,451)
Decrease in deferred inflow of resources	(11,605)
	(11,605)
Net cash provided by operating activities	\$ 338,715
	338,715

Exhibit G-1
LOS ANGELES COUNTY SANITATION DISTRICTS
Solid Waste Facilities Operations
Combining Schedule of Net Position
June 30, 2021

Assets	Spadra Landfill	Puente Hills Landfill	Joint Refuse Disposal System	Total
Current assets:				
Unrestricted cash and cash equivalents:				
Cash in bank	\$ -	256,090	1,285,834	1,541,924
Cash on hand	-	2,000	17,360	19,360
Cash and cash equivalents	463,403	1,940,340	27,774,579	30,178,322
Total unrestricted cash and cash equivalents	463,403	2,198,430	29,077,773	31,739,606
Receivables:				
Accounts	-	17,666	8,634,181	8,651,847
Due from other funds	-	623,230	931,240	1,554,470
Interest	170,137	708,311	624,693	1,503,141
Total receivables	170,137	1,349,207	10,190,114	11,709,458
Restricted/designated cash and investments:				
Cash and cash equivalents	49,443,995	170,787,758	149,543,751	369,775,504
Specific investments	24,017,337	139,413,145	100,209,698	263,640,180
Bond proceeds with Trustee				
Cash and cash equivalents	-	-	5	5
Total restricted/designated cash and investments	73,461,332	310,200,903	249,753,454	633,415,689
Total current assets	74,094,872	313,748,540	289,021,341	676,864,753
Other assets	-	-	12	12
Capital assets:				
Buildings & equipment	-	-	18,543,720	18,543,720
Improvements	41,219,115	246,787,369	81,169,590	369,176,074
Gas-to-energy facilities	26,041,170	-	179,095,236	205,136,406
Rail facilities	-	-	223,843,590	223,843,590
Recycling and transfer facilities	-	-	77,345,757	77,345,757
Use rights	635,000	9,001,642	54,366,883	64,003,525
Other capital assets	21,396	323,987	384,438	729,821
Construction in progress	96,439	891,943	73,305,208	74,293,590
Land	-	-	54,884,982	54,884,982
Accumulated depreciation & amortization	(61,391,358)	(255,909,096)	(187,904,996)	(505,205,450)
Net capital assets	6,621,762	1,095,845	575,034,408	582,752,015
Total assets	\$ 80,716,634	314,844,385	864,055,761	1,259,616,780
Deferred Outflow of Resources				
Deferred pension contribution	\$ 182,004	2,847,097	2,759,023	5,788,124
Other postemployment benefit deferral	128,931	809,539	1,959,365	2,897,835
Total deferred outflow of resources	\$ 310,935	3,656,636	4,718,388	8,685,959

(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, 2021

Liabilities	Spadra Landfill	Puente Hills Landfill	Joint Refuse Disposal System	Total
Current liabilities:				
Accounts payable	\$ 51,113	1,062,578	5,092,430	6,206,121
Bonds payable	-	-	1,404,399	1,404,399
Contractual obligations to other governments	-	38,000,000	-	38,000,000
Estimated liability for closure/postclosure care	3,369,017	11,486,744	-	14,855,761
Interest payable	-	-	829	829
Other	-	8	32,562	32,570
Total current liabilities	<u>3,905,737</u>	<u>50,549,330</u>	<u>6,530,220</u>	<u>60,985,287</u>
Long-term liabilities:				
Contractual obligations to other governments	-	42,000,000	-	42,000,000
Estimated liability for closure/postclosure care	51,174,910	310,212,142	-	361,387,052
Other postemployment benefits liability	698,816	6,702,348	11,125,744	18,526,908
Pension liability	702,752	11,476,178	26,824,037	39,002,967
Total long-term liabilities	<u>52,576,478</u>	<u>370,390,668</u>	<u>37,949,781</u>	<u>460,916,927</u>
Total liabilities	<u>\$ 56,482,215</u>	<u>420,939,998</u>	<u>44,480,001</u>	<u>521,902,214</u>
Deferred Inflow of Resources				
Other postemployment benefits deferrals	\$ (37,957)	(37,290)	2,400,986	2,325,739
Pension deferrals	<u>(36,112)</u>	<u>887,838</u>	<u>(70,769)</u>	<u>780,957</u>
Total deferred inflow of resources	<u>\$ (74,069)</u>	<u>850,548</u>	<u>2,330,217</u>	<u>3,106,696</u>
Net Position				
Net position:				
Net investment in capital assets	\$ 6,621,762	1,095,845	573,630,009	581,347,616
Restricted for capital projects	-	-	8,080,000	8,080,000
Restricted for closure/postclosure maintenance	17,997,661	-	-	17,997,661
Unrestricted	<u>-</u>	<u>(104,385,370)</u>	<u>240,253,922</u>	<u>135,868,552</u>
Total net position	<u>\$ 24,619,423</u>	<u>(103,289,525)</u>	<u>821,963,931</u>	<u>743,293,829</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, 2021

	Spadra Landfill	Puente Hills Landfill	Joint Refuse Disposal System	Total
Operating revenues:				
Commodities	\$ -	-	2,994,379	2,994,379
Contract revenue	-	102,501	2,935,677	3,038,178
Refuse/food waste tipping fees	-	-	54,010,408	54,010,408
Sale of energy	-	116	18,148,957	18,149,073
Other	29	6,903	205,110	212,042
Total operating revenues	29	109,520	78,294,531	78,404,080
Operating expenses:				
Chemicals	-	8,599	131,450	140,049
Depreciation/amortization	661,836	39,899	20,328,432	21,030,167
Equipment and vehicle rentals	143,760	419,800	2,339,439	2,902,999
Insurance and claims	12,087	36,109	1,044,145	1,092,341
Internal administrative costs	563,359	1,572,888	5,288,220	7,424,467
Landfill closure and postclosure costs	2,996,817	11,384,765	-	14,381,582
Materials and supplies	2,831	8	1,933,663	1,936,502
Operations, repairs, and maintenance	664,495	6,901	4,075,089	4,746,485
Salaries and benefits	50,437	148,441	21,569,220	21,768,098
Services	11,741	80,626	33,370,508	33,462,875
Utilities	74,298	817,150	1,664,010	2,555,458
Total operating expenses	5,181,661	14,515,186	91,744,176	111,441,023
Operating loss	(5,181,632)	(14,405,666)	(13,449,645)	(33,036,943)
Nonoperating revenues (expenses):				
Interest revenue	796,618	3,410,016	3,196,404	7,403,038
Interest expense	-	-	(25,503)	(25,503)
Other nonoperating revenue	981	-	3,587,775	3,588,756
Tax and assessment expense	-	-	(2,302,807)	(2,302,807)
Unrealized loss on investments	(656,277)	(2,882,884)	(2,133,183)	(5,672,344)
Net nonoperating revenues	141,322	527,132	2,322,686	2,991,140
Loss before capital contribution revenue and transfers	(5,040,310)	(13,878,534)	(11,126,959)	(30,045,803)
Capital contribution revenue:				
Grants	-	-	496,551	496,551
Transfers in	-	-	16,396,456	16,396,456
Transfers out	(25,532)	(278,114)	(16,392,627)	(16,696,273)
Change in net position	(5,065,842)	(14,156,648)	(10,626,579)	(29,849,069)
Total net position, July 1, 2020, as previously stated	29,685,265	(46,998,001)	832,590,510	815,277,774
Prior-period adjustments	-	(42,134,876)	-	(42,134,876)
Total net position, July 1, 2020, as restated	29,685,265	(89,132,877)	832,590,510	773,142,898
Total net position, June 30, 2021	\$ 24,619,423	(103,289,525)	821,963,931	743,293,829

Exhibit G-3
LOS ANGELES COUNTY SANITATION DISTRICTS
Solid Waste Facilities Operations
Combining Schedule of Cash Flows
Fiscal year ended June 30, 2021

	Spadra Landfill	Puente Hills Landfill	Joint Refuse Disposal	Total
Cash flows from operating activities:				
Receipts from customers and users	\$ 29	94,321	81,029,133	81,123,483
Payments to suppliers	(859,214)	(2,875,871)	(39,328,012)	(43,063,097)
Payments for salaries/benefits	(1,686,689)	(4,791,322)	(20,976,286)	(27,454,297)
Payment for equipment rental	(143,760)	(419,800)	(2,339,439)	(2,902,999)
Payment for internal administrative costs	(563,359)	(1,572,888)	(5,288,220)	(7,424,467)
	<u>(3,252,993)</u>	<u>(9,565,560)</u>	<u>13,097,176</u>	<u>278,623</u>
Net cash provided (used) by operating activities				
Cash flows from noncapital financing activities:				
Transfers from other funds	-	-	1,430,498	1,430,498
Transfers to other funds	(28,122)	(85,623)	(1,663,680)	(1,777,425)
Payments for tax and assessment	-	-	(2,302,807)	(2,302,807)
	<u>(28,122)</u>	<u>(85,623)</u>	<u>(2,535,989)</u>	<u>(2,649,734)</u>
Net cash used by noncapital financing activities				
Cash flows from capital and related financing activities:				
Purchases of capital assets	(32)	(8,413)	(19,323,172)	(19,331,617)
Grant proceeds	-	-	4,067,172	4,067,172
Interest paid on capital-related debt	-	-	(1,658)	(1,658)
Principal payments on bonds	-	-	(1,404,399)	(1,404,399)
	<u>(32)</u>	<u>(8,413)</u>	<u>(16,662,057)</u>	<u>(16,670,502)</u>
Net cash used by capital and related financing activities				
Cash flows from investing activities:				
Interest received	1,019,876	4,315,049	3,865,951	9,200,876
Purchases of investments	(8,465,565)	(67,212,834)	(10,262,014)	(85,940,413)
Proceeds from maturities of investments	30,948,677	117,869,172	85,570,094	234,387,943
	<u>23,502,988</u>	<u>54,971,387</u>	<u>79,174,031</u>	<u>157,648,406</u>
Net cash provided by investing activities				
Net increase in cash and cash equivalents				
	20,221,841	45,311,791	73,073,161	138,606,793
Cash and cash equivalents at beginning of fiscal year	29,685,557	127,674,397	105,548,368	262,908,322
Cash and cash equivalents at end of fiscal year	<u>\$ 49,907,398</u>	<u>172,986,188</u>	<u>178,621,529</u>	<u>401,515,115</u>

Exhibit G-3 (continued)
LOS ANGELES COUNTY SANITATION DISTRICTS
Solid Waste Facilities Operations
Combining Schedule of Cash Flows
Fiscal year ended June 30, 2021

	<u>Spadra Landfill</u>	<u>Puente Hills Landfill</u>	<u>Joint Refuse Disposal</u>	<u>Total</u>
Reconciliation of operating loss to net cash provided (used) by operating activities:				
Operating loss	\$ (5,181,632)	(14,405,666)	(13,449,645)	(33,036,943)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:				
Depreciation and amortization	661,836	39,899	20,328,432	21,030,167
Landfill closure and postclosure costs	2,996,817	11,384,765	-	14,381,582
Decrease (increase) in accounts receivable	-	(15,199)	2,533,092	2,517,893
Decrease in deferred outflow of resources	29,996	91,089	436,047	557,132
Increase in accounts payable	9,451	932,967	586,268	1,528,686
Decrease in estimated closure/postclosure liability	(2,456,830)	(8,003,941)	-	(10,460,771)
Increase in other postemployment benefits liability	23,386	71,014	339,949	434,349
Increase in pension liability	184,503	560,271	2,682,048	3,426,822
Increase in other liabilities	-	-	81,386	81,386
Increase in due to/from other funds	669,329	355,747	2,319,365	3,344,441
Decrease in deferred inflow of resources	(189,849)	(576,506)	(2,759,766)	(3,526,121)
Net cash provided (used) by operating activities	\$ (3,252,993)	(9,565,560)	13,097,176	278,623
Schedule of noncash investing activities:				
Unrealized loss on fair value of investments	\$ (656,277)	(2,882,884)	(2,133,183)	(5,672,344)
Amortization of investment premium	23,258	84,050	126,621	233,929

Exhibit H-1
LOS ANGELES COUNTY SANITATION DISTRICTS
Trustee Solid Waste Facilities Operations
Combining Schedule of Net Position
June 30, 2021

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	\$ -	700,169	341,437	-	-	1,041,606
Cash on hand	-	5,870	5,106	-	-	10,976
Cash and cash equivalents	<u>3,377,348</u>	<u>34,405,129</u>	<u>23,436,387</u>	<u>7,087,652</u>	<u>1,262,878</u>	<u>69,569,394</u>
Total unrestricted cash and cash equivalents	<u>3,377,348</u>	<u>35,111,168</u>	<u>23,782,930</u>	<u>7,087,652</u>	<u>1,262,878</u>	<u>70,621,976</u>
Receivables:						
Accounts	-	1,645,617	775,235	-	209,085	2,629,937
Due from other funds	248,394	533,124	997,955	21,593	62,908	1,863,974
Interest	6,438	74,481	86,892	-	12,252	180,063
Total receivables	<u>254,832</u>	<u>2,253,222</u>	<u>1,860,082</u>	<u>21,593</u>	<u>284,245</u>	<u>4,673,974</u>
Restricted/designated cash and investments:						
Cash and cash equivalents	766,055	3,947,103	12,030,434	-	-	16,743,592
Specific investments	-	11,583,555	49,871,877	-	-	61,455,432
Total restricted/designated cash and investments	<u>766,055</u>	<u>15,530,658</u>	<u>61,902,311</u>	<u>-</u>	<u>-</u>	<u>78,199,024</u>
Other specific investments	-	2,795,512	-	-	-	2,795,512
Total current assets	<u>4,398,235</u>	<u>55,690,560</u>	<u>87,545,323</u>	<u>7,109,245</u>	<u>1,547,123</u>	<u>156,290,486</u>
Other assets	-	-	4	-	-	4
Capital assets:						
Improvements	23,711,809	28,346,500	125,101,294	-	954	177,160,557
Equipment pool	-	-	-	19,283,020	-	19,283,020
Gas-to-energy facilities	16,557,233	-	-	-	-	16,557,233
Use rights	3,758,185	300,131	947,215	-	-	5,005,531
Other capital assets	5,860	32,792	10,070	10,255	2,930	61,907
Construction in progress	341,630	2,716,455	155,478	1,354,562	355,598	4,923,723
Land	-	-	-	-	5,482,200	5,482,200
Accumulated depreciation & amortization	<u>(44,026,881)</u>	<u>(27,180,471)</u>	<u>(109,137,947)</u>	<u>(7,876,282)</u>	<u>(384)</u>	<u>(188,221,965)</u>
Net capital assets	<u>347,836</u>	<u>4,215,407</u>	<u>17,076,110</u>	<u>12,771,555</u>	<u>5,841,298</u>	<u>40,252,206</u>
Total assets	<u>\$ 4,746,071</u>	<u>\$ 59,905,967</u>	<u>\$ 104,621,437</u>	<u>\$ 19,880,800</u>	<u>\$ 7,388,421</u>	<u>\$ 196,542,696</u>
Deferred Outflow of Resources						
Deferred pension contribution	\$ 696,008	953,734	695,928	172,063	193,221	2,710,954
Other postemployment benefit deferral	<u>256,467</u>	<u>522,562</u>	<u>562,719</u>	<u>85,672</u>	<u>68,907</u>	<u>1,496,327</u>
Total deferred outflow of resources	<u>\$ 952,475</u>	<u>\$ 1,476,296</u>	<u>\$ 1,258,647</u>	<u>\$ 257,735</u>	<u>\$ 262,128</u>	<u>\$ 4,207,281</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, 2021

