



# Audit Results

June 30, 2021



## Agenda

1. Auditor's Opinion
2. Communication with Those Charged with Governance
3. Recommendations to Management
4. Accounting Updates

# 2021 MPWMD AUDIT

## AUDIT OBJECTIVES

- **Opinion on whether the financial statements of the Monterey Peninsula Water Management District are reasonably stated in accordance with generally accepted accounting principles.**

## AUDITORS' REPORT

### Unmodified Opinion

- **The financial statements, in all material respects, are fairly presented in accordance with accounting principles generally accepted in the United States.**

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# COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

# IMPORTANT BOARD COMMUNICATIONS



## Significant Accounting Policies

- Management is responsible for selecting appropriate accounting policies.
- The significant accounting policies used are described in the footnotes to the District's financial statements.



## Accounting Estimates

- We deem accounting estimates to be reasonable.



## Disagreements with Management

- None noted.



## Significant or Unusual Transactions

- None noted.

# IMPORTANT BOARD COMMUNICATIONS



## Consultations with Other Accountants

- None made.



## Uncorrected Misstatements

- None identified.



## Difficulties Performing Audit

- None noted.



## Material Weaknesses or Significant Deficiencies

- None identified.

# AUDIT ADJUSTMENTS

- **2 Adjusting Journal Entries**

- The entries decreased net position by \$502,540 due to a change in reporting of payments received on funds previously advanced to the Reclamation Project

- **2 GASB Journal Entries**

- The entries decreased net position by \$428,007 due to net increase in OPEB and Pension liabilities and deferred outflows

# RECOMMENDATIONS TO MANAGEMENT

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- **No current year recommendations**
- **Prior year recommendations have been addressed**



# ACCOUNTING UPDATES

- **Adopted Accounting Pronouncements**

- GASB Statement No. 84 *Fiduciary Activities*
- GASB Statement No. 90 *Majority Equity Interests*
- GASB Statement No. 98 *The Annual Comprehensive Financial Report*

## **Upcoming Accounting Pronouncements**

- GASB Statement No. 87 *Leases*
- GASB Statement No. 89 *Accounting for Interest Cost incurred before the End of a Construction Period.*
- GASB Statement No. 91 *Conduit Debt Obligations*
- GASB Statement No. 92 *Omnibus 2020*
- GASB Statement No. 93 *Replacement of Interbank Offered Rates.*
- GASB issued Statement No. 94 *Public-Private and Public-Public Partnerships and Availability Payment Arrangements.*
- GASB Statement No. 96 *Subscription-Based Information Technology Arrangements.*
- GASB issued Statement No. 97 *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred*



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**QUESTIONS?**





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**THANK YOU**

