

Los Cerritos Wetlands Authority

Date: November 7, 2024

To: Governing Board Members

From: Amanda Chan, Contracts and Budgets Analyst

Through: Mark Stanley, Executive Officer

Subject: Item 10: Receive and File FY 2022/2023 LCWA Audit Report

RECOMMENDATION:

That the Los Cerritos Wetlands Authority (LCWA) Governing Board receive and file the Fiscal Year 2022/2023 LCWA Annual Audit and Related Reports as submitted and detailed in the attached Exhibit A.

BACKGROUND:

[Exhibit A: FY 2022/23 LCWA Annual Financial Report for the Fiscal Year Ending 9/30/23](#)

[Exhibit B: Management Report](#)

SUMMARY/FINANCIAL HIGHLIGHTS:

- C.J. Brown & Company CPAs (formerly Fedak & Brown LLP) conducted the audit with the cooperation of the City of Long Beach and LCWA staff.
- During the FY 2022/2023, the Authority's net position decreased by 1.22% or \$143,999, to \$11,706,079 as a result of the Authority's ongoing operations.
- Total revenues decreased by 51.65% or \$603,860 to \$565,218 primarily due to increased consulting and legal expenditures related to the land exchange.
- Capital assets amount to \$11,000,000 with no change from the previous fiscal year.
- The Authority continues to have no long-term debt.
- One material weakness in internal control was identified:

2024-001: Grant revenues were not properly recorded under the modified accrual basis of accounting in grants receivable.

Remedy: the Authority will be more proactive in identifying future deposits by providing grant/contract invoices that have been issued to grantors to the City of Long Beach to set up accounts receivable entries, ensuring a streamlined process for year-end reconciliation.

- No findings noted in the current fiscal year.

FISCAL:

Receipt and filing of the FY 2022/2023 audit has no financial impact.