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	\$ 61,629	3,674,223	1,534,377	572,849	4,083	5,847,161
Other	2	7	-	(7,013)	(8)	(7,012)
Total current liabilities	<u>61,631</u>	<u>3,674,230</u>	<u>1,534,377</u>	<u>565,836</u>	<u>4,075</u>	<u>5,840,149</u>
Long-term liabilities:						
Contractual obligations to other governments	-	-	1,428,852	-	-	1,428,852
Estimated liability for closure/postclosure care	-	11,928,514	77,018,179	-	-	88,946,693
Other postemployment benefits liability	1,882,475	3,259,778	3,164,170	555,896	513,097	9,375,416
Pension liability	4,304,106	7,868,781	7,583,227	1,234,150	1,166,726	22,156,990
Total long-term liabilities	<u>6,186,581</u>	<u>23,057,073</u>	<u>89,194,428</u>	<u>1,790,046</u>	<u>1,679,823</u>	<u>121,907,951</u>
Total liabilities	<u>\$ 6,248,212</u>	<u>26,731,303</u>	<u>90,728,805</u>	<u>2,355,882</u>	<u>1,683,898</u>	<u>127,748,100</u>
Deferred Inflow of Resources						
Other postemployment benefits deferrals	\$ 313,732	599,419	762,787	88,870	68,651	1,833,459
Pension deferrals	131,830	(68,208)	20,459	15,114	37,992	137,187
Total deferred inflow of resources	<u>\$ 445,562</u>	<u>531,211</u>	<u>783,246</u>	<u>103,984</u>	<u>106,643</u>	<u>1,970,646</u>
Net Position						
Net position:						
Net investment in capital assets	\$ 347,836	4,215,407	17,076,110	12,771,555	5,841,298	40,252,206
Restricted for capital projects	-	2,704,685	-	-	18,710	2,723,395
Restricted for closure/postclosure maintenance	-	27,199,657	-	-	-	27,199,657
Unrestricted	(1,343,064)	-	(2,708,077)	4,907,114	-	855,973
Total net position	<u>\$ (995,228)</u>	<u>34,119,749</u>	<u>14,368,033</u>	<u>17,678,669</u>	<u>5,860,008</u>	<u>71,031,231</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, 2021

	Palos Verdes Landfill	Scholl Canyon Landfill	Calabasas Landfill	Los Angeles County Equipment Pool	Los Angeles County Refuse Disposal Fund	Total
Operating revenues:						
Commodities	\$ -	5,941	1,698	-	-	7,639
Contract revenue	5,919,352	37,107	-	-	1,168,144	7,124,603
Equipment pool	-	-	-	6,091,574	-	6,091,574
Refuse/food waste tipping fees	-	29,970,914	18,066,632	-	-	48,037,546
Other	714	103	15	500	71	1,403
Total operating revenues	5,920,066	30,014,065	18,068,345	6,092,074	1,168,215	61,262,765
Operating expenses:						
Chemicals	-	2,426	23,521	-	-	25,947
Depreciation/amortization	638	418,411	1,137,963	1,583,380	341	3,140,733
Equipment and vehicle rentals	142,518	3,809,114	2,594,633	7,891	49,471	6,603,627
Insurance and claims	36,942	181,431	137,857	32,637	5,477	394,344
Internal administrative costs	956,057	1,702,872	1,735,140	-	115,512	4,509,581
Landfill closure and postclosure costs	-	219,446	(1,661,627)	-	-	(1,442,181)
Materials and supplies	181,112	632,091	650,746	297,073	55,262	1,816,284
Operations, repairs, and maintenance	1,122,225	6,872,333	141,762	1,016,060	140,898	9,293,278
Salaries and benefits	2,517,798	6,349,585	6,263,998	1,024,981	724,822	16,881,184
Services	(184,876)	3,374,623	4,899,091	41,494	112,962	8,243,294
Tonnage	-	4,368,482	303,663	-	-	4,672,145
Utilities	291,065	515,476	356,678	1,442	53,944	1,218,605
Total operating expenses	5,063,479	28,446,290	16,583,425	4,004,958	1,258,689	55,356,841
Operating income (loss)	856,587	1,567,775	1,484,920	2,087,116	(90,474)	5,905,924
Nonoperating revenues (expenses):						
Interest revenue	24,993	349,607	618,727	-	36,058	1,029,385
Loss on sale of equipment/assets	-	-	-	(512,157)	-	(512,157)
Other nonoperating revenue	-	56,584	3,940,736	-	-	3,997,320
Tax and assessment expense	(36,766)	(1,714,664)	(2,761,889)	(131)	(93,971)	(4,607,421)
Unrealized loss on investments	(31,330)	(325,461)	(714,751)	-	-	(1,071,542)
Net nonoperating revenues (expenses)	(43,103)	(1,633,934)	1,082,823	(512,288)	(57,913)	(1,164,415)
Income (loss) before transfers	813,484	(66,159)	2,567,743	1,574,828	(148,387)	4,741,509
Transfers in	-	8,241,934	5,454,390	-	-	13,696,324
Transfers out	(47,863)	(8,311,221)	(5,525,903)	-	(4,667)	(13,889,654)
Change in net position	765,621	(135,446)	2,496,230	1,574,828	(153,054)	4,548,179
Total net position, July 1, 2020	(1,760,849)	34,255,195	11,871,803	16,103,841	6,013,062	66,483,052
Total net position, June 30, 2021	\$ (995,228)	34,119,749	14,368,033	17,678,669	5,860,008	71,031,231

Exhibit H-3
LOS ANGELES COUNTY SANITATION DISTRICTS
Trustee Solid Waste Facilities Operations
Combining Schedule of Cash Flows
Fiscal year ended June 30, 2021

	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	\$ 5,920,066	30,897,429	18,167,061	5	1,020,568	56,005,129
Receipts for equipment rental	-	-	-	6,091,574	-	6,091,574
Payments to suppliers	(2,932,097)	(16,319,168)	(5,949,585)	(1,386,813)	(428,932)	(27,016,595)
Payments for salaries/benefits	(2,569,545)	(6,136,490)	(6,077,676)	(980,810)	(703,999)	(16,468,520)
Payment for equipment rental	(142,518)	(3,809,114)	(2,594,633)	(7,891)	(49,471)	(6,603,627)
Payment for internal administrative costs	(956,057)	(1,702,872)	(1,735,140)	-	(115,512)	(4,509,581)
Net cash provided (used) by operating activities	<u>(680,151)</u>	<u>2,929,785</u>	<u>1,810,027</u>	<u>3,716,065</u>	<u>(277,346)</u>	<u>7,498,380</u>
Cash flows from noncapital financing activities:						
Transfers to other funds	(51,643)	(77,722)	(84,113)	-	(5,262)	(218,740)
Payments for tax and assessment	<u>(36,766)</u>	<u>(1,714,664)</u>	<u>(2,761,889)</u>	<u>(131)</u>	<u>(93,971)</u>	<u>(4,607,421)</u>
Net cash used by noncapital financing activities	<u>(88,409)</u>	<u>(1,792,386)</u>	<u>(2,846,002)</u>	<u>(131)</u>	<u>(99,233)</u>	<u>(4,826,161)</u>
Cash flows from capital and related financing activities:						
Purchases of capital assets	(1,914)	(2,261,487)	4,056,220	(1,350,986)	(730)	441,103
Grant proceeds	-	-	190,018	-	-	190,018
Proceeds from sale of assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>74,365</u>	<u>-</u>	<u>74,365</u>
Net cash provided (used) by capital and related financing activities	<u>(1,914)</u>	<u>(2,261,487)</u>	<u>4,246,238</u>	<u>(1,276,621)</u>	<u>(730)</u>	<u>705,486</u>
Cash flows from investing activities:						
Interest received	36,512	420,924	439,380	-	39,480	936,296
Purchases of investments	-	(13,618,595)	(46,465,000)	-	-	(60,083,595)
Proceeds from maturities of investments	<u>1,708,770</u>	<u>23,470,375</u>	<u>46,692,000</u>	<u>-</u>	<u>-</u>	<u>71,871,145</u>
Net cash provided by investing activities	<u>1,745,282</u>	<u>10,272,704</u>	<u>666,380</u>	<u>-</u>	<u>39,480</u>	<u>12,723,846</u>
Net increase (decrease) in cash and cash equivalents	974,808	9,148,616	3,876,643	2,439,313	(337,829)	16,101,551
Cash and cash equivalents at beginning 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>
Cash and cash equivalents at end of fiscal year	<u>\$ 4,143,403</u>	<u>39,058,271</u>	<u>35,813,364</u>	<u>7,087,652</u>	<u>1,262,878</u>	<u>87,365,568</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, 2021

	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)	\$ 856,587	1,567,775	1,484,920	2,087,116	(90,474)	5,905,924
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation and amortization	638	418,411	1,137,963	1,583,380	341	3,140,733
Landfill closure and postclosure costs	-	219,446	(1,661,627)	-	-	(1,442,181)
Decrease (increase) in accounts receivable	-	883,364	98,710	-	(147,647)	834,427
Decrease in deferred outflow of resources	43,312	136,542	112,503	17,655	12,465	322,477
Increase (decrease) in accounts payable	(1,688,834)	(7,270)	(99,468)	1,531	(60,103)	(1,854,144)
Increase in contractual obligations to other governments	-	-	303,663	-	-	303,663
Increase in other postemployment benefits liability	33,767	106,450	87,709	13,764	9,718	251,408
Increase in pension liability	266,404	839,847	691,988	108,592	76,667	1,983,498
Increase (decrease) in due to/from other funds	82,098	(370,597)	365,706	15,766	576	93,549
Decrease in deferred inflow of resources	(274,123)	(864,183)	(712,040)	(111,739)	(78,889)	(2,040,974)
Net cash provided (used) by operating activities	\$ (680,151)	2,929,785	1,810,027	3,716,065	(277,346)	7,498,380
Schedule of noncash investing activities:						
Unrealized loss on fair value of investments	\$ (31,330)	(325,461)	(714,751)	-	-	(1,071,542)
Amortization of investment premium (discount)	2,738	(95,910)	(414,038)	-	-	(507,210)

Exhibit I-1
LOS ANGELES COUNTY SANITATION DISTRICTS
Service Operations
Combining Schedule of Net Position
June 30, 2021

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	\$ 30,395,631	-	-	-	-	30,395,631
Cash on hand	12,317	-	-	-	-	12,317
Cash and cash equivalents	<u>2,622,617</u>	<u>4,454,427</u>	<u>13,761,204</u>	<u>179,379</u>	<u>6,209,282</u>	<u>27,226,909</u>
Total unrestricted cash and cash equivalents	<u>33,030,565</u>	<u>4,454,427</u>	<u>13,761,204</u>	<u>179,379</u>	<u>6,209,282</u>	<u>57,634,857</u>
Receivables:						
Accounts	241,441	-	-	-	-	241,441
Due from other funds	-	-	235,993	-	-	235,993
Interest	<u>127,484</u>	<u>10,345</u>	<u>50,920</u>	<u>515</u>	<u>7,583</u>	<u>196,847</u>
Total receivables	<u>368,925</u>	<u>10,345</u>	<u>286,913</u>	<u>515</u>	<u>7,583</u>	<u>674,281</u>
Inventory	<u>19,192,388</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,192,388</u>
Restricted/designated cash and investments:						
Cash and cash equivalents	50,503,944	-	-	-	-	50,503,944
Specific investments	<u>6,026,394</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,026,394</u>
Total restricted/designated cash and investments	<u>56,530,338</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>56,530,338</u>
Other specific investments	<u>-</u>	<u>-</u>	<u>5,959,406</u>	<u>-</u>	<u>-</u>	<u>5,959,406</u>
Total current assets	<u>109,122,216</u>	<u>4,464,772</u>	<u>20,007,523</u>	<u>179,894</u>	<u>6,216,865</u>	<u>139,991,270</u>
Other assets	23,881	16,940	-	-	-	40,821
Capital assets:						
Buildings & equipment	70,500,860	-	-	-	-	70,500,860
Equipment pool	-	-	16,850,781	2,238,126	34,963,091	54,051,998
Other capital assets	18,171,523	18,621,453	21,975	-	-	36,814,951
Construction in progress	4,068,709	1,145,343	20,960	34,506	157,936	5,427,454
Land	592,901	-	-	-	-	592,901
Accumulated depreciation & amortization	<u>(51,979,601)</u>	<u>(6,039,779)</u>	<u>(8,862,148)</u>	<u>(849,544)</u>	<u>(18,638,700)</u>	<u>(86,369,772)</u>
Net capital assets	<u>41,354,392</u>	<u>13,727,017</u>	<u>8,031,568</u>	<u>1,423,088</u>	<u>16,482,327</u>	<u>81,018,392</u>
Total assets	<u>\$ 150,500,489</u>	<u>18,208,729</u>	<u>28,039,091</u>	<u>1,602,982</u>	<u>22,699,192</u>	<u>221,050,483</u>
Deferred Outflow of Resources						
Deferred pension contribution	\$ 6,670,821	11,896,256	410,513	(9,333)	324,180	19,292,437
Other postemployment benefit deferral	<u>3,333,069</u>	<u>4,508,338</u>	<u>204,809</u>	<u>5,327</u>	<u>188,187</u>	<u>8,239,730</u>
Total deferred outflow of resources	<u>\$ 10,003,890</u>	<u>16,404,594</u>	<u>615,322</u>	<u>(4,006)</u>	<u>512,367</u>	<u>27,532,167</u>

(Continued on the following page)

Exhibit I-1-2
LOS ANGELES COUNTY SANITATION DISTRICTS
Service Operations
Combining Schedule of Net Position
June 30, 2021

Liabilities	Joint Administration	Technical Support	Joint Refuse Equipment Pool	Joint Administration Equipment Pool	Joint Outfall Equipment Pool	Total
Current liabilities:						
Accounts payable	\$ 11,122,635	720,932	4,854	38,342	172,789	12,059,552
Accrued employee absences	30,000,000	-	-	-	-	30,000,000
Amounts held for others	6,614,991	-	-	-	-	6,614,991
Claims liabilities	2,300,593	-	-	-	-	2,300,593
Due to other funds	30,841,446	4,344,852	-	428,406	6,630,605	42,245,309
Other	170,443	241,784	7,013	-	-	419,240
Total current liabilities	<u>81,050,108</u>	<u>5,307,568</u>	<u>11,867</u>	<u>466,748</u>	<u>6,803,394</u>	<u>93,639,685</u>
Long-term liabilities:						
Accrued employee absences	16,220,467	-	-	-	-	16,220,467
Claims liabilities	6,901,959	-	-	-	-	6,901,959
Other postemployment benefits liability	21,056,489	33,300,130	1,329,442	(12,404)	1,143,714	56,817,371
Pension liability	54,165,105	76,026,492	2,873,026	75,861	2,573,145	135,713,629
Total long-term liabilities	<u>98,344,020</u>	<u>109,326,622</u>	<u>4,202,468</u>	<u>63,457</u>	<u>3,716,859</u>	<u>215,653,426</u>
Total liabilities	<u>\$ 179,394,128</u>	<u>114,634,190</u>	<u>4,214,335</u>	<u>530,205</u>	<u>10,520,253</u>	<u>309,293,111</u>
Deferred Inflow of Resources						
Other postemployment benefits deferrals	\$ 5,471,890	4,892,611	238,907	35,923	217,856	10,857,187
Pension deferrals	74,688	2,358,308	95,920	(14,255)	30,658	2,545,319
Total deferred inflow of resources	<u>\$ 5,546,578</u>	<u>7,250,919</u>	<u>334,827</u>	<u>21,668</u>	<u>248,514</u>	<u>13,402,506</u>
Net Position						
Net position:						
Net investment in capital assets	\$ 41,354,392	13,727,017	8,031,568	1,423,088	16,482,327	81,018,392
Unrestricted	(65,790,719)	(100,998,803)	16,073,683	(375,985)	(4,039,535)	(155,131,359)
Total net position	<u>\$ (24,436,327)</u>	<u>(87,271,786)</u>	<u>24,105,251</u>	<u>1,047,103</u>	<u>12,442,792</u>	<u>(74,112,967)</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, 2021

