

Agenda Item: {{section.number}}A

February 21, 2024

TO: THE BOARD OF DIRECTORS

Mike Gardner, President
Laura Roughton, Vice President
Fauzia Rizvi, Secretary-Treasurer
Gracie Torres
Brenda Dennstedt

FROM: Craig D. Miller, P.E., General Manager

**RECEIVE AND FILE FISCAL YEAR 2022-2023 ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR
WESTERN MUNICIPAL WATER DISTRICT**

RECOMMENDATION:

Staff recommends that the Board of Directors receive and file:

1. The Annual Comprehensive Financial Report, which includes the Independent Auditors' Report prepared by CliftonLarsonAllen LLP, for Fiscal Year 2022-2023 for Western Municipal Water District.

EXECUTIVE SUMMARY:

Staff will make a brief verbal presentation of the basic financial statements for Fiscal Year 2022-2023. An auditor from CliftonLarsonAllen LLP will present the Independent Auditors' Report and the Post-Audit Communication Letter. A public presentation of Western Municipal Water District's basic financial statements provides financial information and contributes to fiscal transparency.

BUDGET IMPACT:

This item has no budget impact.

DETAIL:

Western Municipal Water District's (Western Water) Annual Comprehensive Financial Report (ACFR) includes three major sections: an introductory section, a financial section and a statistical section. This report also includes the "Independent Auditors' Report" and a "Report on Internal Controls Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*" prepared by CliftonLarsonAllen LLP for Fiscal Year 2022-2023.

CliftonLarsonAllen LLP has rendered an unmodified or "clean" opinion on the ACFR for Fiscal Year 2022-2023. A copy of the ACFR is attached and can be downloaded from Western Water's website (wmwd.com) by clicking the following path links: About Us | Departments | Finance | Financial Statements.

An auditor from CliftonLarsonAllen LLP and Mr. Kevin Mascaro, Western Water's Assistant General Manager/Chief Financial Officer, will be available at the Board meeting to answer questions concerning the Fiscal Year 2022-2023 financial results.

In addition, the Post-Audit Communication Letter is attached to this item (Attachment 3). The Post-Audit Communication Letter is a required Statement of Auditing Standards' letter to communicate with the Board significant audit findings that occurred during the audit, of which there were none.

Reason for Action:

The presentation of Western Water's Annual Comprehensive Financial Report for Fiscal Year 2022-2023 provides financial information and transparency regarding operating and non-operating results, and financial position, as of the Fiscal Year ended June 30, 2023.

Solution:

Receive and file Western Water's Fiscal Year 2022-2023 Annual Comprehensive Financial Report.

STRATEGIC PRIORITIES REFERENCE:

This action is in alignment with Western Water's Strategic Priority of Financial Stewardship.

LEGAL COUNSEL REVIEW:

Not applicable.

Regular Board Meeting

February 21, 2024

Page 3

Respectfully submitted by:

Craig D. Miller, P.E., General Manager

Attachments:

1. Annual Comprehensive Financial Report for Fiscal Year 2022-2023
2. Fiscal Year 2022-2023 Report on Internal Controls Over Financial Reporting and on Compliance and Other Matters Based on Audit of Financial Statements Performed in Accordance with Government Auditing Standards
3. Fiscal Year 2022-2023 Post-Audit Communication Letter