

Annual Comprehensive Financial Report (ACFR)

For the Year Ended June 30, 2023

Presented by:

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*Accounting
Supervisor*

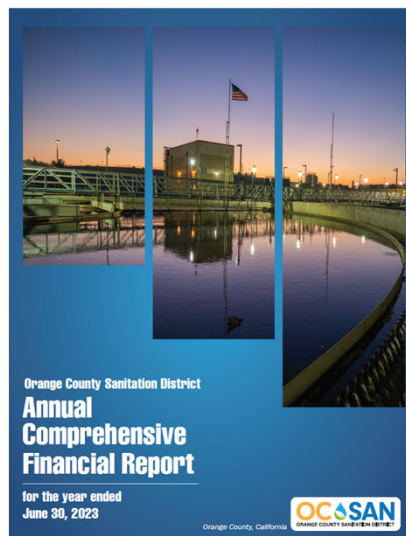
Administration
Committee
November 8, 2023



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Overview of the ACFR

- Provides financial condition and performance for fiscal year ended June 30, 2023.
- GFOA Excellence in Financial Reporting Award for past 29 consecutive years.
- Independent auditor Davis Farr, LLP.



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Financial Net Position

Total Net Position: \$3.0 billion

(Dollars in thousands)

	June 30, 2023	June 30, 2022, as restated	Increase (Decrease)	Percentage Increase (Decrease)
Total assets & deferred outflows	4,018,834	4,019,786	(952)	0.0%
Total liabilities & deferred inflows	1,039,142	1,204,599	(165,457)	-13.7%
Net position				
Net investment in capital assets	1,954,939	1,825,490	129,449	7.1%
Restricted for OCERS pension benefits	103,404	108,179	(4,775)	-4.4%
Unrestricted	921,349	881,518	39,831	4.5%
Total net position	\$ 2,979,692	\$ 2,815,187	\$ 164,505	5.8%

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Increase in Net Position

Increase in Net Position: \$164.5 million

(Dollars in thousands)

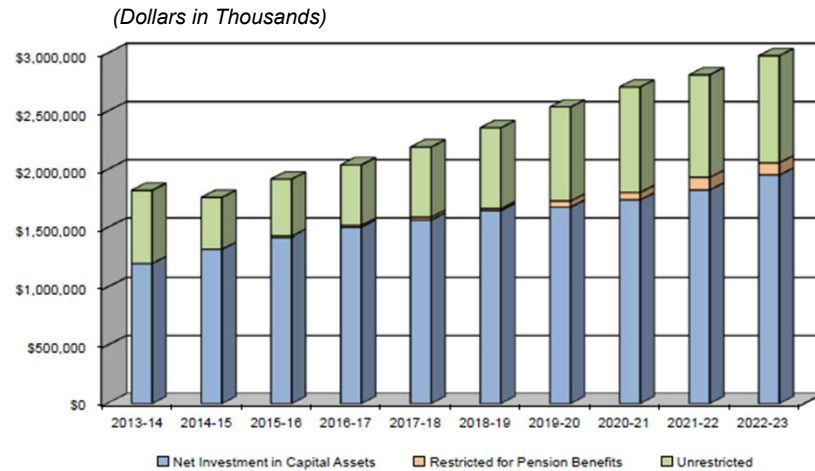
	June 30, 2023	June 30, 2022	Increase (Decrease)	Percentage Increase (Decrease)
Total revenues	490,946	420,786	70,160	16.7%
Total expenses	358,705	342,064	16,641	4.9%
Income before capital contributions	132,241	78,722	53,519	68.0%
Capital contributions	32,264	26,083	6,181	23.7%
Increase in net position	164,505	104,805	59,700	57.0%
Beginning net position	2,815,187	2,710,382	104,805	3.9%
Ending net position	\$ 2,979,692	\$ 2,815,187	\$ 164,505	5.8%

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Net Position – Last 10 Fiscal Years



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Financial Performance - Operations

(Dollars in thousands)

	June 30, 2023	June 30, 2022	Increase (Decrease)	% Increase (Decrease)
Operating expenses:				
Salaries and benefits	96,883	57,004	39,879	70.0%
Utilities	15,924	11,045	4,879	44.2%
Supplies, repairs and maintenance	52,794	47,082	5,712	12.1%
Contractual services	27,761	25,114	2,647	10.5%
Feasibility studies	4,158	6,490	(2,332)	-35.9%
Other	9,692	9,379	313	3.3%
Total operating expenses	\$ 207,212	\$ 156,114	\$ 51,098	32.7%

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Capital Improvement Outlays

Major capital asset additions:

(Dollars in Millions)

- \$52.9 Headquarters Complex (P1-128)
- \$38.8 Headworks Rehabilitation at Plant 1 (P1-105)
- \$22.3 Primary Treatment Rehabilitation at P2 (P2-98)
- \$15.7 Ocean Outfall System Rehabilitation (J-117)
- \$11.6 TPAD Digester Facility at Plant 2 (P2-128)

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Available Resources

Cash and investments: \$1.0 billion — Increase: \$20.1 million

(Dollars in thousands)

	June 30, 2022	June 30, 2022	Increase (Decrease)	% Increase (Decrease)
Cash on hand	1	3	(2)	-66.7%
Deposits with financial institutions	5,514	4,219	1,295	30.7%
Managed portfolio - cash and investments	984,507	966,701	17,806	1.8%
Held by trustees - cash and investments	14,080	13,113	967	100.0%
Total cash and investments	\$ 1,004,102	\$ 984,036	\$ 20,066	2.0%

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Results of Independent Audit

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