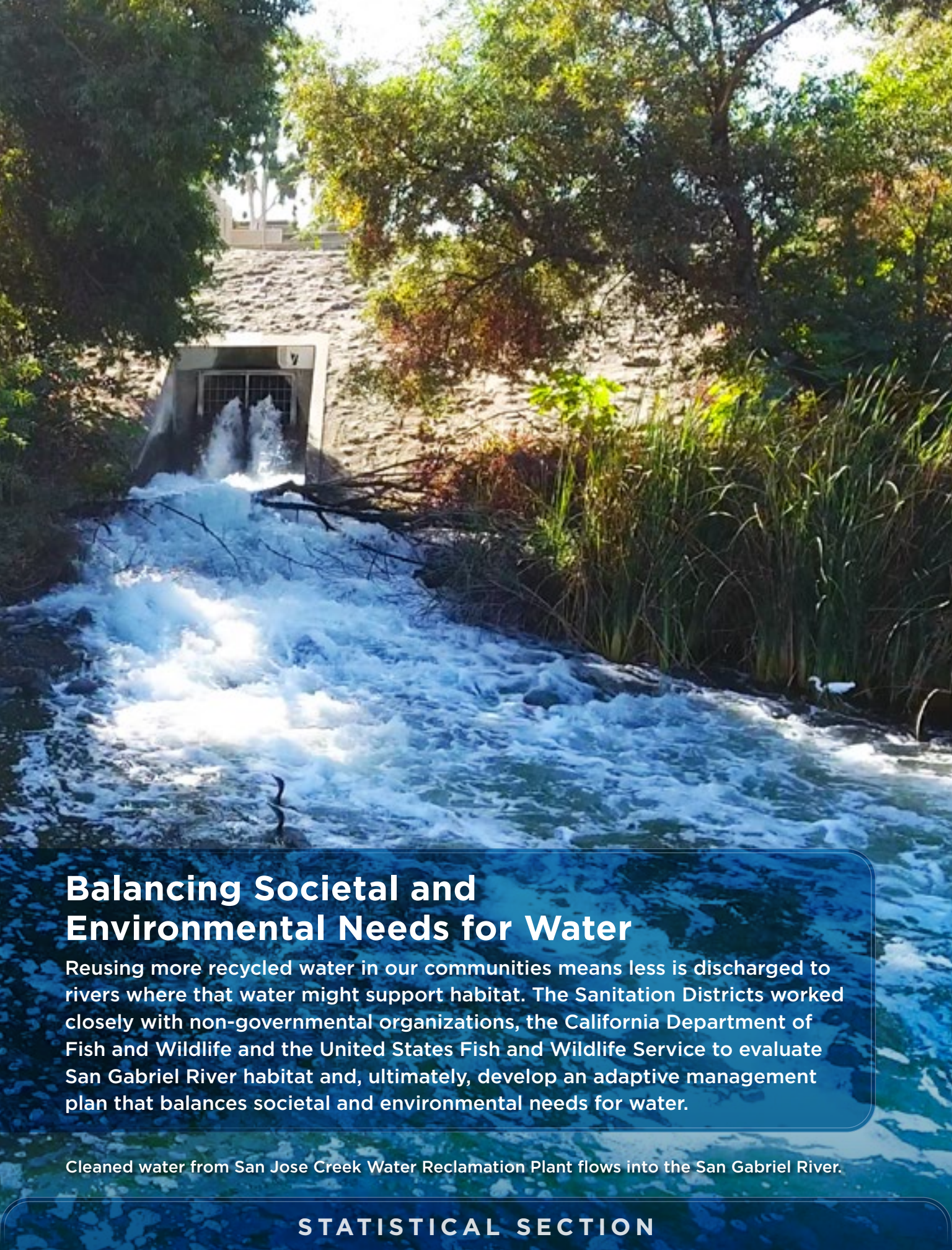
	Joint Administration	Technical Support	Joint Refuse Equipment Pool	Joint Administration Equipment Pool	Joint Outfall Equipment Pool	Total
Operating revenues:						
Commodities	\$ 304	-	-	-	-	304
Equipment pool	-	-	3,460,103	321,367	7,475,021	11,256,491
Internal services revenue	53,291,648	55,072,822	-	-	-	108,364,470
Sale of energy	-	-	-	6,245	-	6,245
Other	128,254	36,974	15,367	1,480	66,448	248,523
Total operating revenues	53,420,206	55,109,796	3,475,470	329,092	7,541,469	119,876,033
Operating expenses:						
Chemicals	-	8,897	-	-	-	8,897
Depreciation/amortization	3,433,572	623,967	1,135,224	199,899	2,191,664	7,584,326
Equipment and vehicle rentals	215,122	653,070	42,664	-	12,607	923,463
Insurance and claims	2,137,113	-	168,344	80,485	568,401	2,954,343
Materials and supplies	5,118,969	3,898,983	275,761	21,512	493,691	9,808,916
Operations, repairs, and maintenance	1,385,426	1,820,716	680,224	92,861	1,238,924	5,218,151
Salaries and benefits	43,130,141	47,348,991	1,715,958	73,733	2,083,970	94,352,793
Services	5,512,906	2,724,110	140,425	31,529	187,271	8,596,241
Utilities	1,008,008	217,473	6,062	17,589	86	1,249,218
Total operating expenses	61,941,257	57,296,207	4,164,662	517,608	6,776,614	130,696,348
Operating income (loss)	(8,521,051)	(2,186,411)	(689,192)	(188,516)	764,855	(10,820,315)
Nonoperating revenues (expenses):						
Interest revenue	520,051	34,330	210,563	1,879	16,944	783,767
Investment in joint ventures	(3,544)	-	-	-	-	(3,544)
Gain (loss) on sale of equipment/assets	126	9,662	(26,801)	(1,548)	(58,629)	(77,190)
Other nonoperating revenue/(expense)	204,075	(11,000)	2,320	448	829	196,672
Tax and assessment expense	(3,793)	(121,102)	(3,599)	(282)	(16,950)	(145,726)
Unrealized loss on investments	(176,878)	-	(175,707)	-	-	(352,585)
Net nonoperating revenues (expenses)	540,037	(88,110)	6,776	497	(57,806)	401,394
Income (loss) before transfers	(7,981,014)	(2,274,521)	(682,416)	(188,019)	707,049	(10,418,921)
Transfers in	2,108,861	1,345,763	-	-	-	3,454,624
Transfers out	(107,373)	-	-	-	-	(107,373)
Change in net position	(5,979,526)	(928,758)	(682,416)	(188,019)	707,049	(7,071,670)
Total net position, July 1, 2020, as previously stated	(21,317,833)	(86,343,028)	24,787,667	1,235,122	11,735,743	(69,902,329)
Prior-period adjustments	2,861,032	-	-	-	-	2,861,032
Total net position, July 1, 2020	(18,456,801)	(86,343,028)	24,787,667	1,235,122	11,735,743	(67,041,297)
Total net position, June 30, 2021	\$ (24,436,327)	(87,271,786)	24,105,251	1,047,103	12,442,792	(74,112,967)

Exhibit I-3
LOS ANGELES COUNTY SANITATION DISTRICTS
Service Operations
Combining Schedule of Cash Flows
Fiscal year ended June 30, 2021

	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	\$ 299,382	36,974	17	6,245	92	342,710
Receipts for equipment rental	-	-	3,460,102	321,367	7,475,021	11,256,490
Receipts for internal services	53,291,645	55,172,822	-	-	-	108,464,467
Payments to suppliers	(11,194,550)	(8,490,868)	(1,278,489)	(237,157)	(2,437,478)	(23,638,542)
Payments for salaries/benefits	(39,960,649)	(46,028,422)	(1,690,537)	(86,494)	(2,046,402)	(89,812,504)
Payment for equipment rental	(215,122)	(653,070)	(42,664)	-	(12,607)	(923,463)
Net cash provided by operating activities	<u>2,220,706</u>	<u>37,436</u>	<u>448,429</u>	<u>3,961</u>	<u>2,978,626</u>	<u>5,689,158</u>
Cash flows from noncapital financing activities:						
Transfers from other funds	2,001,488	1,345,763	-	350,000	4,000,000	7,697,251
Payments for tax and assessment	(3,793)	(121,102)	(3,599)	(282)	(16,950)	(145,726)
Net cash provided (used) by noncapital financing activities	<u>1,997,695</u>	<u>1,224,661</u>	<u>(3,599)</u>	<u>349,718</u>	<u>3,983,050</u>	<u>7,551,525</u>
Cash flows from capital and related financing activities:						
Purchases of capital assets	(2,018,957)	(1,349,209)	(1,220,048)	(265,663)	(2,098,190)	(6,952,067)
Proceeds from sale of assets	-	9,662	227,485	26,952	55,350	319,449
Net cash used by capital and related financing activities	<u>(2,018,957)</u>	<u>(1,339,547)</u>	<u>(992,563)</u>	<u>(238,711)</u>	<u>(2,042,840)</u>	<u>(6,632,618)</u>
Cash flows from investing activities:						
Interest received	635,078	43,083	269,432	1,983	11,653	961,229
Purchases of investments	(7)	-	(3,695,093)	-	-	(3,695,100)
Proceeds from maturities of investments	6,743,000	-	8,031,692	-	-	14,774,692
Net cash provided by investing activities	<u>7,378,071</u>	<u>43,083</u>	<u>4,606,031</u>	<u>1,983</u>	<u>11,653</u>	<u>12,040,821</u>
Net increase (decrease) in cash and cash equivalents	9,577,515	(34,367)	4,058,298	116,951	4,930,489	18,648,886
Cash and cash equivalents at beginning of fiscal year	73,956,994	4,488,794	9,702,906	62,428	1,278,793	89,489,915
Cash and cash equivalents at end of fiscal year	<u>\$ 83,534,509</u>	<u>4,454,427</u>	<u>13,761,204</u>	<u>179,379</u>	<u>6,209,282</u>	<u>108,138,801</u>

Exhibit I-3 (continued)
LOS ANGELES COUNTY SANITATION DISTRICTS
Service Operations
Combining Schedule of Cash Flows
Fiscal year ended June 30, 2021

	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)	\$ (8,521,051)	(2,186,411)	(689,192)	(188,516)	764,855	(10,820,315)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:						
Depreciation and amortization	3,433,572	623,967	1,135,224	199,899	2,191,664	7,584,326
Increase in accounts receivable	(68,843)	-	-	-	-	(68,843)
Decrease in inventory	2,905,162	-	-	-	-	2,905,162
Decrease in deferred outflow of resources	727,192	811,496	29,282	1,575	35,900	1,605,445
Increase (decrease) in accounts payable	4,075,956	359,216	(12,875)	(3,180)	(15,471)	4,403,646
Increase in accrued employee absences	4,896,464	-	-	-	-	4,896,464
Decrease in amounts held for others	(1,429,335)	-	-	-	-	(1,429,335)
Decrease in claims liabilities	(221,424)	-	-	-	-	(221,424)
Increase in other postemployment benefits liability	566,930	632,655	22,828	1,228	27,988	1,251,629
Increase in pension liability	4,472,831	4,991,371	180,106	9,685	220,815	9,874,808
Increase (decrease) in other liabilities	59,149	-	(10,000)	10,000	-	59,149
Decrease in due to/from other funds	(4,073,457)	(58,852)	(21,619)	(16,765)	(19,911)	(4,190,604)
Decrease in deferred inflow of resources	(4,602,440)	(5,136,006)	(185,325)	(9,965)	(227,214)	(10,160,950)
Net cash provided by operating activities	\$ 2,220,706	37,436	448,429	3,961	2,978,626	5,689,158
Schedule of noncash investing activities:						
Unrealized loss on fair value of investments	\$ (176,878)	-	(175,707)	-	-	(352,585)
Amortization of investment premium	3	-	7,372	-	-	7,375



Balancing Societal and Environmental Needs for Water

Reusing more recycled water in our communities means less is discharged to rivers where that water might support habitat. The Sanitation Districts worked closely with non-governmental organizations, the California Department of Fish and Wildlife and the United States Fish and Wildlife Service to evaluate San Gabriel River habitat and, ultimately, develop an adaptive management plan that balances societal and environmental needs for water.

Cleaned water from San Jose Creek Water Reclamation Plant flows into the San Gabriel River.

STATISTICAL SECTION

This part of the Los Angeles County Sanitation Districts' annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements and note disclosures says about the Districts' overall financial health.

Contents

	<u>Pages</u>
<u>Financial Trends</u> – These schedules contain trend information to help the reader understand how the Districts' financial performance and well-being have changed over time.	109-115
<u>Revenue Capacity</u> – These schedules contain information to help the reader assess the Districts' most significant revenue sources: service charges, solid waste tipping fees, and industrial waste surcharge fees.	116-122
<u>Debt Capacity</u> – These schedules present information to help the reader assess the affordability of the Districts' current levels of outstanding debt and the Districts' ability to issue additional debt in the future.	123-124
<u>Demographic and Economic Information</u> – These schedules offer demographic and economic indicators to help the reader understand the environment within which the Districts' financial activities take place.	125-128
<u>Operating Information</u> – These schedules contain information about the Districts' operations and resources to help the reader understand how the Districts' financial information relates to the services it provides and the activities it performs.	129-130

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

Schedule 1

LOS ANGELES COUNTY SANITATION DISTRICTS

Net Position by Component

Last Ten Fiscal Years

(\$ thousands)

	Fiscal Year									
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Net Investment in Capital Assets	\$ 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	\$ 3,149,191
Restricted	1,406,583	1,489,800	882,206	830,382	614,964	632,009	511,794	465,904	341,485	190,401
Unrestricted	334,042	371,308	883,243	590,578	849,383	926,728	913,338	1,079,579	1,030,155	987,719
Total Net Position	<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>\$ 4,266,324</u>	<u>\$ 4,327,311</u>

Schedule 2

LOS ANGELES COUNTY SANITATION DISTRICTS

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

	Fiscal Year									
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Operating Revenues	\$ 534,890	\$ 554,282	\$ 530,264	\$ 541,086	\$ 545,758	\$ 574,894	\$ 590,185	\$ 627,010	\$ 633,772	\$ 616,978
Operating Expenses	489,657	477,068	538,751	539,460	496,260	498,319	552,610	585,401	750,938	619,709
Operating Income/(Loss)	45,233	77,214	(8,487)	1,626	49,498	76,575	37,575	41,609	(117,166)	(2,731)
Total Net Nonoperating Revenues	10,098	4,236	39,501	58,091	58,789	58,613	50,455	123,299	118,076	78,886
Income Before Capital Contributions	55,331	81,450	31,014	59,717	108,287	135,188	88,030	164,908	910	76,155
Capital Contributions	19,453	26,113	38,842	32,966	35,800	36,286	41,524	47,008	43,893	24,417
Prior-Period Adjustments	-	-	(4,799,699)	(336,158)	(15,745)	(18,141)	5,033	(3,555)	(37,850)	(39,584)
Change in Accounting Methods	-	-	-	-	-	-	(211,911)	-	-	-
Change in Net Position	<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>	<u>\$ 60,988</u>

Schedule 3

LOS ANGELES COUNTY SANITATION DISTRICTS

Operating Revenues
Last Ten Fiscal Years
(\$ thousands)

	Fiscal Year									
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Commodities	\$ 5,343	\$ 7,276	\$ 7,894	\$ 8,779	\$ 8,459	\$ 5,864	\$ 3,150	\$ 1,506	\$ 1,119	\$ 3,022
Contract Revenue	24,056	25,542	23,808	22,172	17,394	18,363	19,565	20,919	22,761	29,974
Industrial Waste Surcharge	57,861	56,999	58,092	63,505	64,477	64,356	67,060	71,312	72,938	69,529
Refuse Tipping Fees	102,539	112,160	87,798	80,316	95,119	106,169	107,034	137,886	125,589	102,434
Sale of Energy	45,511	30,429	35,285	30,356	23,173	23,354	24,881	19,151	20,715	18,976
Service Charges	295,831	318,035	312,890	331,261	335,526	353,963	365,437	375,531	389,833	392,291
Other	3,749	3,841	4,497	4,697	1,610	2,825	3,058	705	817	752
Total Operating Revenue	\$ 534,890	\$ 554,282	\$ 530,264	\$ 541,086	\$ 545,758	\$ 574,894	\$ 590,185	\$ 627,010	\$ 633,772	\$ 616,978

Schedule 4

LOS ANGELES COUNTY SANITATION DISTRICTS

Operating Expenses
Last Ten Fiscal Years
(\$ thousands)

