

ITEM NO.
7.2

FY 2022/23 ANNUAL COMPREHENSIVE FINANCIAL REPORT

**Board Meeting
December 19, 2023**

SCOPE OF ENGAGEMENT

- LSL was engaged by Santa Clarita Valley Water Agency (SCVWA) to perform the following procedures:
 - Financial statement audit for the fiscal year ended June 30, 2023, in accordance with generally accepted auditing standards and Government Auditing Standards
 - Including the Upper Santa Clara Valley; Devil's Den Water District and Groundwater Sustainability Agency
- Evaluation of the Appropriations Limit Worksheets (GANN Limit) for the fiscal year ended June 30, 2023, as an Agreed-Upon Procedure.
 - No exceptions were noted as a result of our procedures.

SCOPE OF ENGAGEMENT

- Interim Fieldwork

- May 1 – May 5, 2023
- Examined internal controls
- Provided feedback to management
- Performed our audit risk assessment
- Planned year-end audit procedures to respond to risk

- Year-End Fieldwork

- October 2 – October 6, 2023
- Detailed testing of account balances and transactions
- Compliance testing with laws, regulations, grant agreements, contracts
- Other procedures necessary to obtain sufficient, appropriate audit evidence

RESULTS OF AUDIT

- LSL issued an unmodified auditor's opinion on the financial statements.
 - Financial statements are accurate and reliable as of June 30, 2023.
- LSL issued the Report on Internal Control and Compliance
 - No significant deficiencies in internal control noted.
 - No material weaknesses in internal control noted.
 - No material noncompliance with laws, regulations, grants, etc. noted.

RESULTS OF AUDIT

LSL:

Identified no going concern doubts as of June 30, 2023.

Identified no fraud, waste, or abuse during the fiscal year ended June 30, 2023.

Had no disagreements with management about application of accounting principles.

Had no difficulties conducting our audits.

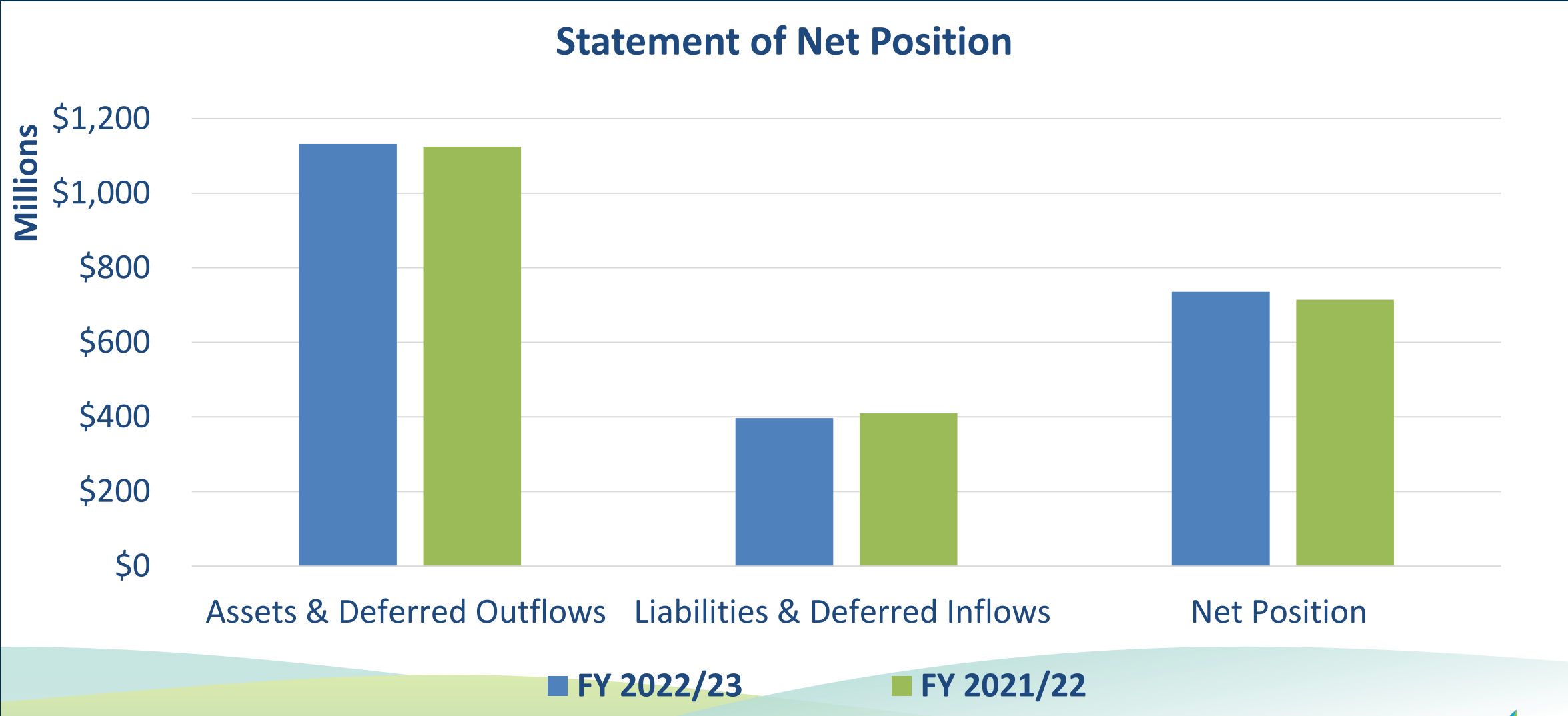
Determined that all estimates used by management in preparing the financial statements were reasonable.

