MONTEREY PENINSULA WATER MANAGEMENT DISTRICT







Item 11

Receive Fiscal Year 2025-2026 Annual Comprehensive Financial Report (ACFR)

November 16, 2026 Regular Board Meeting
Staff Contact: Nishil Bali

Financial Audit (FY2025-26)



Exhibit 1: **Annual Comprehensive Financial Report**

- A set of government financial statements comprising the financial report of an agency that complies with the accounting requirements promulgated by the GASB
- Governmental Accounting Standards Board (GASB) provides standards for the content of an ACFR through its annually updated publications
- Audited by The Pun Group LLP, a licensed certified public accounting firm

Exhibit 2: **Communication to Board**

Financial Audit (FY2025-26)



- Communication to Board
  - ❑ Qualitative Aspects: Selection of accounting policies
  - ❑ Difficulties and Misstatements: None
  - ❑ Disagreements with Management: None
- Independent Auditor's Report
  - ❑ The auditor has issued an unmodified ("Clean") opinion that the District's financial statements are fairly presented in conformity with Generally Accepted Accounting Principles (GAAP)
  - ❑ There were no instances of noncompliance or reportable conditions that are required to be reported under Generally Accepted Accounting Principles

Annual Comprehensive Financial Report (ACFR)



- Introductory (ACFR Pages i-x)
  - Letter of Transmittal
  - Government Structure
  - GFOA Award
- Financial (ACFR Pages 1-83)
  - Auditor's Opinion
  - Management's Discussion & Analysis
  - Basic Financial Statements (including Notes)
- Statistical (ACFR Pages 85-100)



Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds



	2026 Total	2025 Total
Total revenues	$ 38,706,330	$ 38,004,334
- Total expenditures	38,101,161	35,108,591
= Net change in fund balances	605,169	2,895,743
Beginning year fund balance	28,996,196	26,100,573
End of year fund balance	$ 29,601,485	$ 28,996,316

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Balance Sheet – Governmental Funds

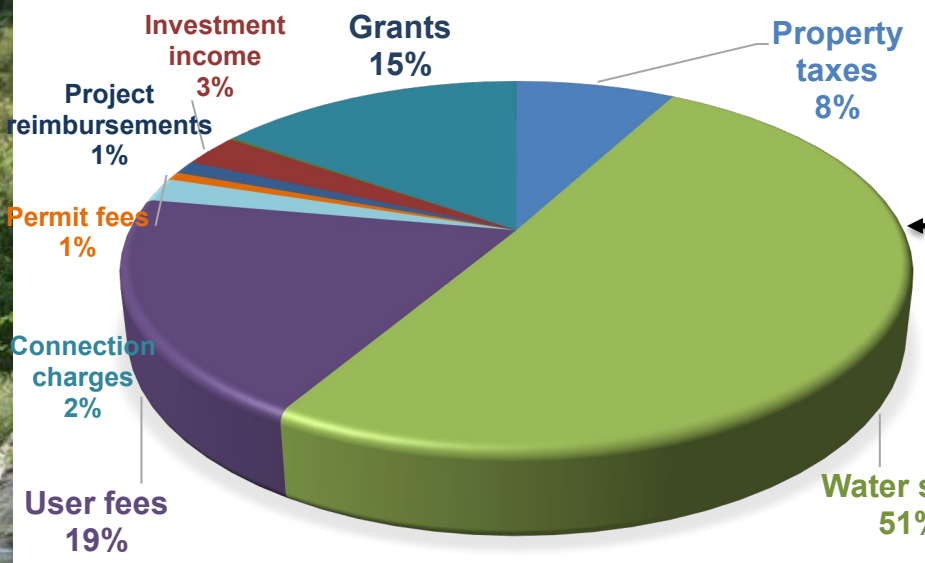


	2026 Total	2025 Total
Total assets	$ 36,196,703	$ 37,715,797
- Total liabilities	6,547,815	8,666,971
- Deferred inflows	47,403	52,510
= Total fund balances	$ 29,601,485	$ 28,996,316

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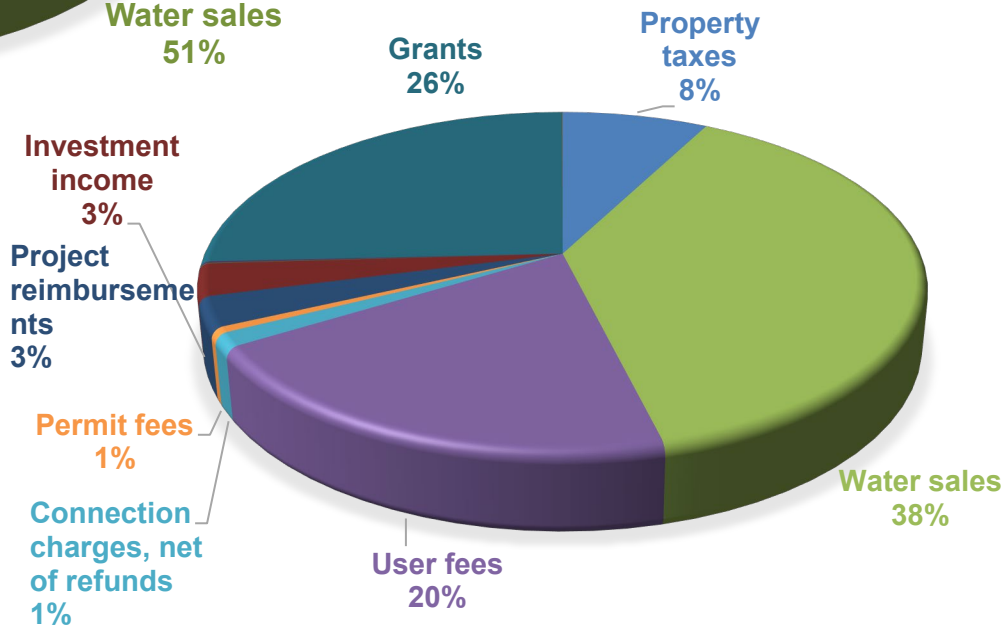
District Revenues – Govt. Funds