	Fiscal Year									
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Chemicals	\$ 33,394	\$ 34,778	\$ 33,912	\$ 33,675	\$ 32,300	\$ 30,072	\$ 31,166	\$ 34,986	\$ 38,756	\$ 39,211
Insurance and Claims	3,403	4,154	1,657	5,105	4,284	4,309	3,424	4,041	1,721	5,896
Landfill Closure and Postclosure Costs	23,894	8,842	22,764	34,395	10,419	1,554	1,662	4,436	159,828	12,939
Materials and Supplies	21,537	22,164	24,264	27,171	27,677	27,403	28,689	32,099	29,067	31,348
Operations, Repairs, and Maintenance	37,516	31,271	34,951	30,960	21,719	19,500	22,503	24,888	23,103	23,973
Salaries and Benefits	197,449	195,752	198,288	192,500	185,252	208,361	231,563	234,717	263,744	265,358
Services	58,499	62,468	81,166	91,973	96,658	90,029	102,061	105,450	104,058	97,015
Utilities	23,805	24,237	26,525	25,053	22,247	19,834	22,550	24,231	21,360	23,642
Miscellaneous ⁽¹⁾	<u>6,494</u>	<u>8,668</u>	<u>4,429</u>	<u>5,039</u>	<u>5,345</u>	<u>5,034</u>	<u>13,075</u>	<u>16,996</u>	<u>6,612</u>	<u>6,170</u>
Subtotal, Expenses before Depreciation	405,991	392,334	427,956	445,871	405,901	406,096	456,693	481,844	648,249	505,552
Depreciation & Amortization of Use Rights	<u>83,666</u>	<u>84,734</u>	<u>110,795</u>	<u>93,589</u>	<u>90,359</u>	<u>92,223</u>	<u>95,917</u>	<u>103,557</u>	<u>102,689</u>	<u>114,157</u>
Total Operating Expenses	<u>\$ 489,657</u>	<u>\$ 477,068</u>	<u>\$ 538,751</u>	<u>\$ 539,460</u>	<u>\$ 496,260</u>	<u>\$ 498,319</u>	<u>\$ 552,610</u>	<u>\$ 585,401</u>	<u>\$ 750,938</u>	<u>\$ 619,709</u>

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									
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Interest Revenue	\$ 23,940	\$ 16,139	\$ 15,727	\$ 17,646	\$ 22,561	\$ 25,995	\$ 32,459	\$ 43,796	\$ 43,568	\$ 20,575
Tax Revenue	54,770	68,435	55,211	67,962	70,121	73,029	77,371	82,676	88,365	95,193
Other Nonoperating Revenue	4,599	6,907	11,235	9,136	6,788	12,793	12,164	8,798	9,019	14,027
Interest Expense	(40,054)	(42,543)	(32,194)	(32,817)	(33,203)	(28,021)	(26,765)	(27,210)	(23,688)	(21,419)
Unrealized Gain/(Loss) on Investments	(6,546)	(19,491)	8,647	5,188	2,942	(10,176)	(26,002)	32,474	20,618	(13,117)
Tax and Assessment Expense	(21,274)	(20,899)	(14,014)	(7,050)	(7,702)	(10,956)	(10,289)	(12,310)	(10,753)	(10,274)
Other Nonoperating Expense	(5,337)	(4,312)	(5,111)	(1,974)	(2,718)	(4,051)	(8,483)	(4,925)	(9,053)	(6,099)
Total Nonoperating Revenue	<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>	<u>\$ 78,886</u>

Schedule 6
LOS ANGELES COUNTY SANITATION DISTRICTS
Changes in Cash and Cash Equivalents
Last Ten Fiscal Years
(\$ thousands)

	Fiscal Year									
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Cash Flows from Operating Activities										
Receipts from customers and users	\$ 529,296	\$ 565,158	\$ 534,475	\$ 544,623	\$ 547,724	\$ 569,134	\$ 587,160	\$ 623,375	\$ 642,281	\$ 620,937
Receipts for equipment rental	16,094	16,792	15,359	14,645	13,955	14,934	14,610	15,361	16,674	17,348
Payments to suppliers	(194,190)	(196,786)	(212,100)	(228,863)	(219,444)	(230,446)	(217,498)	(244,484)	(232,775)	(224,723)
Payments for salaries and benefits	(196,690)	(195,775)	(198,736)	(200,429)	(182,087)	(203,597)	(221,399)	(223,703)	(250,607)	(260,851)
Payment for equipment rental within the Districts	(16,912)	(16,412)	(15,075)	(14,991)	(13,955)	(14,934)	(14,610)	(15,361)	(16,674)	(17,348)
Other payments	(19)	(19)	(19)	(19)	-	-	-	-	-	-
Net cash provided by operating activities	<u>137,579</u>	<u>172,958</u>	<u>123,904</u>	<u>114,966</u>	<u>146,193</u>	<u>135,091</u>	<u>148,263</u>	<u>155,188</u>	<u>158,899</u>	<u>135,363</u>
Cash Flows from Noncapital Financing Activities										
Receipts from property taxes	53,784	71,082	57,527	67,042	69,817	72,378	76,790	83,610	86,945	94,743
Other nonoperating receipts	-	-	-	-	-	-	5,016	1,594	-	-
Payments for tax and assessment	(21,649)	(20,898)	(14,827)	(7,050)	(8,442)	(10,956)	(10,289)	(10,042)	(11,873)	(10,275)
Net cash provided by noncapital financing activities	<u>32,135</u>	<u>50,184</u>	<u>42,700</u>	<u>59,992</u>	<u>61,375</u>	<u>61,422</u>	<u>71,517</u>	<u>75,162</u>	<u>75,072</u>	<u>84,468</u>
Cash Flows from Capital and Related Financing Activities										
Borrowings on loans	10,664	2,351	9,664	18,879	8,967	14,746	34,945	15,139	4,972	3,571
Proceeds on bond sales	151,280	-	117,460	-	172,408	192,968	-	-	-	-
Contract proceeds from County of Los Angeles	-	-	2,700	1,500	-	-	-	-	-	-
Bond issuance costs	(717)	-	(457)	-	(654)	(713)	-	-	-	-
Purchases of capital assets	(168,072)	(134,346)	(129,324)	(135,584)	(141,401)	(104,258)	(125,035)	(126,568)	(211,060)	(286,697)
Principal payments on contracts/note	(713)	(316)	(39)	(41)	(44)	(1,328)	-	-	-	-
Connection fees proceeds	19,453	25,918	33,291	32,713	34,354	33,803	38,382	39,823	33,466	20,477
Grant proceeds	-	195	-	-	1,458	1,492	3,671	6,376	10,427	7,701
Interest paid on capital-related debt	(34,710)	(35,059)	(30,904)	(30,942)	(26,346)	(22,534)	(24,482)	(23,708)	(21,810)	(18,972)
Principal payments on bonds	(174,229)	(24,744)	(184,152)	(29,264)	(203,934)	(188,553)	(34,449)	(35,909)	(37,564)	(57,296)
Principal payments on loans	(28,270)	(31,689)	(30,580)	(31,173)	(30,100)	(79,459)	(28,255)	(30,941)	(31,598)	(39,334)
Payment per joint powers agreement	-	-	-	-	-	(1,100)	-	-	-	(250)
Proceeds from sale of assets/equipment	4,080	3,823	2,630	2,385	1,001	7,174	2,143	2,785	1,223	394
Receipts from joint venture	165	2,306	2,930	131	150	150	150	-	11,680	-
Net cash used by capital and related financing activities	<u>(221,069)</u>	<u>(191,561)</u>	<u>(206,781)</u>	<u>(171,396)</u>	<u>(184,141)</u>	<u>(147,612)</u>	<u>(132,930)</u>	<u>(153,003)</u>	<u>(240,264)</u>	<u>(370,406)</u>
Cash Flows from Investing Activities										
Interest received	31,520	16,468	14,567	15,940	24,734	24,415	34,538	36,787	44,182	27,118
Purchases of investments	(1,363,978)	(1,490,217)	(466,367)	(610,933)	(1,273,001)	(782,636)	(316,412)	(575,624)	(867,761)	(201,718)
Proceeds from maturities of investments	1,160,068	1,298,975	397,566	863,262	1,353,519	555,543	325,076	575,174	1,246,719	527,393
Net cash provided (used) by investing activities	<u>(172,390)</u>	<u>(174,774)</u>	<u>(54,234)</u>	<u>268,269</u>	<u>105,252</u>	<u>(202,678)</u>	<u>43,202</u>	<u>36,337</u>	<u>423,140</u>	<u>352,793</u>
Net increase (decrease) in cash and cash equivalents	(223,745)	(143,193)	(94,411)	271,831	128,679	(153,777)	130,052	113,684	416,847	202,218
Cash and cash equivalents at beginning 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
Cash and cash equivalents at end of fiscal year	<u>\$ 801,721</u>	<u>\$ 658,528</u>	<u>\$ 564,117</u>	<u>\$ 835,948</u>	<u>\$ 964,627</u>	<u>\$ 810,850</u>	<u>\$ 940,902</u>	<u>\$ 1,054,586</u>	<u>\$ 1,471,433</u>	<u>\$ 1,673,651</u>

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>
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
2020-21	20,477	3,940	-	24,417

Schedule 8

LOS ANGELES COUNTY SANITATION DISTRICTS

Service Charge Rates (\$ per Single-Family Home per Year)
Last Ten Fiscal Years

District ¹	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
1	\$ 154.00	\$ 156.00	\$ 158.00	\$ 163.00	\$ 168.00	\$ 173.00	\$ 178.00	\$ 183.00	\$ 188.00	\$ 193.00
2	148.00	149.00	150.00	155.00	160.00	165.00	169.00	173.00	177.00	181.00
3	150.00	152.00	154.00	157.00	160.00	163.00	166.00	169.00	172.00	175.00
4	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00
5	132.00	134.00	136.00	141.00	146.00	151.00	155.00	159.00	163.00	167.00
8	139.00	143.00	147.00	154.00	163.00	174.00	180.00	186.00	192.00	198.00
9	78.00	78.00	78.00	78.00	78.00	78.00	78.00	78.00	78.00	78.00
14	360.00	448.00	472.00	496.00	476.00	476.00	476.00	476.00	487.88	487.88
15	132.00	134.00	136.00	141.00	146.00	151.00	154.00	157.00	160.00	163.00
16	135.00	137.00	139.00	142.00	145.00	148.00	151.00	154.00	157.00	160.00
17	136.00	138.00	140.00	143.00	146.00	149.00	152.00	155.00	158.00	161.00
18	149.00	150.00	151.00	156.00	161.00	166.00	170.00	174.00	178.00	182.00
19	148.00	150.00	152.00	155.00	158.00	161.00	164.00	167.00	170.00	173.00
20	429.00	477.00	525.00	535.00	550.00	565.00	565.00	575.00	586.88	586.88
21	146.00	147.00	148.00	153.00	158.00	163.00	167.00	171.00	175.00	179.00
22	145.00	147.00	149.00	152.00	155.00	158.00	162.00	166.00	170.00	174.00
23	114.00	116.00	118.00	120.00	122.00	124.00	126.00	128.00	130.00	132.00
28 ²	336.00	337.00	338.00	340.00	342.00	242.00	-	-	-	-
28 ²	128.00	129.00	130.00	132.00	134.00	136.00	138.00	140.00	142.00	144.00
29	333.75	339.75	339.75	339.75	339.75	339.75	339.75	339.75	339.75	339.75
SBC	120.00	121.00	122.00	124.00	126.00	128.00	130.00	132.00	134.00	136.00
SCV	215.00	231.00	247.00	267.00	287.00	307.00	328.00	349.00	370.00	370.00
NR	-	-	-	-	-	-	-	-	-	656.60
Average	160.28	166.70	170.90	176.93	181.55	186.49	190.67	195.86	201.13	204.53

1. District No. 27 has not levied a service charge as its other revenues have been sufficient to meet its expenses.
2. 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	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
1	142,853	143,258	143,429	144,702	144,833	144,635	145,348	148,562	149,590	149,393
2	214,923	215,551	215,730	217,082	217,943	219,329	218,035	223,900	225,374	226,849
3	180,446	179,597	176,037	177,585	180,568	181,192	180,611	185,315	186,828	187,943
4	22,767	23,778	23,830	24,556	24,844	25,619	26,097	26,806	27,790	27,425
5	267,878	268,676	262,048	266,716	267,707	272,623	271,544	276,194	279,988	281,159
8	60,029	59,831	58,296	59,108	59,017	60,103	59,629	61,010	62,354	64,117
9	1,254	1,273	1,216	1,015	1,017	1,101	1,071	1,288	1,436	1,442
14	67,880	66,680	65,615	67,130	67,793	67,176	67,491	70,488	71,452	71,716
15	187,229	186,714	183,592	187,253	187,112	190,227	189,227	193,123	195,361	195,805
16	114,751	113,741	109,897	112,893	112,929	115,410	116,067	117,452	119,078	120,538
17	14,926	15,064	14,511	14,629	14,656	15,012	15,104	15,309	15,225	15,124
18	123,789	121,399	121,021	121,371	121,923	122,694	122,251	124,409	126,036	127,362
19	37,335	37,761	37,247	37,269	38,159	37,976	40,643	41,673	41,715	41,957
20	42,658	42,854	42,094	43,010	43,297	42,997	42,336	44,518	45,385	45,583
21	151,244	149,715	148,776	149,972	150,812	154,451	151,998	154,106	155,848	156,670
22	125,206	125,193	123,768	124,183	125,283	126,972	124,223	127,505	129,396	129,927
23	3,308	3,270	3,271	3,198	3,285	3,264	3,100	3,286	3,480	3,451
27	558	558	558	558	558	558	551	497	555	555
28	4,414	4,492	4,462	4,703	4,670	4,779	4,750	4,794	4,786	4,777
29	5,430	5,515	5,144	5,380	5,408	5,797	5,756	5,889	5,950	5,826
SBC	50,631	50,864	50,504	50,920	51,616	50,441	51,483	52,644	52,896	54,761
SCV	93,234	93,494	92,432	91,749	92,849	95,256	94,964	98,945	101,943	103,616
NR	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	417
	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	2,016,413

Schedule 10

LOS ANGELES COUNTY SANITATION DISTRICTS

Industrial Wastewater Treatment Surcharge Rates

Last Ten Fiscal Years

District	Unit Rate	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
JO	(a) \$/MGD	\$ 755.00	\$ 764.00	\$ 773.00	\$ 796.00	\$ 819.00	\$ 843.00	\$ 863.00	\$ 883.00	\$ 903.00	\$ 923.00
	(b) \$/1,000 lbs. COD	133.50	135.10	136.70	140.80	144.90	149.00	152.50	156.00	159.50	163.00
	(c) \$/1,000 lbs. SS	377.40	382.10	386.70	398.30	409.90	421.50	431.40	441.30	451.20	461.10
	(d) \$/GPM (Peak)	100.10	101.30	102.50	105.60	108.70	111.70	114.30	116.90	119.50	122.10
	Flat Rate (\$/MG)	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	3,913.00
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	2,967.00	3,126.00	3,285.00	3,153.00	3,153.00	3,153.00	3,153.00	3,232.00	3,232.00
	(b) \$/1,000 lbs. COD	268.40	334.00	351.90	369.80	354.90	354.90	354.90	354.90	363.80	363.80
	(c) \$/1,000 lbs. SS	648.00	806.40	849.60	892.80	856.60	856.60	856.80	856.80	878.20	878.20
	(d) \$/GPM (Peak)	458.60	570.70	601.30	631.80	606.50	606.50	606.50	606.50	621.60	621.60
	Flat Rate (\$/MG)	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	7,190.00
20	(a) \$/MGD	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	2,679.00
	(b) \$/1,000 lbs. COD	436.80	485.60	534.50	544.70	559.90	575.20	575.20	585.40	597.50	597.50
	(c) \$/1,000 lbs. SS	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	1,200.40
	(d) \$/GPM (Peak)	417.40	464.10	510.80	520.50	535.00	549.70	549.70	559.40	571.00	571.00
	Flat Rate (\$/MG)	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	8,524.00
SCV	(a) \$/MGD	861.00	903.00	946.00	1,023.00	1,099.00	1,176.00	1,256.00	1,337.00	1,417.00	1,417.00
	(b) \$/1,000 lbs. COD	196.10	205.70	215.30	233.10	250.50	268.00	286.30	304.60	323.00	323.00
	(c) \$/1,000 lbs. SS	482.40	506.10	529.80	572.70	615.60	658.50	703.50	748.60	793.60	793.60
	(d) \$/GPM (Peak)	121.80	127.80	133.80	144.60	155.50	166.30	177.70	189.10	200.40	200.40
	Flat Rate (\$/MG)	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	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	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
1	20,462	22,183	25,787	23,900	25,022	23,441	23,067	24,623	24,964	32,132
2	34,556	33,744	32,381	32,927	34,572	35,338	35,359	36,077	36,617	33,663
3	16,102	17,189	17,752	17,894	15,267	13,360	14,553	13,771	11,590	10,144
4	167	129	138	169	133	98	183	135	170	65
5	32,654	27,601	26,983	23,739	19,660	21,055	20,905	21,542	20,056	20,606
8	41,933	43,378	47,720	45,181	41,467	39,842	37,337	38,574	34,592	33,421
14	2,358	2,507	2,605	2,485	2,066	2,357	2,308	2,268	2,200	2,404
15	21,522	22,381	24,572	22,428	19,395	22,193	20,902	23,444	23,149	23,781
16	1,336	1,476	1,576	1,594	1,706	1,612	1,663	1,441	1,005	1,279
18	14,904	16,452	15,029	13,950	13,173	14,428	14,260	13,256	12,967	11,030
19	918	975	745	334	468	565	214	133	296	709
20	281	289	292	232	267	253	255	343	280	330
21	15,585	14,703	15,664	17,152	14,901	15,933	18,144	17,214	17,842	14,416
22	15,649	13,871	10,928	12,466	15,361	15,120	12,643	13,276	10,595	5,410
23	16,515	15,743	14,260	14,846	15,462	15,090	15,696	18,123	17,460	25,976
29	281	247	224	250	257	248	306	328	288	271
SBC	589	528	452	384	165	150	96	89	103	75
SCV	1,253	1,121	1,074	1,169	1,071	1,018	1,110	979	760	921
Contract ²	17,303	18,533	20,798	23,471	19,612	20,988	24,951	39,463	20,858	19,116
Total	254,368	253,050	258,980	254,571	240,025	243,089	243,952	265,079	235,792	235,749

