



Santa Clara Valley Water District

File No.: 22-0194

Agenda Date: 1/25/2022
Item No.: *3.6.

BOARD AGENDA MEMORANDUM

SUBJECT:

Valley Water Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2021 and other Independent Auditor's Reports.
(PREVIOUSLY LISTED AS ITEM 9.2)

RECOMMENDATION:

Accept the Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2021, and other Independent Auditor's Reports.

SUMMARY:

The Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2021 was audited by Santa Clara Valley Water District's (Valley Water) external auditor, Maze and Associates. During the audit, no material financial findings or internal control weaknesses were reported. The auditor has issued an unmodified ("clean") opinion dated December 22, 2021 stating that the District's financial statements are fairly presented in conformity with Generally Accepted Accounting Principles (GAAP), as established by the Governmental Accounting Standards Board (GASB). The auditor prepares additional assurance letters and reports, in accordance with attestation standards established by the American Institute of Certified Public Accountants. The Memorandum of Internal Controls and Required Communications are attached (See Attachments 2 through 6).

The ACFR complies with the following requirements:

1. Board Policy BL-5.2 which requires the monitoring and reporting of financial conditions and activities to be performed annually by an external method.
2. State Law (Government Code Section 26909) which requires an annual examination and audit of the District's financial records.

Each year since 1997, the District has been awarded the prestigious Certificate of Achievement for Excellence in Reporting by the Government Finance Officers Association of the United States and Canada (GFOA), including most recently for the 2020 fiscal year.

The Board Audit Committee discussed the ACFR at their meeting on December 15, 2021 and recommends acceptance by the full Board.

ENVIRONMENTAL JUSTICE IMPACT:

There are no Environmental Justice impacts associated with this item.

FINANCIAL IMPACT:

Auditing services costs are included in the FY 2021-22 budget.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

- Attachment 1: FY 2020-21 ACFR
- Attachment 2: Memorandum of Internal Controls
- Attachment 3: Investment Policy Compliance
- Attachment 4: Article XIII-B Appropriations Procedure
- Attachment 5: Compensation and Benefits Compliance
- Attachment 6: Debt Issuance Compliance
- *Supplemental Board Agenda Memo
- *Supplemental Attachment 1: Revised FY 2020-21 ACFR

UNCLASSIFIED MANAGER:

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