

Pajaro Valley Water Management Agency

Board of Directors Presentation of 2020 Audit Results

Fedak & Brown LLP



The Reports

Independent Auditor's Report

- **Unmodified "CLEAN" Opinion**
 - In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Pajaro Valley Water Management Agency as of June 30, 2020....

Financial Highlights

Condensed Statements of Net Position

	<u>2020</u>	<u>2019</u>	<u>Change</u>
Assets:			
Current assets	\$ 17,221,353	17,171,145	50,208
Capital assets, net	<u>80,370,466</u>	<u>75,558,837</u>	<u>4,811,629</u>
Total assets	<u>97,591,819</u>	<u>92,729,982</u>	<u>4,861,837</u>
Deferred outflows of resources	<u>370,789</u>	<u>378,657</u>	<u>(7,868)</u>
Liabilities:			
Current liabilities	5,989,153	4,146,546	1,842,607
Non-current liabilities	<u>25,061,627</u>	<u>27,144,707</u>	<u>(2,083,080)</u>
Total liabilities	<u>31,050,780</u>	<u>31,291,253</u>	<u>(240,473)</u>
Deferred inflows of resources	<u>22,596</u>	<u>-</u>	<u>22,596</u>
Net position:			
Net investment in capital assets	54,393,386	47,458,301	6,935,085
Restricted	253,939	253,810	129
Unrestricted	<u>12,241,907</u>	<u>14,105,275</u>	<u>(1,863,368)</u>
Total net position	<u>\$ 66,889,232</u>	<u>61,817,386</u>	<u>5,071,846</u>

Financial Highlights

Condensed Statements of Activities

	<u>2020</u>	<u>2019</u>	<u>Change</u>
Revenues:			
Program revenues:			
Charge for services	\$ 13,723,433	12,077,362	1,646,071
Capital grants and contributions	413,659	85,070	328,589
Total program revenues	<u>14,137,092</u>	<u>12,162,432</u>	<u>1,974,660</u>
General revenues:			
Management fees	283,614	386,986	(103,372)
Investment earnings	294,545	243,273	51,272
Other revenues	29,121	36,406	(7,285)
Total general revenues	<u>607,280</u>	<u>666,665</u>	<u>(59,385)</u>
Total revenues	<u>14,744,372</u>	<u>12,829,097</u>	<u>1,915,275</u>
Expenses:			
Water basin management	8,866,526	8,069,388	797,138
Interest on long-term debt	806,000	890,607	(84,607)
Total expenses	<u>9,672,526</u>	<u>8,959,995</u>	<u>712,531</u>
Changes in net position	5,071,846	3,869,102	1,202,744
Net position, beginning of year	<u>61,817,386</u>	<u>57,948,284</u>	<u>3,869,102</u>
Net position, end of year	<u>\$ 66,889,232</u>	<u>61,817,386</u>	<u>5,071,846</u>

Management Report

- Auditor's communication with those charged with governance (SAS 114)
- Communication of control deficiencies (SAS 115)

Management Report

- **Our communication with those charged with governance –**
 - **Qualitative Aspects of Accounting Practices**
 - Significant estimates
 - Sensitive note disclosures
 - **Difficulties Encountered in Performing the Audit**
 - **Disagreements with Management**
 - **Management Consultations with Other Independent Accountants**

Management Report

- **Our communication of control deficiencies:**
 - **No material weaknesses or significant deficiencies.**

Summary and Conclusion

In 2020:

- **The Agency received an unmodified “CLEAN” opinion**
- **Net position increased \$5,071,846**
- **Total revenues increased \$1,915,275**
- **Total expenses increased \$712,531**

Questions