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>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>	<u>2020-21</u>
Puente Hills Landfill	\$38.41 ³	\$38.41	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Puente Hills MRF	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	70.60
South Gate Transfer Station	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	79.70 ¹²
DART Facility	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	75.16
Scholl Canyon Landfill	49.18 ³	49.18	49.18	49.18	49.18	53.83 ⁸	53.83	53.88 ¹⁰	53.88	53.88
Calabasas Landfill	40.82 ²	40.82	40.82	43.32 ⁶	47.32 ⁷	52.32 ⁸	52.32	52.32	52.32	52.32

1. \$ per Ton
2. Effective January 1, 2010.
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.
12. Effective April 1, 2021.

Schedule 13

LOS ANGELES COUNTY SANITATION DISTRICTS

Solid Waste Disposal Tonnages¹
Last Ten Fiscal Years

	<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>	<u>2020-21</u>
Puente Hills Landfill	1.80	2.19	0.74	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Puente Hills MRF	0.02	0.04	0.55	0.73	0.73	0.63	0.70	0.64	0.48	0.32
South Gate Transfer Station	0.10	0.11	0.11	0.11	0.14	0.15	0.14	0.15	0.13	0.11
DART Facility	0.13	0.08	0.13	0.14	0.16	0.20	0.27	0.27	0.28	0.19
Scholl Canyon Landfill	0.23	0.21	0.23	0.24	0.33	0.38	0.40	0.43	0.47	0.44
Calabasas Landfill	<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</u>	<u>0.32</u>	<u>0.28</u>
Total	2.49	2.82	2.00	1.45	1.67	1.71	1.80	2.08	1.68	1.34

1. Million Tons per Year

Schedule 14

LOS ANGELES COUNTY SANITATION DISTRICTS

Ten Largest Customers
Fiscal Years 2011-12 and 2020-21

Fiscal Year 2011-12

Solid Waste Management Facilities Revenue			Wastewater Treatment Facilities Revenue		
Customer	Amount	%	Customer	Amount	%
Los Angeles County Sanitation Districts	\$ 12,907,118	12.59%	Exxon Mobil Oil Corp.	\$ 5,256,991	1.49%
Athens Disposal	12,541,923	12.23%	BP West Coast Products	3,000,560	0.85%
Metro Waste/Calmet Services	3,829,605	3.73%	Miller Coors LLC	2,242,291	0.63%
Valley Vista Services	3,335,226	3.25%	Tesoro Refining	1,963,431	0.56%
City of Glendale	3,107,903	3.03%	Conoco Phillips Co.	1,690,498	0.48%
L.A. County Dept. of Public Works - SMD	2,540,488	2.48%	Clougherty Packing	1,526,341	0.43%
City of Pasadena	2,493,543	2.43%	Demeno Kerdoon	1,125,149	0.32%
Universal Waste Systems	2,480,446	2.42%	Alta Dena Certified Dairy	1,030,679	0.29%
Burrtec Waste Services	2,431,879	2.37%	Cacique, Inc.	1,030,019	0.29%
United Pacific Waste	2,263,011	2.21%	California State Prison	1,015,659	0.29%
Subtotal (10 largest)	47,931,142	46.74%	Subtotal (10 largest)	19,881,618	5.62%
Balance from Other Customers	54,607,616	53.26%	Balance from Other Customers	333,810,286	94.38%
Grand Total	\$ 102,538,758	100.00%	Grand Total	\$ 353,691,904	100.00%

Fiscal Year 2020-21

Solid Waste Management Facilities Revenue			Wastewater Treatment Facilities Revenue		
Customer	Amount	%	Customer	Amount	%
City of Glendale	\$ 5,441,721	5.31%	Inland Empire Utilities Agency	\$ 5,453,121	1.18%
CR&R, Inc.	5,317,437	5.19%	Smithfield Packaged Meats Corp.	4,397,793	0.95%
Los Angeles County DWP/Public Works	4,259,272	4.16%	Torrance Refining Co., LLC	3,950,556	0.86%
City of Pasadena	4,056,975	3.96%	Tesoro Refining - Carson	3,054,625	0.66%
NASA Disposal	2,933,163	2.86%	Demeno/Kerdoon, dba World Oil	2,405,515	0.52%
GI Rubbish Company	2,499,472	2.44%	Tesoro Refining - Wilmington	2,376,756	0.51%
Ware Disposal	1,930,371	1.88%	Coast Packing Company	1,992,931	0.43%
Calmet/Calsan	1,814,128	1.77%	Phillips 66 Company	1,796,793	0.39%
Grand Central/Valley Vista	1,087,613	1.06%	Heritage Distributing Co.	1,396,528	0.30%
Waste & Recycling Services	895,161	0.87%	DFA Dairy Brands Fluid, LLC	1,348,627	0.29%
Subtotal (10 largest)	30,235,313	29.52%	Subtotal (10 largest)	28,173,245	6.10%
Balance from Other Customers	72,198,847	70.48%	Balance from Other Customers	433,646,998	93.90%
Grand Total	\$ 102,434,160	100.00%	Grand Total	\$ 461,820,243	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		
				Debt	Debt Per Capita ¹	As a Share of Per Capita Income
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	0.16%
2020-21	312,500	-	226,192	538,692	97.73	0.13%

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									
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Revenue Sources ⁽¹⁾										
Ad Valorem Tax	\$ 54,770	\$ 68,435	\$ 55,210	\$ 67,963	\$ 70,121	\$ 73,029	\$ 77,370	\$ 82,675	\$ 88,363	\$ 95,191
CIF ⁽²⁾	15,667	14,996	12,664	12,627	10,489	9,987	7,318	5,162	5,162	-
User Fees	353,692	375,032	370,980	394,765	400,001	418,318	432,497	434,022	449,355	448,374
Other Revenues	27,372	28,101	27,712	26,375	15,138	15,742	19,089	30,939	31,387	32,958
Interest	11,512	7,679	7,513	9,343	13,078	14,265	18,478	26,516	26,900	11,336
Rate Stabilization Fund ⁽³⁾	-	1,488	14,161	-	7,923	3,946	-	18,220	18	-
Total	463,013	495,731	488,240	511,073	516,750	535,287	554,752	597,534	601,185	587,859
Expenses ⁽⁴⁾										
Total O&M	284,926	287,411	303,506	298,081	307,980	304,998	314,989	335,687	354,590	369,224
Rate Stabilization Fund ⁽⁵⁾	31,839	56,593	12,921	41,328	14,701	27,057	75,407	69,711	62,609	78,148
Total	316,765	344,004	316,427	339,409	322,681	332,055	390,396	405,398	417,199	447,372
Net Revenues	146,248	151,727	171,813	171,664	194,069	203,232	164,356	192,136	183,986	140,487
Debt Service										
State Loans	31,660	36,633	36,535	36,747	35,416	32,162	32,060	36,109	35,998	35,459
Installment Payments	53,075	52,826	52,793	52,530	51,390	49,757	53,643	53,568	53,529	53,698
Total Debt Service	84,735	89,459	89,328	89,277	86,806	81,919	85,703	89,677	89,527	89,157
Coverage	1.7	1.7	1.9	1.9	2.2	2.5	1.9	2.1	2.1	1.6

- 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
2011-12	5.452	9.912	435,300	43.92	11.3%	10.9%
2012-13	5.490	10.019	451,100	45.02	10.2%	9.4%
2013-14	5.532	10.069	487,900	48.46	8.3%	7.6%
2014-15	5.571	10.192	521,900	51.21	6.9%	6.4%
2015-16	5.606	10.240	557,382	54.43	5.4%	5.7%
2016-17	5.597	10.278	585,515	56.97	4.9%	4.9%
2017-18	5.613	10.328	602,632	58.35	4.9%	4.4%
2018-19	5.609	10.184	658,900	64.70	4.6%	4.2%
2019-20	5.551	10.136	708,700	69.92	17.9%	14.1%
2020-21	5.512	10.044	769,100	76.57	10.3%	8.0%

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 ACFR 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, 2021

CITY	POPULATION	CITY	POPULATION
Alhambra	86,258	Lomita	20,431
Arcadia	57,599	Long Beach	467,313
Artesia	16,477	Los Angeles	141,284
Azusa	49,531	Lynwood	69,880
Baldwin Park	75,935	Manhattan Beach	35,058
Bell	36,319	Maywood	27,670
Bell Gardens	42,233	Monrovia	38,472
Bellflower	77,458	Montebello	62,914
Beverly Hills	728	Monterey Park	60,380
Bradbury	470	Norwalk	105,191
Carson	91,668	Palmdale	153,850
Cerritos	50,048	Palos Verdes Estates	13,286
Claremont	35,442	Paramount	55,200
Commerce	12,792	Pasadena	145,290
Compton	97,775	Pico Rivera	63,157
Covina	48,601	Pomona	149,729
Cudahy	23,750	Rancho Palos Verdes	41,541
Diamond Bar	56,285	Redondo Beach	66,484
Downey	111,425	Rolling Hills	1,866
Duarte	21,128	Rolling Hills Estates	8,098
El Monte	116,465	Rosemead	54,229
Gardena	60,344	San Dimas	33,798
Glendora	50,799	San Gabriel	39,945
Hawaiian Gardens	14,467	San Marino	12,961
Hawthorne	86,999	Santa Clarita	217,126
Hermosa Beach	19,451	Santa Fe Springs	18,129
Huntington Park	58,937	Sierra Madre	10,649
Industry	427	Signal Hill	11,617
Inglewood	110,159	South El Monte	21,296
Irwindale	1,441	South Gate	96,553
La Canada-Flintridge	18,634	South Pasadena	25,668
La Habra Heights	368	Temple City	36,225
La Mirada	48,631	Torrance	144,832
La Puente	39,651	Vernon	295
La Verne	33,023	Walnut	29,832
Lakewood	80,215	West Covina	105,376
Lancaster	158,656	West Hollywood	36,125
Lawndale	32,710	Whittier	86,196
			<hr/>
		77 Cities Subtotal	4,631,245
		Unincorporated	880,520
			<hr/>
		TOTAL	<u>5,511,765</u>

Source: State of California, Department of Finance, E-1 Population Estimates for Cities, Counties, and the State, with Annual Percent Change -- January 1, 2020, and 2021. Sacramento, California, May 2021, and GIS analysis using L.A. County Assessor GIS parcel data (2020), 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
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	4,553.6	172.3	428.2	50.9	30,554	641,340
2020	4,000.2	157.7	404.9	27.0	26,930	709,500

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 2012			June 2021		
	Number of Employees	Percentage of Total	Rank	Number of Employees	Percentage of Total	Rank
Educational and Health Services	696,000	17.15%	2	839,300	19.91%	1
Trade, Transportation & Utilities	769,200	18.96%	1	804,600	19.09%	2
Professional and Business Services	562,100	13.85%	4	598,800	14.21%	3
Government	571,800	14.09%	3	558,700	13.26%	4
Leisure and Hospitality	420,400	10.36%	5	438,300	10.40%	5
Manufacturing	377,800	9.31%	6	306,900	7.28%	6
Financial Activities	212,900	5.25%	7	209,300	4.97%	7
Information Services	187,600	4.62%	8	177,000	4.20%	8
Construction	108,600	2.68%	10	148,100	3.51%	9
Other Services	143,000	3.52%	9	127,100	3.02%	10
Agriculture	5,500	0.14%	11	4,800	0.11%	11
Mining & Logging	3,100	0.08%	12	1,600	0.04%	12
Total	4,058,000	100.00%		4,214,500	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

Full-Time-Equivalent Employees as of June 30,

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Solid Waste Management:										
Solid Waste Management	2	3	2	2	2	2	3	3	3	3
Solid Waste Operations	222	211	209	183	190	199	207	204	204	198
Energy Recovery Operations	137	114	116	112	102	101	94	66	67	66
Wastewater Management:										
Wastewater Management	7	3	3	3	3	2	2	2	3	3
Industrial Waste	70	67	66	66	63	64	62	62	62	61
Joint Water Pollution Control Plant	310	302	297	296	293	285	293	297	286	295
Wastewater Collection System	125	124	130	129	129	126	126	129	137	133
Water Reclamation Plants	219	219	224	223	234	240	246	245	236	234
E/I Engineering Support	-	4	6	8	8	8	8	9	9	9
Engineering:										
Engineering	6	6	6	7	7	7	5	7	9	8
Field Engineering	73	66	61	56	53	53	51	56	51	56
Wastewater & Solid Waste Design	61	34	29	27	22	21	36	29	31	32
Structural & Architectural Design	17	17	16	17	16	17	17	16	16	18
Electrical & Instrumentation Design	22	20	20	21	23	23	22	23	21	22
Mechanical & Civil Design	15	14	12	12	14	13	-	-	-	-
Sewer Design	-	23	24	23	22	25	25	26	25	25
Technical Services:										
Technical Services	5	5	14	14	15	13	23	15	14	15
Air Quality Engineering	12	9	9	11	9	9	9	8	8	9
Laboratories	175	167	163	157	170	159	160	157	169	162
Monitoring	28	25	26	29	33	39	44	45	44	29
Wastewater Research	24	11	11	11	11	18	12	18	18	20
Water Quality	31	26	27	29	15	16	13	12	14	13
Research	-	11	11	10	9	-	-	-	-	-
Administration:										
Administration	9	9	9	9	9	9	9	9	9	9
Financial Mgmt. & Facilities Plan.	215	200	193	187	183	185	184	199	206	204
Human Resources	31	31	22	21	21	22	23	23	23	23
Total Employees:	1,816	1,721	1,706	1,663	1,656	1,656	1,674	1,660	1,665	1,647

Schedule 22

LOS ANGELES COUNTY SANITATION DISTRICTS

Operating and Capital Indicators
Last Ten Fiscal Years

	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Sewerage Operations										
Miles of Trunk Lines	1,408	1,410	1,410	1,411	1,412	1,410	1,409	1,412	1,430	1,430
Number of Active Pump Stations	52	49	49	48	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)	85	93	91	79	90	96	93	78	87	93
Number of Reuse Sites ²	703	720	757	790	855	863	892	916	952	978
WW Discharge Inspections	9,836	10,633	11,070	10,769	11,516	11,162	11,661	11,673	10,115	9,218
Solid Waste Operations										
Number of Active Landfills	3	3	2	2	2	2	2	2	2	2
Solid Waste Disposal Tonnages³										
Puente Hills Landfill	1.80	2.19	0.74	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Puente Hills MRF	0.02	0.04	0.55	0.73	0.73	0.63	0.70	0.64	0.48	0.32
South Gate Transfer Station	0.10	0.11	0.11	0.11	0.14	0.15	0.14	0.15	0.13	0.11
DART Facility	0.13	0.08	0.13	0.14	0.16	0.20	0.27	0.27	0.28	0.19
Scholl Canyon Landfill	0.23	0.21	0.23	0.24	0.33	0.38	0.40	0.43	0.47	0.44
Calabasas Landfill	0.21	0.19	0.24	0.23	0.31	0.35	0.29	0.59	0.32	0.28
Total	2.49	2.82	2.00	1.45	1.67	1.71	1.80	2.08	1.68	1.34
Cumulative Tonnages³										
Puente Hills Landfill	121.11	123.30	124.04	124.04	124.04	124.04	124.04	124.04	124.04	124.04
Puente Hills MRF	0.58	0.62	1.17	1.90	2.63	3.26	3.96	4.60	5.08	5.40
South Gate Transfer Station	5.75	5.86	5.97	6.08	6.22	6.37	6.51	6.66	6.79	6.90
DART Facility	3.28	3.36	3.49	3.63	3.79	3.99	4.26	4.53	4.81	5.00
Scholl Canyon Landfill	28.45	28.66	28.89	29.13	29.46	29.84	30.24	30.67	31.14	31.58
Calabasas Landfill	23.87	24.06	24.30	24.53	24.84	25.19	25.48	26.07	26.39	26.67
Percentage of County Total	33%	37%	24%	7%	11%	12%	11%	20%	13%	11%
Household Hazardous Waste/Electronic Waste (HHW/EW)										
Households	57,891	52,850	50,056	51,054	43,705	49,516	56,809	56,895	36,336	61,630
Cost (\$ millions)	\$3.9	\$3.6	\$3.7	\$3.5	\$3.2	\$3.5	\$4.0	\$4.1	\$2.9	\$4.6

1. Million Gallons per Day

2. Value indicates total number of sites approved to use recycled water produced by Los Angeles County Sanitation Districts.