NET POSITION

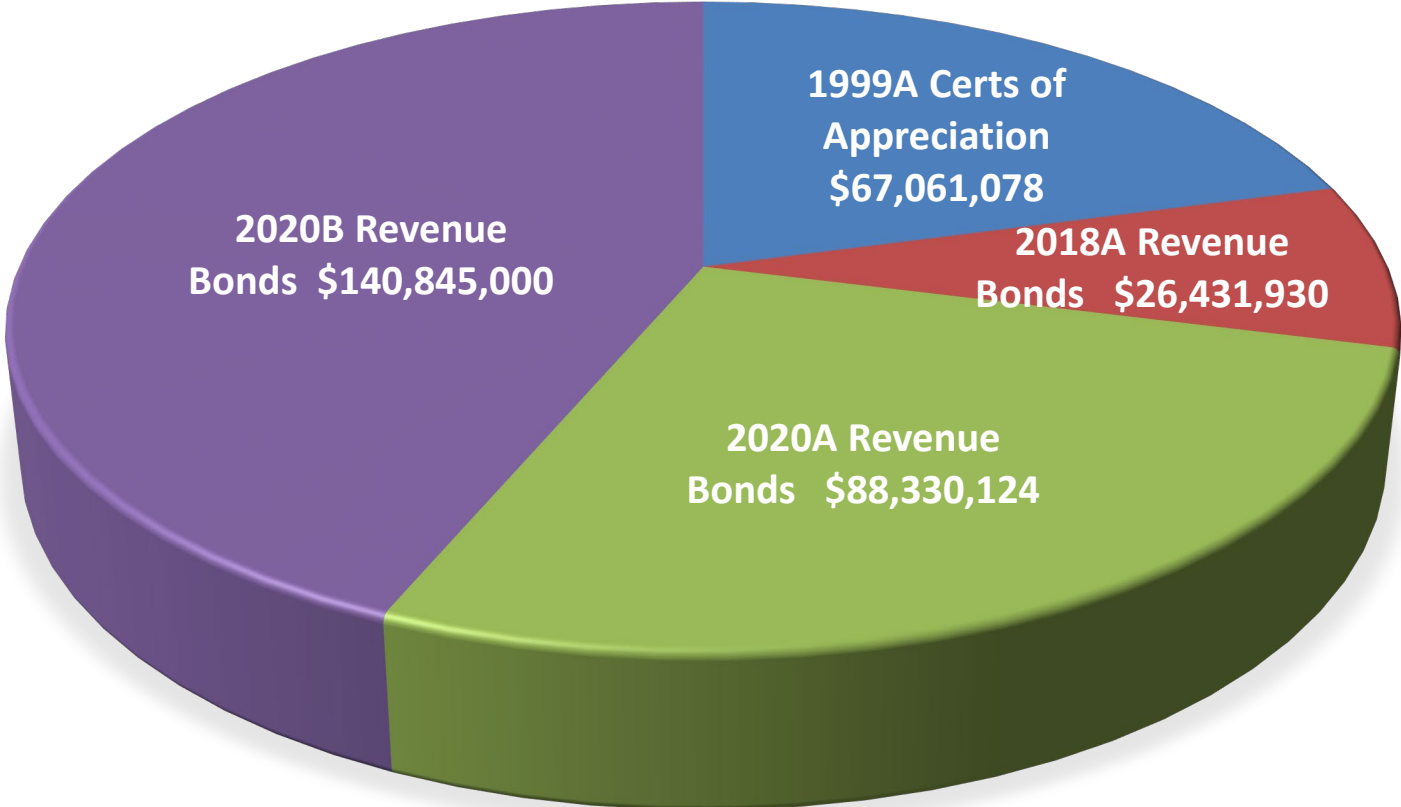
Statements of Revenues, Expenses, and Changes in Net Position

