

WEST BASIN MUNICIPAL WATER DISTRICT

SEPTEMBER 14, 2005 - Finance

Fernandez, Dear

SEPTEMBER 26, 2005 - Board Meeting

Prepared by: Margaret Moggia

Submitted by: Margaret Moggia

Approved by: Art Aguilar/Rich Nagel

INFORMATION CALENDAR

COMPREHENSIVE ANNUAL FINANCIAL REPORT

SUMMARY:

A comprehensive annual financial report (CAFR) provides the opportunity to provide or make available financial information regarding the agency to its Board of Directors, customers, investors, public and other interested parties. The CAFR is comprised of three sections - Introduction, Financial, and Statistics.

Introduction: Includes a transmittal letter with the agency's organizational chart and list of principal officers. It also provides an opportunity for the reader to understand the agency's structure, operations and financial condition.

Financial: Includes the Independent Auditor's report, management's discussion and analysis of the financial statements, the financial statements for the fiscal year, and the notes to the financial statements.

Statistics: Includes several tables of unaudited data representing the financial history of the agency, as well as demographic and other miscellaneous statistics.

Currently, the District distributes audited financial statements (as described under the financial section) to requested parties, and certain portions of the financial statements are often included in the annual report. In addition, the District reports on its activities in a variety of reports either through print or by website. The CAFR provides the opportunity to collectively bring the financial data together and provide the reader a comprehensive view of the agency.

Staff is currently preparing the required sections of the CAFR, and has obtained checklists from the California Society of Municipal Finance Officers (CSMFO), and the Government Finance Officers Association (GFOA), as well as other water agencies to obtain guidance in preparing the Districts.

Certain sections will require additional review by the District's auditors to ensure the data is not in conflict with the audited financial statements. Staff anticipates submitting the CAFR to the CSMFO and perhaps the GFOA to obtain a "Certificate of Achievement for Excellence in Financial Reporting". The awards are published throughout the organizations and seen favorably by investors and rating agencies for the additional work required to prepare the CAFR. In addition, the CAFR provides trends and information necessary for decision making and for comparison with other agencies.

FISCAL IMPACTS:

Funds are included within the operating budget. Staff anticipates minimal costs to submit to the CSMFO and GFOA and review by the District's auditor.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

This item was reviewed by the Finance Committee on September 14, 2005 and agendaized to the September 26, 2005 Board meeting as information for discussion.

RECOMMENDED MOTION:

This item is for information only.

LIST OF EXHIBITS:

None.

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