3. Million Tons per Year

Our Last Untapped Source

The Sanitation Districts and the Metropolitan Water District of Southern California have partnered on a program that could recycle water from our last untapped source, our Joint Water Pollution Control Plant. The Regional Recycled Water Program, which is in the planning phase, could produce up to 150 million gallons of purified water, enough to serve more than 1.5 million people. This program could become one of the largest water recycling projects in the world.



The Regional Recycled Water Program's 500,000 gallon-per-day demonstration facility purifies water from JWPCP.

LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure
June 30, 2021

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 2015 Series A District 14 Subordinate Revenue Bonds (2015A Revenue Bonds), the 2016 Series A District 20 Subordinate Revenue Bonds (2016A Revenue Bonds), and the 2021 Series A District 14 Revenue Bonds (2021A 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' Annual Comprehensive Financial Report (ACFR) includes all the information required by the Disclosure Agreements, the ACFR 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 September 15, 2021, the Districts' Financing Authority issued \$41,645,000 (face value) in Capital Projects Revenue Bonds Series A. The proceeds from the bond sale have been used to prepay four District No. 14 California State Water Resources Control Board loans and costs of issuance.

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, 2021 (projected), and as of December 31, 2020.
- 4) The amount of each senior obligation and subordinate obligation for District Nos. 14 and 20 outstanding as of December 31, 2021 (projected).
- 5) An update, for the most recently ended fiscal year, of the following information contained in the Official Statements for District Nos. 14 and 20 outstanding bond issues:
 - a. Estimated sewage units by customer type;
 - b. User fees and ad valorem taxes;
 - c. Districts' service charge rates;
 - d. Fund balances on June 30, 2021;
 - e. Average yearly sewage flow;
 - f. Ten largest wastewater customers;
 - g. Districts' historical operating data (for all Districts).

LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

SECTION 1 - The Authority's Audited Financial Statements

Statement of Net Position June 30, 2021

Assets	
Cash and cash equivalents with Trustee, restricted as to use	\$ 7,676
Payments receivable from Participating Districts	310,885,015
Total assets	310,892,691
Deferred Outflow of Resources	
Deferred loss on refunding, net of accumulated amortization of \$21,519,525	1,607,765
Liabilities	
Current liabilities, payable from restricted assets:	
Interest payable	3,394,179
Current portion of bonds payable	9,049,399
Total current liabilities, payable from restricted assets	12,443,578
Long-term liabilities:	
Premium on issue, net of accumulated amortization of \$51,204,510	24,471,057
Revenue bonds payable	278,980,000
Total long-term liabilities	303,451,057
Total liabilities	315,894,635
Net Position	
Unrestricted	(3,394,179)
Total net position	\$ (3,394,179)

Statement of Revenues, Expenses, and Changes in Net Position Fiscal year ended June 30, 2021

Operating revenues-payments from Participating Districts	\$ 16,148,574
Nonoperating revenues (expenses):	
Interest revenue	306
Interest expense	(15,372,631)
Drawdown expense	510,965
Amortization of deferred loss on refunding	(5,506,551)
Amortization of bond premium	4,993,302
Net nonoperating expenses	(15,374,609)
Change in net position	773,965
Total net position, beginning of fiscal year	(4,168,144)
Net position, end of year	\$ (3,394,179)

LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

Statement of Cash Flows Fiscal year ended June 30, 2021

Cash flows from operating activities:	
Receipts from Participating Districts	\$ <u>16,148,574</u>
Cash flows from capital and related financing activities:	
Receipts from Participating Districts	65,183,970
Principal payments/defeasement on bonds	(65,183,970)
Interest paid on bonds	<u>(16,148,807)</u>
Net cash used by capital and related financing activities	<u>(16,148,807)</u>
Cash flows from investing activities:	
Interest received on investments	<u>306</u>
Net cash provided by investing activities	<u>306</u>
Net increase in cash and cash equivalents, restricted as to use	73
Cash and cash equivalents, beginning of fiscal year, restricted as to use	<u>7,603</u>
Cash and cash equivalents, end of fiscal year, restricted as to use	\$ <u><u>7,676</u></u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ <u>16,148,574</u>
Net cash provided by operating activities	<u><u>16,148,574</u></u>
Supplemental disclosure of noncash items:	
Amortization of premium on revenue bonds payable and deferred loss on refunding of \$4,993,302 and (\$5,506,551), respectively.	

SECTION 2 - Districts' Audited Consolidated Financial Statements

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

SECTION 3 - Principal Amount of Bonds Outstanding

At December 31, 2021, the total principal amount of bonds outstanding will be \$320,625,000 (projected), an overall increase of \$32,595,602 from December 31, 2020, when the total principal amount of bonds outstanding was \$288,029,398.

SECTION 4 - Outstanding Senior and Subordinate Obligations as of December 31, 2021 (projected)

	District No. 14	District No. 20
Subordinate Revenue Obligations		
2015 Series A Revenue Bonds	\$ 126,160,000	-
2016 Series A Revenue Bonds	-	152,820,000
2021 Series A Revenue Bonds	41,645,000	-
Total Obligations	<u><u>\$ 167,805,000</u></u>	<u><u>152,820,000</u></u>

LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

SECTION 5 - Updated Tables Contained in the Official Statements.

Sewage Units by Customer Type Fiscal Year 2020-21 ⁽¹⁾

District	Sewage Units ⁽²⁾					Total Parcels
	Residential ⁽³⁾	Commercial ⁽³⁾	Industrial	Contract	Total	
14	58,537	13,178	2,532	135	74,382	55,993
20	36,500	9,083	330	25	45,938	35,866

- (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.

User Fees and Ad Valorem Taxes Fiscal Year 2020-21

District	Service Charge Collected	Service Charge Rebates ⁽¹⁾	Net Service Charge Revenue	IW Surcharge Revenue	Total User Fees	A.V. Taxes ⁽²⁾
14	\$ 34,812,122	(1,491,598)	33,320,524	2,288,769	35,609,293	2,282,036
20	26,160,197	(1,051,047)	25,109,150	383,697	25,492,847	1,705,804

- (1) 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.
- (2) Actual amounts collected.

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

District	Fiscal Year 2016-17	Fiscal Year 2017-18	Fiscal Year 2018-19	Fiscal Year 2019-20	Fiscal Year 2020-21
14	\$ 476	\$ 476	\$ 476	\$ 488	\$ 488
20	565	565	575	587	587

LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

Fund Balances on June 30, 2021

District	Capital Improvement Fund	Rate Stabilization Fund	All Other Funds
14	\$ 2,576,930	42,851,499	30,602,833
20	891,631	19,574,389	24,400,883

Average Yearly Flow ⁽¹⁾ (In Millions Of Gallons Per Day)

District	Fiscal Year 2016-17	Fiscal Year 2017-18	Fiscal Year 2018-19	Fiscal Year 2019-20	Fiscal Year 2020-21
14	12.70	13.01	13.46	13.56	13.80
20	8.12	7.98	8.07	8.15	8.32

(1) All flow values are effluent plant flows.

Ten Largest Disposal Customers Fiscal Year 2020-2021

District 14 Customer	Fiscal Year 2020-21 Billing	Percentage of Total User Charges
California State Prison - Los Angeles County	\$ 1,183,433	3.32 %
Northrop Grumman Systems Corporation (Site 4)	652,315	1.83
Northrop Grumman Systems Corporation (Site 3)	210,406	0.59
Walmart Real Estate - 10th Street West (Shopping Center)	185,807	0.52
Antelope Valley Hospital	184,799	0.52
Walmart Real Estate - Valley Central Way (Shopping Center)	183,963	0.52
Mission Linen Supply	146,883	0.41
MGP IX Properties LLC (Shopping Center)	143,073	0.40
Caritas Affordable Housing Inc. (Mobile Home Park)	135,826	0.38
Front Gate Plaza LLC (Shopping Center, Bank, Restaurant)	123,775	0.35
	3,150,280	8.85
Balance from Other Dischargers	32,459,013	91.15
Total User Chargers	\$ 35,609,293	100.00 %

LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District 20 Customer	Fiscal Year 2020-21 Billing	Percentage of Total User Charges
Lockheed Martin (Aerospace Manufacturing)	\$ 361,432	1.42 %
Antelope Valley Mall LLC (Shopping Center)	316,351	1.24
Walmart Real Estate - 47th Street East (Shopping Center)	244,363	0.96
Golden Spectrum Property (Shopping Center)	119,562	0.47
Universal Healthcare (Acute Care Hospital)	116,450	0.46
MGP X Properties LLC (Shopping Center)	113,408	0.44
2200 Town Square East LLC (Shopping Center)	105,945	0.42
Palm Chaparral Apartments LLC (Apartments)	104,230	0.41
Design Create Explore LLC (Trade Vocational School)	102,219	0.40
Canyon Creek Apartments	84,511	0.33
	\$ 1,668,471	6.54
Balance from Other Dischargers	23,824,376	93.46
Total User Chargers	\$ 25,492,847	100.00 %

LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

District No. 1	Fiscal Year 2020-21	Fiscal Year 2019-20	Fiscal Year 2018-19	Fiscal Year 2017-18
REVENUE SOURCES				
User Fees	\$ 36,157	\$ 34,272	\$ 32,344	\$ 31,238
Other Revenues	2,677	2,498	2,416	2,547
A.V. Tax	4,547	4,193	3,855	3,514
Interest	846	1,865	1,770	1,259
Rate Stabilization Fund ⁽¹⁾	-	-	-	-
Subtotal	44,227	42,828	40,385	38,558
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	44,227	42,828	40,385	38,558
CIF Connection Fee Revenue ⁽²⁾	1,252	2,764	2,860	2,554
Total Revenue for Subordinate Calculation	45,479	45,592	43,245	41,112
EXPENSES⁽³⁾				
Total O&M	27,817	26,668	24,984	23,692
Rate Stabilization Fund ⁽⁴⁾	11,120	5,236	1,818	5,474
Total	38,937	31,904	26,802	29,166
DEBT SERVICE PAYMENTS				
Senior				
State Loans	1,503	1,498	1,523	1,508
Revenue Bonds	2,200	2,167	2,169	2,174
Total Senior Debt Payments	3,703	3,665	3,692	3,682
Subordinate				
State Loans	856	853	750	504
Revenue Bonds	-	-	-	-
Total Subordinate Debt Payments	856	853	750	504
Total Debt Service	4,559	4,518	4,442	4,186
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	1.20	2.75	3.48	2.41
SUBORDINATE	1.43	3.03	3.70	2.85

- (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. 2	Fiscal Year 2020-21	Fiscal Year 2019-20	Fiscal Year 2018-19	Fiscal Year 2017-18
REVENUE SOURCES				
User Fees	\$ 47,542	\$ 48,243	\$ 46,573	\$ 44,717
Other Revenues	3,969	3,723	3,664	3,712
A.V. Tax	8,887	8,044	7,654	7,286
Interest	1,070	2,661	2,615	1,876
Rate Stabilization Fund ⁽¹⁾	-	-	4,254	-
Subtotal	<u>61,468</u>	<u>62,671</u>	<u>64,760</u>	<u>57,591</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	61,468	62,671	64,760	57,591
CIF Connection Fee Revenue ⁽²⁾	2,422	3,431	4,477	4,348
Total Revenue for Subordinate Calculation	<u>63,890</u>	<u>66,102</u>	<u>69,237</u>	<u>61,939</u>
EXPENSES⁽³⁾				
Total O&M	41,727	40,118	37,893	34,703
Rate Stabilization Fund ⁽⁴⁾	6,575	1,504	-	5,036
Total	<u>48,302</u>	<u>41,622</u>	<u>37,893</u>	<u>39,739</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	2,226	2,233	2,294	2,197
Revenue Bonds	3,396	3,344	3,349	3,356
Total Senior Debt Payments	<u>5,622</u>	<u>5,577</u>	<u>5,643</u>	<u>5,553</u>
Subordinate				
State Loans	1,207	1,211	1,129	674
Revenue Bonds	-	-	-	-
Total Subordinate Debt Payments	<u>1,207</u>	<u>1,211</u>	<u>1,129</u>	<u>674</u>
Total Debt Service	6,829	6,788	6,772	6,227
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	2.13	3.56	4.56	3.09
SUBORDINATE	2.28	3.61	4.63	3.57

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LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

District No. 3	Fiscal Year 2020-21	Fiscal Year 2019-20	Fiscal Year 2018-19	Fiscal Year 2017-18
REVENUE SOURCES				
User Fees	\$ 33,606	\$ 34,807	\$ 33,823	\$ 32,599
Other Revenues	3,016	2,878	2,800	2,886
A.V. Tax	6,957	6,391	6,316	5,603
Interest	805	1,806	1,804	1,289
Rate Stabilization Fund ⁽¹⁾	-	-	3,757	-
Subtotal	<u>44,384</u>	<u>45,882</u>	<u>48,500</u>	<u>42,377</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	44,384	45,882	48,500	42,377
CIF Connection Fee Revenue ⁽²⁾	1,311	2,692	3,257	2,778
Total Revenue for Subordinate Calculation	<u>45,695</u>	<u>48,574</u>	<u>51,757</u>	<u>45,155</u>
EXPENSES⁽³⁾				
Total O&M	30,907	29,647	29,801	26,490
Rate Stabilization Fund ⁽⁴⁾	5,508	3,555	-	2,981
Total	<u>36,415</u>	<u>33,202</u>	<u>29,801</u>	<u>29,471</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	1,693	1,710	1,764	1,708
Revenue Bonds	<u>2,580</u>	<u>2,540</u>	<u>2,543</u>	<u>2,549</u>
Total Senior Debt Payments	4,273	4,250	4,307	4,257
Subordinate				
State Loans	918	927	869	524
Revenue Bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Subordinate Debt Payments	918	927	869	524
Total Debt Service	5,191	5,177	5,176	4,781
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	1.65	2.77	4.14	2.91
SUBORDINATE	1.79	2.97	4.24	3.28