	2023	2022	Variance
Net Position:			
Beginning of Year, as previously reported	\$714,645,009	\$697,843,009	\$16,802,000
Restatements	-	408,324	(408,324)
Beginning of Fiscal Year, as restated	714,645,009	698,251,333	16,393,676
End of Fiscal Year	\$ 735,589,037	\$ 714,645,009	\$ 20,944,028

STATEMENT OF NET POSITION (BALANCE SHEET)



LONG-TERM DEBT FISCAL YEAR 2022/23

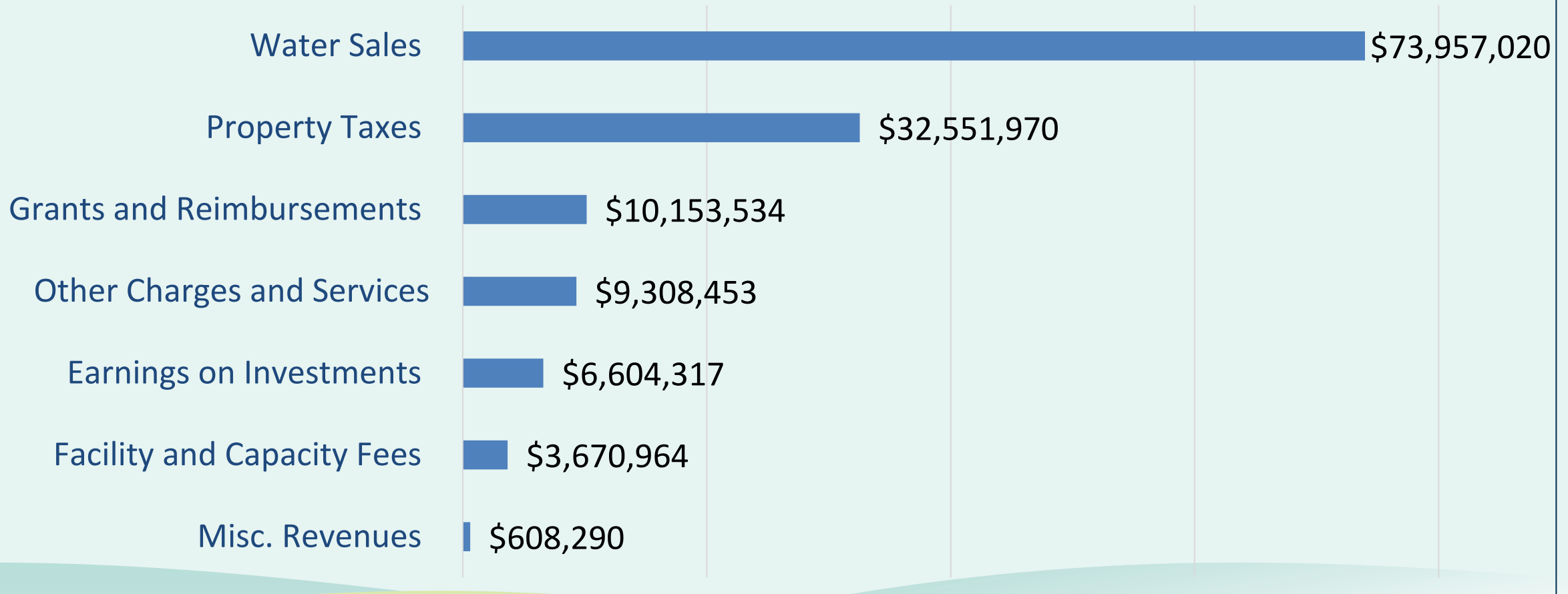


TOTAL LONG TERM- DEBT = \$322,668,132

excludes VWD Acquisition Loan

STATEMENT OF ACTIVITIES FISCAL YEAR 2022/23

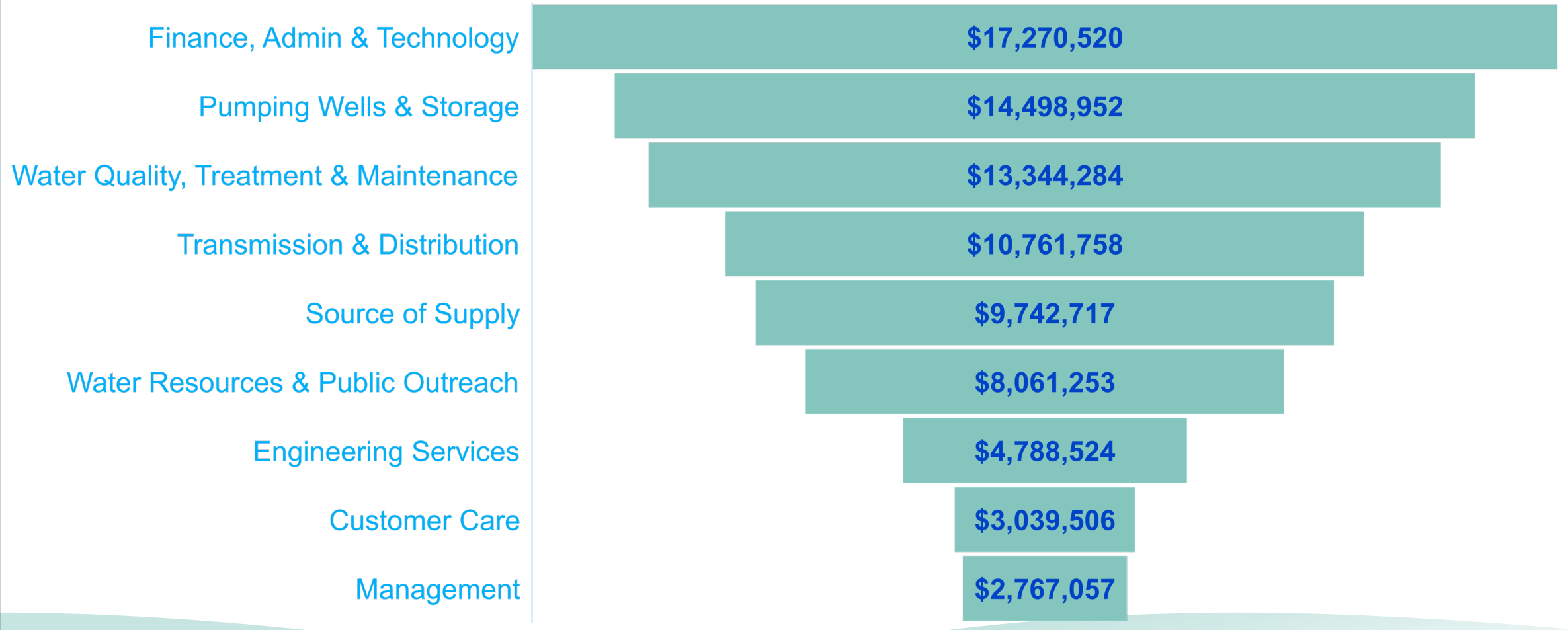
Total Operating and Non-Operating Revenues = \$136, 854,548



Note: Excludes State Water Project restricted revenues (\$45,834,255) and Interest Expense (\$10,052,884).

STATEMENT OF ACTIVITIES FISCAL YEAR 2022/23

Total Operating Expenses = \$84,274,571



Note: Excludes State Water Project expenses (\$36,970,684), Depreciation and Amortization expenses (\$38,082,215) and non-departmental expenses (\$1,215,712).

RECOMMENDATION

That the Board of Directors receive and file
the FY 2022/23 Annual Comprehensive
Financial Report



QUESTIONS