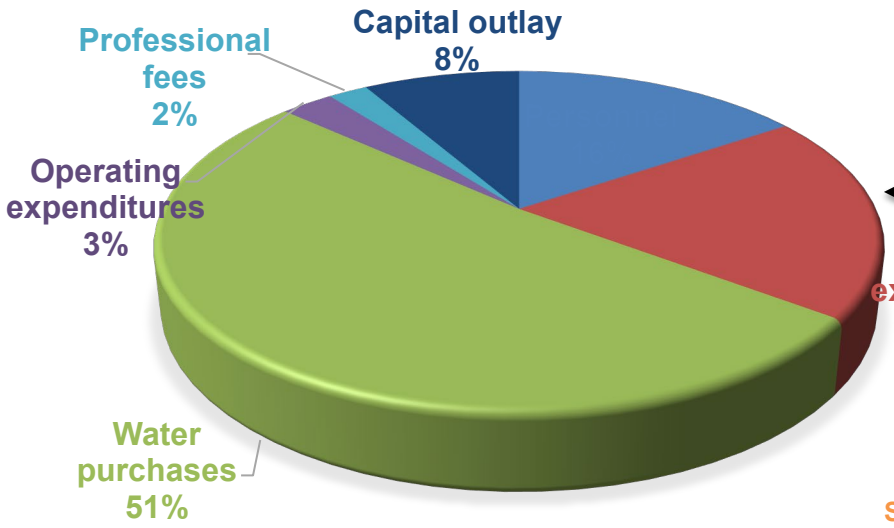
FY2025-26: $38.71 M

FY2024-25: $38.0 M



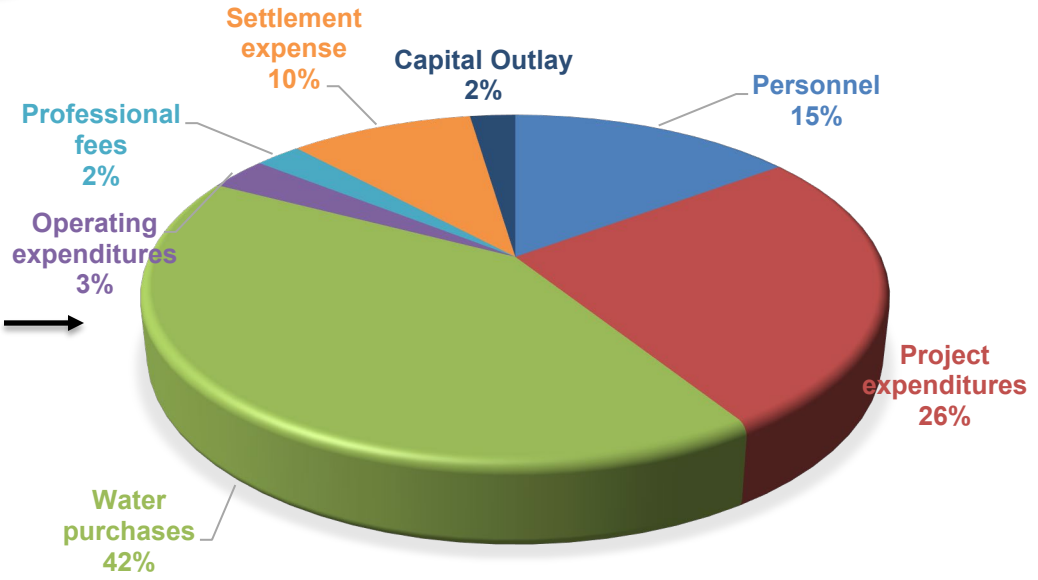
District Expenditures – Govt. Funds





FY2025-26: $38.11 M

FY2024-25: $35.12 M



Statement of Net Position



	Governmental Activities	Business-type Activities	Total FY2025-26	Total FY2024-25
Total assets	56,831,857	37,942,804	94,774,661	95,635,726
+ Deferred outflows	2,209,086	-	2,209,086	2,593,724
- Total liabilities	18,035,776	465,232	18,501,008	22,605,384
- Deferred inflows	1,840,486	-	1,840,486	966,898
= Total net position	39,164,681	37,477,572	76,642,253	74,657,168

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Pension & OPEB Liabilities



	Pension	OPEB (Retiree Medical)	Compensated Absences	Total
Beginning of year	$7,536,683	$ 4,833,572	$ 994,453	$13,364,708
+ Change in obligation	($840,079)	$51,990	($88,658)	($876,747)
End of year	$6,696,604	$4,885,562	$905,795	$12,487,961

(Page 26 & ACFR Notes 10-11)

Recommendation



Staff recommends that the Board receive the Fiscal Year 2025-2026 Annual Comprehensive Financial Report

For More Information



- Staff reports and presentation materials can be found on the District's website at:

  www.mpwmd.net

- PowerPoint presentations will be posted on the website the day after the meeting.