

Robert W. Johnson
an accountancy corporation

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www.bob-johnson-cpa.com

January 27, 2021

Board of Directors
Fallen Leaf Lake Community Services District
P.O. Box 9415
South Lake Tahoe, CA 96158

Dear Board Members:

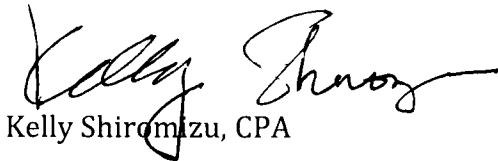
Enclosed, please find eight (8) bound copies and one white copy (for photocopying) of the District's June 30, 2020 audited financial statements and six (6) bound copies and one white copy (for photocopying) of the management letter.

Please mail one copy of the audited financial statements as soon as possible to the State Controller's Office as follows:

**State Controller's Office
Division of Accounting and Reporting—Special District
Local Government Reporting Section
P.O. Box 942850
Sacramento, CA 94250**

A copy of our bill is enclosed. Thank you for all your help on the audit.

Sincerely,



Kelly Shiromizu, CPA

KS/mcc

Enclosures:

**FALLEN LEAF LAKE
COMMUNITY SERVICES DISTRICT**

**REPORT ON ACCOUNTING CONTROLS
AND PROCEDURES**

June 30, 2020

ROBERT W. JOHNSON
Certified Public Accountant



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January 31, 2021

To the Board of Directors
Fallen Leaf Lake Community Services District
Fallen Leaf Lake, California

We have audited the financial statements of Fallen Leaf Lake Community Services District as of and for the year ended June 30, 2020. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the State Controller's Minimum Audit Requirements for California Special Districts.

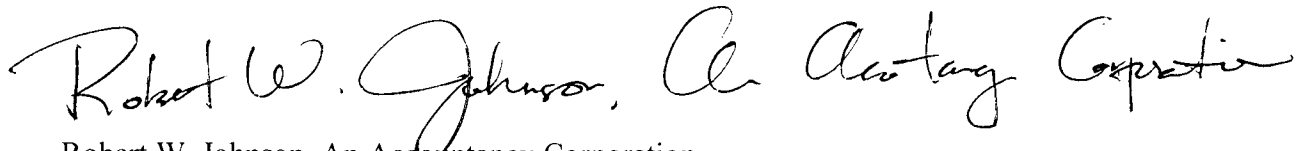
In planning and performing our audit of the financial statements of Fallen Leaf Lake Community Services District as of and for the year ended June 30, 2020, in accordance with auditing standards generally accepted in the United States of America, we considered Fallen Leaf Lake Community Services District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the effectiveness of the District's internal controls. Accordingly, we do not express an opinion on the effectiveness of the District's internal controls.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the second paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We have enclosed other recommendations for your consideration.

This communication is intended solely for the information and use of management and Board of Directors and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

A handwritten signature in black ink that reads "Robert W. Johnson, An Accountancy Corporation". The signature is written in a cursive, flowing style.

Robert W. Johnson, An Accountancy Corporation

1. Comparison of Total District Operating Results:

	June 30 <u>2020</u>	<u>2019</u>	Favorable (Unfavorable) <u>Variance</u>
Revenues	\$ 563,055	\$1,598,243	\$(1,035,188)
Expenses	<u>936,761</u>	<u>1,320,831</u>	<u>384,070</u>
Net income (loss)	\$(<u>373,706</u>)	\$ <u>277,412</u>	\$(<u>651,118</u>)
Cash	\$ <u>1,239,730</u>	\$ <u>1,559,858</u>	\$(<u>320,128</u>)

Observations:

- Decrease in revenue due to less strike team activity in 2020
- Cash position at June 30, 3030 by fund is as follows:

General fund	\$ 9,337
Fire	814,002
Parks & recreation	<u>416,391</u>
	\$ <u>1,239,730</u>