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LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

District No. 5	Fiscal Year 2020-21	Fiscal Year 2019-20	Fiscal Year 2018-19	Fiscal Year 2017-18
REVENUE SOURCES				
User Fees	\$ 48,927	\$ 49,191	\$ 47,615	\$ 46,378
Other Revenues	4,485	4,202	4,196	4,338
A.V. Tax	14,786	13,573	12,792	12,002
Interest	995	2,614	2,620	1,896
Rate Stabilization Fund ⁽¹⁾	-	-	8,085	-
Subtotal	<u>69,193</u>	<u>69,580</u>	<u>75,308</u>	<u>64,614</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	69,193	69,580	75,308	64,614
CIF Connection Fee Revenue ⁽²⁾	2,116	4,429	4,997	5,474
Total Revenue for Subordinate Calculation	<u>71,309</u>	<u>74,009</u>	<u>80,305</u>	<u>70,088</u>
EXPENSES⁽³⁾				
Total O&M	47,501	45,212	43,178	40,803
Rate Stabilization Fund ⁽⁴⁾	7,546	3,374	-	6,113
Total	<u>55,047</u>	<u>48,586</u>	<u>43,178</u>	<u>46,916</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	2,517	2,518	2,643	2,558
Revenue Bonds	5,552	5,467	5,474	5,486
Total Senior Debt Payments	<u>8,069</u>	<u>7,985</u>	<u>8,117</u>	<u>8,044</u>
Subordinate				
State Loans	1,365	1,366	1,301	785
Revenue Bonds	-	-	-	-
Total Subordinate Debt Payments	<u>1,365</u>	<u>1,366</u>	<u>1,301</u>	<u>785</u>
Total Debt Service	9,434	9,351	9,418	8,829
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	1.58	2.46	3.80	2.10
SUBORDINATE	1.72	2.72	3.94	2.62

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LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

District No. 8	Fiscal Year 2020-21	Fiscal Year 2019-20	Fiscal Year 2018-19	Fiscal Year 2017-18
REVENUE SOURCES				
User Fees	\$ 19,389	\$ 20,215	\$ 21,126	\$ 20,029
Other Revenues	1,491	1,401	1,441	1,486
A.V. Tax	2,447	2,304	2,220	2,032
Interest	326	892	1,010	713
Rate Stabilization Fund ⁽¹⁾	-	-	1,006	-
Subtotal	<u>23,653</u>	<u>24,812</u>	<u>26,803</u>	<u>24,260</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	23,653	24,812	26,803	24,260
CIF Connection Fee Revenue ⁽²⁾	644	1,272	1,766	1,481
Total Revenue for Subordinate Calculation	<u>24,297</u>	<u>26,084</u>	<u>28,569</u>	<u>25,741</u>
EXPENSES⁽³⁾				
Total O&M	17,088	16,861	16,856	16,216
Rate Stabilization Fund ⁽⁴⁾	3	71	-	2,057
Total	<u>17,091</u>	<u>16,932</u>	<u>16,856</u>	<u>18,273</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	835	840	908	880
Revenue Bonds	<u>1,342</u>	<u>1,321</u>	<u>1,323</u>	<u>1,326</u>
Total Senior Debt Payments	2,177	2,161	2,231	2,206
Subordinate				
State Loans	453	456	447	270
Revenue Bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Subordinate Debt Payments	453	456	447	270
Total Debt Service	2,630	2,617	2,678	2,476
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	2.81	3.44	4.26	2.59
<u>SUBORDINATE</u>	<u>2.74</u>	<u>3.50</u>	<u>4.37</u>	<u>3.02</u>

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LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

District No. 15	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year
REVENUE SOURCES	2020-21	2019-20	2018-19	2017-18
User Fees	\$ 36,755	\$ 36,671	\$ 35,207	\$ 34,546
Other Revenues	3,352	3,095	3,030	3,072
A.V. Tax	9,562	8,924	8,469	7,881
Interest	947	2,448	2,406	1,681
Rate Stabilization Fund ⁽¹⁾	-	-	-	-
Subtotal	<u>50,616</u>	<u>51,138</u>	<u>49,112</u>	<u>47,180</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	50,616	51,138	49,112	47,180
CIF Connection Fee Revenue ⁽²⁾	2,522	2,884	3,438	3,372
Total Revenue for Subordinate Calculation	<u>53,138</u>	<u>54,022</u>	<u>52,550</u>	<u>50,552</u>
EXPENSES⁽³⁾				
Total O&M	34,546	32,261	30,458	27,533
Rate Stabilization Fund ⁽⁴⁾	6,259	4,833	11,320	7,979
Total	<u>40,805</u>	<u>37,094</u>	<u>41,778</u>	<u>35,512</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	1,882	1,855	1,906	1,819
Revenue Bonds	<u>3,474</u>	<u>3,422</u>	<u>3,425</u>	<u>3,433</u>
Total Senior Debt Payments	5,356	5,277	5,331	5,252
Subordinate				
State Loans	1,021	1,006	939	558
Revenue Bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Subordinate Debt Payments	1,021	1,006	939	558
Total Debt Service	6,377	6,283	6,270	5,810
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	1.64	2.47	1.20	2.12
SUBORDINATE	1.93	2.69	1.72	2.59

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LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

District No. 16	Fiscal Year 2020-21	Fiscal Year 2019-20	Fiscal Year 2018-19	Fiscal Year 2017-18
REVENUE SOURCES				
User Fees	\$ 18,868	\$ 18,445	\$ 18,049	\$ 17,771
Other Revenues	1,797	1,679	1,674	1,723
A.V. Tax	6,810	6,419	6,062	5,648
Interest	584	1,494	1,471	1,051
Rate Stabilization Fund ⁽¹⁾	-	-	-	-
Subtotal	<u>28,059</u>	<u>28,037</u>	<u>27,256</u>	<u>26,193</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	28,059	28,037	27,256	26,193
CIF Connection Fee Revenue ⁽²⁾	790	1,515	2,057	1,679
Total Revenue for Subordinate Calculation	<u>28,849</u>	<u>29,552</u>	<u>29,313</u>	<u>27,872</u>
EXPENSES⁽³⁾				
Total O&M	18,046	17,079	16,375	14,957
Rate Stabilization Fund ⁽⁴⁾	2,799	3,502	6,550	3,860
Total	<u>20,845</u>	<u>20,581</u>	<u>22,925</u>	<u>18,817</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	1,009	1,007	1,054	1,020
Revenue Bonds	2,166	2,131	2,135	2,139
Total Senior Debt Payments	<u>3,175</u>	<u>3,138</u>	<u>3,189</u>	<u>3,159</u>
Subordinate				
State Loans	547	546	519	313
Revenue Bonds	-	-	-	-
Total Subordinate Debt Payments	<u>547</u>	<u>546</u>	<u>519</u>	<u>313</u>
Total Debt Service	3,722	3,684	3,708	3,472
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	2.10	2.20	1.20	2.24
SUBORDINATE	2.15	2.44	1.72	2.61

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LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

<u>District No. 17</u>	<u>Fiscal Year</u> <u>2020-21</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>
REVENUE SOURCES				
User Fees	\$ 2,374	\$ 2,404	\$ 2,339	\$ 2,271
Other Revenues	241	220	215	223
A.V. Tax	714	674	636	602
Interest	67	198	210	163
Rate Stabilization Fund ⁽¹⁾	-	-	-	-
Subtotal	<u>3,396</u>	<u>3,496</u>	<u>3,400</u>	<u>3,259</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	<u>3,396</u>	<u>3,496</u>	<u>3,400</u>	<u>3,259</u>
CIF Connection Fee Revenue ⁽²⁾	77	191	213	212
Total Revenue for Subordinate Calculation	<u>3,473</u>	<u>3,687</u>	<u>3,613</u>	<u>3,471</u>
EXPENSES⁽³⁾				
Total O&M	2,409	2,255	2,084	1,905
Rate Stabilization Fund ⁽⁴⁾	391	317	760	389
Total	<u>2,800</u>	<u>2,572</u>	<u>2,844</u>	<u>2,294</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	135	132	135	132
Revenue Bonds	277	273	273	274
Total Senior Debt Payments	<u>412</u>	<u>405</u>	<u>408</u>	<u>406</u>
Subordinate				
State Loans	73	72	67	40
Revenue Bonds	-	-	-	-
Total Subordinate Debt Payments	<u>73</u>	<u>72</u>	<u>67</u>	<u>40</u>
Total Debt Service	485	477	475	446
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	1.27	2.10	1.20	2.28
<u>SUBORDINATE</u>	<u>1.39</u>	<u>2.34</u>	<u>1.62</u>	<u>2.64</u>

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LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

District No. 18	Fiscal Year 2020-21	Fiscal Year 2019-20	Fiscal Year 2018-19	Fiscal Year 2017-18
REVENUE SOURCES				
User Fees	\$ 25,319	\$ 24,511	\$ 24,780	\$ 24,006
Other Revenues	2,480	1,944	1,970	1,986
A.V. Tax	5,479	5,046	4,464	4,286
Interest	614	1,385	1,394	949
Rate Stabilization Fund ⁽¹⁾	-	-	1,118	-
Subtotal	<u>33,892</u>	<u>32,886</u>	<u>33,726</u>	<u>31,227</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	33,892	32,886	33,726	31,227
CIF Connection Fee Revenue ⁽²⁾	1,161	2,103	2,072	1,963
Total Revenue for Subordinate Calculation	<u>35,053</u>	<u>34,989</u>	<u>35,798</u>	<u>33,190</u>
EXPENSES⁽³⁾				
Total O&M	21,226	21,081	20,304	18,656
Rate Stabilization Fund ⁽⁴⁾	166	3,175	-	5,801
Total	<u>21,392</u>	<u>24,256</u>	<u>20,304</u>	<u>24,457</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	1,142	1,166	1,241	1,176
Revenue Bonds	<u>1,899</u>	<u>1,870</u>	<u>1,872</u>	<u>1,876</u>
Total Senior Debt Payments	3,041	3,036	3,113	3,052
Subordinate				
State Loans	619	632	611	361
Revenue Bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Subordinate Debt Payments	619	632	611	361
Total Debt Service	3,660	3,668	3,724	3,413
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	3.91	2.63	4.12	2.10
SUBORDINATE	<u>3.73</u>	<u>2.93</u>	<u>4.16</u>	<u>2.56</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.

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LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

District No. 19	Fiscal Year 2020-21	Fiscal Year 2019-20	Fiscal Year 2018-19	Fiscal Year 2017-18
REVENUE SOURCES				
User Fees	\$ 6,889	\$ 7,103	\$ 6,777	\$ 6,634
Other Revenues	631	590	548	565
A.V. Tax	1,763	1,695	1,582	1,513
Interest	195	504	482	345
Rate Stabilization Fund ⁽¹⁾	-	-	-	-
Subtotal	<u>9,478</u>	<u>9,892</u>	<u>9,389</u>	<u>9,057</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	9,478	9,892	9,389	9,057
CIF Connection Fee Revenue ⁽²⁾	206	557	571	537
Total Revenue for Subordinate Calculation	<u>9,684</u>	<u>10,449</u>	<u>9,960</u>	<u>9,594</u>
EXPENSES⁽³⁾				
Total O&M	6,579	6,618	5,565	5,710
Rate Stabilization Fund ⁽⁴⁾	809	879	2,510	2,019
Total	<u>7,388</u>	<u>7,497</u>	<u>8,075</u>	<u>7,729</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	354	354	346	334
Revenue Bonds	613	603	604	605
Total Senior Debt Payments	<u>967</u>	<u>957</u>	<u>950</u>	<u>939</u>
Subordinate				
State Loans	192	192	170	102
Revenue Bonds	-	-	-	-
Total Subordinate Debt Payments	<u>192</u>	<u>192</u>	<u>170</u>	<u>102</u>
Total Debt Service	1,159	1,149	1,120	1,041
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	1.96	2.30	1.20	1.31
SUBORDINATE	1.98	2.57	1.68	1.79

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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. 21	Fiscal Year 2020-21	Fiscal Year 2019-20	Fiscal Year 2018-19	Fiscal Year 2017-18
REVENUE SOURCES				
User Fees	\$ 30,269	\$ 30,890	\$ 29,927	\$ 28,196
Other Revenues	2,611	3,498	3,218	3,442
A.V. Tax	5,708	5,368	4,862	4,417
Interest	798	2,069	2,057	1,445
Rate Stabilization Fund ⁽¹⁾	-	-	-	-
Subtotal	<u>39,386</u>	<u>41,825</u>	<u>40,064</u>	<u>37,500</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	39,386	41,825	40,064	37,500
CIF Connection Fee Revenue ⁽²⁾	1,134	2,370	2,488	2,567
Total Revenue for Subordinate Calculation	<u>40,520</u>	<u>44,195</u>	<u>42,552</u>	<u>40,067</u>
EXPENSES⁽³⁾				
Total O&M	27,250	26,221	24,892	22,379
Rate Stabilization Fund ⁽⁴⁾	5,782	3,846	7,777	6,010
Total	<u>33,032</u>	<u>30,067</u>	<u>32,669</u>	<u>28,389</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	1,463	1,483	1,538	1,450
Revenue Bonds	2,048	2,017	2,019	2,024
Total Senior Debt Payments	<u>3,511</u>	<u>3,500</u>	<u>3,557</u>	<u>3,474</u>
Subordinate				
State Loans	793	804	757	445
Revenue Bonds	-	-	-	-
Total Subordinate Debt Payments	<u>793</u>	<u>804</u>	<u>757</u>	<u>445</u>
Total Debt Service	4,304	4,304	4,314	3,919
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	1.58	3.13	1.87	2.49
<u>SUBORDINATE</u>	<u>1.74</u>	<u>3.28</u>	<u>2.29</u>	<u>2.98</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.

