

AUDIT COMMITTEE
Meeting Minutes

October 10, 2018

CALL TO ORDER / ROLL CALL

Chair Cherashore called the Audit Committee meeting to order at 3:00 p.m. Committee members present were Chair Cherashore, Vice Chair Barnum, Directors Evans, Heinrichs, and Smith. At that time, there was a quorum of the Committee. Staff present was General Counsel Hattam, Assistant General Manager Dan Denham, Director of Finance/Treasurer Harris, Budget and Analysis Manager Whyte and Accounting Supervisor Geena Balistrieri.

ADDITIONS TO AGENDA

There were no additions to the agenda.

PUBLIC COMMENT

There were no members of the public who wished to speak.

CHAIR'S REPORT

The Chair's report included welcome remarks to the committee's newest member Director Betty Evans.

APPROVE AUDIT COMMITTEE MINUTES

Approve the Audit Committee minutes from the April 19, 2018 meeting.

Director Heinrichs moved and Director Smith seconded the motion to approve the minutes. The motion passed unanimously.

I. CONSENT CALENDAR

There were no items on the Consent Calendar.

II. ACTION/DISCUSSION

1. Report out by Audit Sub-Committee on meeting with Independent Auditor Firm, Davis Farr, LLP

Vice Chair Barnum and Director Smith met via conference call with Jennifer Farr of Davis Farr, LLP on October 10, 2018 at 11:00 a.m. as a sub-committee of the Audit Committee. A summary of the sub-committee discussion with Jennifer Farr included the following:



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- Update on the Audit Process to date noting that all field work is complete for fiscal year 2018
- Auditor reported that staff was well prepared and responded to all inquiries
- Auditor recommendation and discussion regarding a change in the treatment of storage rights from a non-depreciated asset (land) to a depreciated asset (capital infrastructure) resulting in a post-close entry adjustment and a delay in the completion of the final CAFR

2. Discussion of the Fiscal Year 2018 Audit

Ms. Harris and Ms. Balistrieri provided an overview of the outstanding 2018 Work Plan Calendar highlighting the following dates:

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| October 31, 2018 | Draft CAFR to be submitted to Audit Committee for review |
| November 7, 2018 | Deadline for director comments to staff |
| November 8, 2018 | Final audit committee meeting at 9:30 a.m. (lunch will be served) |
| December 6, 2018 | Audit Committee recommends approval of the final CAFR to the Formal Board |

III. ADJOURNMENT

There being no further business to come before the Audit Committee, Cherashore adjourned the meeting at 3:40 p.m.