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Meeting Date: March 17, 2021  
Staff Contact: Stan Allred, Chief Financial Officer

**TITLE: C-21-2 - Comprehensive Annual Financial Report for the Fiscal Years Ended June 30, 2020 and 2019**

**ACTION: Receipt be Noted**

**SUMMARY:**

Submitted to the Board for review and informational purposes is the Comprehensive Annual Financial Report (CAFR) for the fiscal years ended June 30, 2020 and 2019. A review of the CAFR was presented to the Water Authority's Audit Committee and the Authority's Internal Auditor. The CAFR consists of four major sections:

1. *The Introductory Section:*  
This section includes the Transmittal Letter with the Water Authority's Organizational Chart, and a listing of the Water Authority Officials, as well as other relevant information to assist the reader in understanding the Water Authority's management structure, operations and financial condition.
2. *The Financial Section:*  
This section includes the Independent Auditor's Report, Management's Discussion and Analysis of the Financial Statements, the Water Authority's Financial Statements for the Fiscal Years ended June 30, 2020 and 2019, explanatory footnotes, and required supplementary information.
3. *The Statistical Section:*  
This section contains tables with general information about the Water Authority and comparative data from prior years.
4. *Other Supplementary Information Section:*  
This section includes all state compliance and operational findings required by the New Mexico Office of the State Auditor (OSA).

The Independent Public Accountant (IPA) firm contracted by the Water Authority to perform the financial and compliance audit was REDW, LLP. The Independent Auditor's Report found on page 20, reflects the opinion, which states "the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of the Water Authority, as of June 30, 2020 and 2019, and the changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the Schedule of revenues, Expenses, and Changes in Net Position-Budget and Actual, presented as supplementary information, presents

fairly, in all material respects, the budgetary comparison of the Water Authority for the year ended June 30, 2020, in accordance with accounting principles generally accepted in the United States of America.”

**FISCAL IMPACT:**

None.

**COMMENTS:**

The CAFR was submitted to the Office of the State Auditor on November 25, 2020 before the December 1<sup>st</sup> due date and was officially released on December 23, 2020.