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LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

District No. 22	Fiscal Year 2020-21	Fiscal Year 2019-20	Fiscal Year 2018-19	Fiscal Year 2017-18
REVENUE SOURCES				
User Fees	\$ 23,076	\$ 24,646	\$ 23,031	\$ 22,566
Other Revenues	2,158	2,024	2,047	2,048
A.V. Tax	5,485	5,013	4,591	4,420
Interest	729	1,787	1,788	1,265
Rate Stabilization Fund ⁽¹⁾	-	-	-	-
Subtotal	<u>31,448</u>	<u>33,470</u>	<u>31,457</u>	<u>30,299</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	31,448	33,470	31,457	30,299
CIF Connection Fee Revenue ⁽²⁾	937	1,790	2,282	2,059
Total Revenue for Subordinate Calculation	<u>32,385</u>	<u>35,260</u>	<u>33,739</u>	<u>32,358</u>
EXPENSES⁽³⁾				
Total O&M	21,844	20,688	20,646	18,333
Rate Stabilization Fund ⁽⁴⁾	5,350	3,043	6,550	5,071
Total	<u>27,194</u>	<u>23,731</u>	<u>27,196</u>	<u>23,404</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	1,188	1,194	1,285	1,210
Revenue Bonds	<u>1,772</u>	<u>1,744</u>	<u>1,747</u>	<u>1,751</u>
Total Senior Debt Payments	2,960	2,938	3,032	2,961
Subordinate				
State Loans	650	648	633	371
Revenue Bonds	-	-	-	-
Total Subordinate Debt Payments	<u>650</u>	<u>648</u>	<u>633</u>	<u>371</u>
Total Debt Service	3,610	3,586	3,665	3,332
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	1.22	3.09	1.20	2.20
<u>SUBORDINATE</u>	<u>1.44</u>	<u>3.22</u>	<u>1.79</u>	<u>2.69</u>

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LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

District No. 23	Fiscal Year 2020-21	Fiscal Year 2019-20	Fiscal Year 2018-19	Fiscal Year 2017-18
REVENUE SOURCES				
User Fees	\$ 6,287	\$ 4,664	\$ 4,966	\$ 3,523
Other Revenues	351	278	259	276
A.V. Tax	625	562	506	426
Interest	163	371	332	248
Rate Stabilization Fund ⁽¹⁾	-	-	-	-
Subtotal	<u>7,426</u>	<u>5,875</u>	<u>6,063</u>	<u>4,473</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	7,426	5,875	6,063	4,473
CIF Connection Fee Revenue ⁽²⁾	178	235	247	258
Total Revenue for Subordinate Calculation	<u>7,604</u>	<u>6,110</u>	<u>6,310</u>	<u>4,731</u>
EXPENSES⁽³⁾				
Total O&M	4,313	3,643	3,335	3,264
Rate Stabilization Fund ⁽⁴⁾	1,658	553	2,010	170
Total	<u>5,971</u>	<u>4,196</u>	<u>5,345</u>	<u>3,434</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	197	167	163	164
Revenue Bonds	<u>374</u>	<u>370</u>	<u>369</u>	<u>370</u>
Total Senior Debt Payments	571	537	532	534
Subordinate				
State Loans	107	91	80	50
Revenue Bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Subordinate Debt Payments	107	91	80	50
Total Debt Service	678	628	612	584
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	2.36	2.96	1.20	1.85
SUBORDINATE	<u>2.41</u>	<u>3.05</u>	<u>1.58</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. 28	Fiscal Year 2020-21	Fiscal Year 2019-20	Fiscal Year 2018-19	Fiscal Year 2017-18
REVENUE SOURCES				
User Fees	\$ 689	\$ 683	\$ 651	\$ 640
Other Revenues	71	67	69	71
A.V. Tax	800	755	717	679
Interest	70	169	162	117
Rate Stabilization Fund ⁽¹⁾	-	-	-	-
Subtotal	<u>1,630</u>	<u>1,674</u>	<u>1,599</u>	<u>1,507</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	1,630	1,674	1,599	1,507
CIF Connection Fee Revenue ⁽²⁾	25	56	80	52
Total Revenue for Subordinate Calculation	<u>1,655</u>	<u>1,730</u>	<u>1,679</u>	<u>1,559</u>
EXPENSES⁽³⁾				
Total O&M	723	913	794	666
Rate Stabilization Fund ⁽⁴⁾	715	497	615	650
Total	<u>1,438</u>	<u>1,410</u>	<u>1,409</u>	<u>1,316</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	40	40	43	41
Revenue Bonds	97	96	97	97
Total Senior Debt Payments	<u>137</u>	<u>136</u>	<u>140</u>	<u>138</u>
Subordinate				
State Loans	22	22	21	13
Revenue Bonds	-	-	-	-
Total Subordinate Debt Payments	<u>22</u>	<u>22</u>	<u>21</u>	<u>13</u>
Total Debt Service	159	158	161	151
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	1.24	1.78	1.21	1.29
<u>SUBORDINATE</u>	<u>1.36</u>	<u>2.03</u>	<u>1.68</u>	<u>1.61</u>

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LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

District No. 29	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year
	2020-21	2019-20	2018-19	2017-18
REVENUE SOURCES				
User Fees	\$ 2,048	\$ 2,053	\$ 2,031	\$ 1,937
Other Revenues	92	86	88	90
A.V. Tax	192	173	154	154
Interest	76	158	149	107
Rate Stabilization Fund ⁽¹⁾	-	-	-	-
Subtotal	<u>2,408</u>	<u>2,470</u>	<u>2,422</u>	<u>2,288</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	<u>2,408</u>	<u>2,470</u>	<u>2,422</u>	<u>2,288</u>
CIF Connection Fee Revenue ⁽²⁾	118	75	87	80
Total Revenue for Subordinate Calculation	<u>2,526</u>	<u>2,545</u>	<u>2,509</u>	<u>2,368</u>
EXPENSES⁽³⁾				
Total O&M	1,333	1,325	1,262	1,229
Rate Stabilization Fund ⁽⁴⁾	890	696	974	703
Total	<u>2,223</u>	<u>2,021</u>	<u>2,236</u>	<u>1,932</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	52	52	55	53
Revenue Bonds	31	30	30	30
Total Senior Debt Payments	<u>83</u>	<u>82</u>	<u>85</u>	<u>83</u>
Subordinate				
State Loans	85	85	84	73
Revenue Bonds	-	-	-	-
Total Subordinate Debt Payments	<u>85</u>	<u>85</u>	<u>84</u>	<u>73</u>
Total Debt Service	168	167	169	156
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	1.20	4.44	1.20	3.41
<u>SUBORDINATE</u>	<u>1.80</u>	<u>3.14</u>	<u>1.62</u>	<u>2.79</u>

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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>2020-21</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>
REVENUE SOURCES				
User Fees	\$ 7,028	\$ 7,036	\$ 6,822	\$ 6,725
Other Revenues	806	752	736	756
A.V. Tax	6,672	6,298	5,937	5,615
Interest	460	892	865	633
Rate Stabilization Fund ⁽¹⁾	-	-	-	-
Subtotal	<u>14,966</u>	<u>14,978</u>	<u>14,360</u>	<u>13,729</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	14,966	14,978	14,360	13,729
CIF Connection Fee Revenue ⁽²⁾	338	642	755	832
Total Revenue for Subordinate Calculation	<u>15,304</u>	<u>15,620</u>	<u>15,115</u>	<u>14,561</u>
EXPENSES⁽³⁾				
Total O&M	9,243	8,893	8,116	7,556
Rate Stabilization Fund ⁽⁴⁾	3,761	2,107	4,330	2,928
Total	<u>13,004</u>	<u>11,000</u>	<u>12,446</u>	<u>10,484</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	453	451	464	448
Revenue Bonds	947	933	934	936
Total Senior Debt Payments	<u>1,400</u>	<u>1,384</u>	<u>1,398</u>	<u>1,384</u>
Subordinate				
State Loans	245	245	228	137
Revenue Bonds	-	-	-	-
Total Subordinate Debt Payments	<u>245</u>	<u>245</u>	<u>228</u>	<u>137</u>
Total Debt Service	1,645	1,629	1,626	1,521
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	1.23	2.70	1.21	2.25
<u>SUBORDINATE</u>	<u>1.40</u>	<u>2.84</u>	<u>1.64</u>	<u>2.68</u>

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LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

District No. 4	Fiscal Year 2020-21	Fiscal Year 2019-20	Fiscal Year 2018-19	Fiscal Year 2017-18
REVENUE SOURCES				
User Fees	\$ 3,973	\$ 3,984	\$ 3,852	\$ 3,925
Other Revenues	-	-	-	-
A.V. Tax	867	756	705	656
Interest	338	808	749	596
Rate Stabilization Fund ⁽¹⁾	-	-	-	-
Subtotal	<u>5,178</u>	<u>5,548</u>	<u>5,306</u>	<u>5,177</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	<u>5,178</u>	<u>5,548</u>	<u>5,306</u>	<u>5,177</u>
CIF Connection Fee Revenue ⁽²⁾	65	47	217	480
Total Revenue for Subordinate Calculation	<u>5,243</u>	<u>5,595</u>	<u>5,523</u>	<u>5,657</u>
EXPENSES⁽³⁾				
Total O&M	2,062	2,256	1,976	1,924
Rate Stabilization Fund ⁽⁴⁾	1,296	1,275	2,930	450
Total	<u>3,358</u>	<u>3,531</u>	<u>4,906</u>	<u>2,374</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	-	-	-	-
Revenue Bonds	328	323	324	324
Total Senior Debt Payments	<u>328</u>	<u>323</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	<u>328</u>	<u>323</u>	<u>324</u>	<u>324</u>
DEBT SERVICE COVERAGE:				
SENIOR	5.55	6.24	1.23	8.65

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LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

District No. 9	Fiscal Year 2020-21	Fiscal Year 2019-20	Fiscal Year 2018-19	Fiscal Year 2017-18
REVENUE SOURCES				
User Fees	\$ 113	106	84	57
Other Revenues	-	-	-	-
A.V. Tax	114	111	106	100
Interest	48	89	84	68
Rate Stabilization Fund ⁽¹⁾	-	18	-	-
Subtotal	<u>275</u>	<u>324</u>	<u>274</u>	<u>225</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	275	324	274	225
CIF Connection Fee Revenue ⁽²⁾	-	4	3	-
Total Revenue for Subordinate Calculation	<u>275</u>	<u>328</u>	<u>277</u>	<u>225</u>
EXPENSES⁽³⁾				
Total O&M	166	145	153	163
Rate Stabilization Fund ⁽⁴⁾	-	-	66	7
Total	<u>166</u>	<u>145</u>	<u>219</u>	<u>170</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	-	-	-	-
Revenue Bonds	46	45	46	46
Total Senior Debt Payments	<u>46</u>	<u>45</u>	<u>46</u>	<u>46</u>
Subordinate				
State Loans	-	-	-	-
Revenue Bonds	-	-	-	-
Total Subordinate Debt Payments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Debt Service	46	45	46	46
DEBT SERVICE COVERAGE:				
SENIOR	2.37	3.98	1.20	1.20

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LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

District No. 14	Fiscal Year 2020-21	Fiscal Year 2019-20	Fiscal Year 2018-19	Fiscal Year 2017-18
REVENUE SOURCES				
User Fees	\$ 35,632	\$ 36,680	\$ 34,613	\$ 34,731
Other Revenues	1,575	1,228	1,183	1,325
A.V. Tax	2,282	1,952	1,754	1,565
Interest	603	1,172	1,168	759
Rate Stabilization Fund ⁽¹⁾	-	-	-	-
Subtotal	<u>40,092</u>	<u>41,032</u>	<u>38,718</u>	<u>38,380</u>
CIF Pledged for Debt ⁽²⁾	-	2,377	2,377	2,597
Total Revenue for Senior Calculation	40,092	43,409	41,095	40,977
CIF Connection Fee Revenue ⁽²⁾	2,067	2,290	1,394	1,433
Total Revenue for Subordinate Calculation	42,159	43,322	40,112	39,813
EXPENSES⁽³⁾				
Total O&M	14,240	15,110	13,422	14,078
Rate Stabilization Fund ⁽⁴⁾	4,300	5,609	1,375	4,567
Total	<u>18,540</u>	<u>20,719</u>	<u>14,797</u>	<u>18,645</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	-	-	-	-
Revenue Bonds	465	459	460	460
Total Senior Debt Payments	465	459	460	460
Subordinate				
State Loans	6,856	6,854	6,856	6,856
Revenue Bonds	9,829	9,996	9,993	9,995
Total Subordinate Debt Payments	<u>16,685</u>	<u>16,850</u>	<u>16,849</u>	<u>16,851</u>
Total Debt Service	17,150	17,309	17,309	17,311
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	10.47	12.72	20.54	11.92
<u>SUBORDINATE</u>	<u>1.38</u>	<u>1.31</u>	<u>1.46</u>	<u>1.22</u>

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LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

District No. 20	Fiscal Year 2020-21	Fiscal Year 2019-20	Fiscal Year 2018-19	Fiscal Year 2017-18
REVENUE SOURCES				
User Fees	\$ 25,504	\$ 25,460	\$ 25,097	\$ 23,761
Other Revenues	493	525	494	485
A.V. Tax	1,706	1,614	1,476	1,360
Interest	606	878	784	484
Rate Stabilization Fund ⁽¹⁾	-	-	-	-
Subtotal	<u>28,309</u>	<u>28,477</u>	<u>27,851</u>	<u>26,090</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	28,309	28,477	27,851	26,090
CIF Connection Fee Revenue ⁽²⁾	311	1,116	722	1,043
Total Revenue for Subordinate Calculation	<u>28,620</u>	<u>29,593</u>	<u>28,573</u>	<u>27,133</u>
EXPENSES⁽³⁾				
Total O&M	13,445	12,180	11,440	12,107
Rate Stabilization Fund ⁽⁴⁾	-	5,200	5,030	2,550
Total	<u>13,445</u>	<u>17,380</u>	<u>16,470</u>	<u>14,657</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	-	-	-	-
Revenue Bonds	389	382	383	384
Total Senior Debt Payments	<u>389</u>	<u>382</u>	<u>383</u>	<u>384</u>
Subordinate				
State Loans	-	-	-	-
Revenue Bonds	10,446	10,622	10,622	10,622
Total Subordinate Debt Payments	<u>10,446</u>	<u>10,622</u>	<u>10,622</u>	<u>10,622</u>
Total Debt Service	10,835	11,004	11,005	11,006
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	11.36	1.24	1.98	2.11
<u>SUBORDINATE</u>	<u>1.40</u>	<u>1.11</u>	<u>1.10</u>	<u>1.13</u>

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LOS ANGELES COUNTY SANITATION DISTRICTS

Bond Disclosure, Continued

District's Historical Operating Data (\$000)

<u>District No. 27</u>	<u>Fiscal Year</u> <u>2020-21</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>
REVENUE SOURCES				
User Fees	\$ -	\$ -	\$ -	\$ -
Other Revenues	-	-	1	-
A.V. Tax	427	408	385	355
Interest	8	26	25	16
Rate Stabilization Fund ⁽¹⁾	-	-	-	-
Subtotal	<u>435</u>	<u>434</u>	<u>411</u>	<u>371</u>
CIF Pledged for Debt ⁽²⁾	-	-	-	-
Total Revenue for Senior Calculation	<u>435</u>	<u>434</u>	<u>411</u>	<u>371</u>
CIF Connection Fee Revenue ⁽²⁾	-	-	-	3
Total Revenue for Subordinate Calculation	<u>435</u>	<u>434</u>	<u>411</u>	<u>374</u>
EXPENSES⁽³⁾				
Total O&M	103 ⁽⁴⁾	130 ⁽⁴⁾	54 ⁽⁴⁾	52
Rate Stabilization Fund ⁽⁵⁾	255	225	281	220
Total	<u>358</u>	<u>355</u>	<u>335</u>	<u>272</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	-	-	-	-
Revenue Bonds	64	64	63	64
Total Senior Debt Payments	<u>64</u>	<u>64</u>	<u>63</u>	<u>64</u>
Subordinate				
State Loans	-	-	-	-
Revenue Bonds	-	-	-	-
Total Subordinate Debt Payments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Debt Service	<u>64</u>	<u>64</u>	<u>63</u>	<u>64</u>
DEBT SERVICE COVERAGE⁽⁶⁾:				
SENIOR	1.20	1.23	1.21	1.55

(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 2019-20, a system error was discovered that had resulted 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)

<u>Santa Clarita Valley</u>	<u>Fiscal Year</u> <u>2020-21</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>
REVENUE SOURCES				
User Fees	\$ 37,929	\$ 37,291	\$ 34,315	\$ 33,154
Other Revenues	662	699	890	837
A.V. Tax	8,361	8,090	7,432	7,256
Interest	988	2,614	2,571	1,859
Rate Stabilization Fund ⁽¹⁾	-	-	-	-
Subtotal	<u>47,940</u>	<u>48,694</u>	<u>45,208</u>	<u>43,106</u>
CIF Pledged for Debt ⁽²⁾	-	2,785	2,785	4,721
Total Revenue for Senior Calculation	47,940	51,479	47,993	47,827
CIF Connection Fee Revenue ⁽²⁾	2,805	3,004	6,652	4,648
Total Revenue for Subordinate Calculation	<u>50,745</u>	<u>51,698</u>	<u>51,860</u>	<u>47,754</u>
EXPENSES⁽³⁾				
Total O&M	26,656	25,286	22,099	22,536
Rate Stabilization Fund ⁽⁴⁾	12,965	13,112	14,815	10,372
Total	<u>39,621</u>	<u>38,398</u>	<u>36,914</u>	<u>32,908</u>
DEBT SERVICE PAYMENTS				
Senior				
State Loans	89	627	627	627
Revenue Bonds	3,363	3,310	3,314	3,322
Total Senior Debt Payments	<u>3,452</u>	<u>3,937</u>	<u>3,941</u>	<u>3,949</u>
Subordinate				
State Loans	2,659	2,661	2,659	2,659
Revenue Bonds	-	-	-	-
Total Subordinate Debt Payments	<u>2,659</u>	<u>2,661</u>	<u>2,659</u>	<u>2,659</u>
Total Debt Service	6,111	6,598	6,600	6,608
DEBT SERVICE COVERAGE⁽⁵⁾:				
SENIOR	1.64	2.65	2.14	3.10
<u>SUBORDINATE</u>	<u>1.82</u>	<u>2.02</u>	<u>2.26</u>	<u>2.25</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**
Converting Waste Into Resources



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