



**ITEM 8.1
REVIEW**

Valley Sanitary District

DATE: December 10, 2024

TO: Board of Directors

FROM: Jeanette Juarez, Chief Administrative Officer

SUBJECT: RECEIVE AND FILE THE ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR) FOR THE VALLEY SANITARY DISTRICT FOR THE FISCAL YEAR ENDING JUNE 30, 2024

Suggested Action

Review

Strategic Plan Compliance

GOAL 6: Improve Planning, Administration and Governance

Fiscal Impact

The District's total net position increased \$11.8 million or 9.8% for the year ended June 30, 2024, from \$120.5 million to \$132.3 million. The variance is attributed to an increase in sewer service revenue. In the fiscal year 2020/21, after properly conducting a publicly noticed meeting and as allowed by Proposition 218 the District adopted a rate increase schedule that will continue through the fiscal year 2025/26. The rate increase will fund capital improvement projects, repairs, and rehabilitation of the District's collection system infrastructure and equipment. Additionally, there has been an increase in investment income due to current market trends and interest rates. Capital assets have also increased due to new additions and construction-in-progress projects.

Environmental Review

This item does not qualify as a project defined by the California Environmental Quality Act (CEQA).

Background

By the Generally Accepted Accounting Principles (GAAP) for State and Local governments, the Districts

prepare an ACFR for the fiscal year.

The purpose of the ACFR is to provide accountability for financial and operational information and valuable information to the District's decision-makers.

The District's external financial auditors, Davis Farr LLP, completed the field audit work and submitted a Letter of Audit Findings (included in the ACFR). The auditors provided an unmodified opinion of the District's financial reports. Jonathan Foster, CPA, Davis Farr LLP, will provide the Board with an overview of the audit process and outcome.

Recommendation

Receive and file the ACFR for the Valley Sanitary District for the fiscal year ending June 30, 2024.

Attachments

[8.1 Attachment A 2024_VSD Financials \(ACFR\).pdf](#)