



NOTICE TO THE PUBLIC

AUDIT COMMITTEE

11:00 A.M. APRIL 2, 2026

BOARD ROOM

**WATER AUTHORITY HEADQUARTERS BUILDING
4677 OVERLAND AVENUE, SAN DIEGO, CALIFORNIA**

The meeting is open to the public and accessible electronically by going to the web link at [SDCWA.org](https://www.sdcwa.org) and then clicking the link listed below "LIVE STREAM" on the right hand side of the page.

1. **DOCUMENTS**: Staff reports, and any other public information provided to the Board or Committee before the meeting relating to items on the agenda are available for public review on the Water Authority website at <https://www.sdcwa.org/meetings-and-documents>. Additional documents may be distributed at the meeting electronically and will be made available. Copies of individual items are available through the Clerk of the Board at (858) 522-6614.
2. **MEETING TIMES**: The meeting will commence at 11:00 a.m. on April 2, 2026.
3. **ACTION AT COMMITTEE MEETINGS**: Committee meetings are also noticed as meetings of the Board because a quorum of the Board may be present. Members of the Board who are not members of the Committee may participate in the meeting, but only members of the Committee may make, second or vote on any motion or other action of the Committee unless the Board determines to convene for consideration of action on an item or items on the Committee agenda.
4. **PUBLIC COMMENTS**: Public comment requests may be provided before the meeting by submitting written comment to: publiccomments@sdewa.org. Written correspondence will be read as time allows (three-minute limit). Speaker request forms will be available to the public attending in person.

The meeting can be monitored and public comments can also be made by joining via zoom here:

[ZOOM LINK](#)

Or join by phone at 1-669-444-9171. Enter the meeting id 838 8344 4061# when prompted.

Before the public comment period has begun, please use the raise hand feature in zoom so you can be recognized by the clerk to speak in the order received. If attending by phone dial *9 to raise your hand. The clerk will recognize you and unmute your microphone or phone for the comment period.

Members of the public are given an opportunity to address the Audit Committee on any item listed on the agenda or under the jurisdiction of the Committee, during the Public Comment period as stated on the agenda.

Each speaker is allotted up to three minutes to provide their public comment. The Presiding Officer shall, however, exercise discretion to determine if time should be reduced or extended based upon such factors as the length or substance of the agenda items, the number of public comment speakers, the need for the Board to conclude its business as expeditiously as is practicable, and whether the Board is at risk of losing a quorum, among other factors.

5. **INFORMATION ITEMS**: Items are listed on the agenda as information based on staff's judgment. Circumstances or the committee's or Board's judgments may require deliberation or, if necessary, action on these items. Any member of the public with an interest in one of these items should review the background material and request information on the possible action that could be taken.
6. **ASSISTANCE FOR THE DISABLED**: If you are disabled in any way and need accommodation to participate in the Board meeting, please call the Clerk of the Board at (858) 522-6614 for assistance at least three (3) working days prior to the meeting so the necessary arrangements can be made.
7. **RULES GOVERNING MEETINGS**: The Water Authority's Administrative Code Chapter 2.00 governs conduct of meetings of the Board and the Committees. The Administrative Code is available online at www.sdcwa.org.



AUDIT COMMITTEE
AGENDA FOR
Thursday, April 2, 2026
11:00 a.m.
Board Room

Steve Castaneda – Chair
Tim Douglass
Dana Frieauf

Rick Paul
Joel Scalzitti

1. Roll call – determination of quorum.
2. Additions to agenda (Government Code Section 54954.2(b)).
3. Public comment – opportunities for members of the public to address the Committee on matters within the Committee’s jurisdiction.
4. Chair’s report.
4-A Director’s comments
5. Approve Audit Committee Minutes from the October 30, 2025 meeting.

I. CONSENT CALENDAR

II. ACTION/DISCUSSION/PRESENTATION

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| 1. Overview of the Audit Process, Davis Farr LLP. (Presentation) | Shannon Ayala, CPA |
| 2. Audit Committee Responsibilities. (Discussion) | Chris Woidzik, CPA Controller |
| 3. 2026 Work Plan Calendar. (Discussion) | Chris Woidzik, CPA Controller |
| 4. GASB 103 – New Revenue and Expense Classifications. (Discussion) | Chris Woidzik, CPA Controller |

III. INFORMATION

IV. ADJOURNMENT



Kelly Cole-Walker
Clerk of the Board

NOTE: This meeting is called as an Audit Committee meeting. Because a quorum of the Board may be present, the meeting is also noticed as a Board meeting. Members of the Board who are not members of the Committee may participate in the meeting pursuant to Section 2.00.060(g) of the Authority Administrative Code (Re-codified). All items on the agenda, including information items, may be deliberated and become subject to action. All public documents provided to the committee or Board for this meeting including materials related to an item on this agenda and submitted to the Board of Directors within 72 hours prior to this meeting may be reviewed at the San Diego County Water Authority headquarters located at 4677 Overland Avenue, San Diego, CA 92123 at the reception desk during normal business hours.

AUDIT COMMITTEE
Meeting Minutes

October 30, 2025

CALL TO ORDER / ROLL CALL

Chair Castaneda called the Audit Committee meeting to order at 9:08 a.m. Committee members present were Chair Castaneda, Directors Leahy, Paul, and Vespi. Committee members absent were Director Scalzitti. At that time, there was a quorum of the Committee. Staff present were Deputy General Manager/Chief Operating Officer Berge, Assistant General Counsel McDonnell, Director of Finance/Treasurer Harris, Controller Woidzik, Accounting Supervisor Balistrieri. Also present was Shannon Ayala, Auditor of Davis Farr, LLP.

ADDITIONS TO AGENDA

There were no additions to the agenda.

PUBLIC COMMENT

Mr. Javier and Mrs. Javier, members of the public, provided comments.

CHAIR'S REPORT

There was no chair's report.

APPROVE AUDIT COMMITTEE MINUTES

Approve the Audit Committee minutes from the September 18, 2025, meeting.

Director Paul moved, Director Leahy seconded, and the motion to approve the minutes passed. Director Vespi abstained.

I. CONSENT CALENDAR

There were no items on the Consent Calendar.

II. ACTION/DISCUSSION

1. Report by auditor Davis Farr, LLP, on the FY 2025 audit results.

Ms. Ayala of Davis Farr LLP provided a presentation on the final audit results for the fiscal year ended June 30, 2025. She reviewed audit results on financial statements to include the issued and unmodified audit opinion dated September 26, 2025 which indicated that all financial statements and footnotes were presented fairly, in all material respects, and in accordance with generally accepted accounting principles. Davis Farr, LLP also issued the Communication to Those in Governance Letter and Government Auditing Standards Opinion, and there were no material instances of noncompliance, and no significant deficiencies or material weaknesses. Ms. Ayala detailed communication to those in Governance to include significant risk areas in the implementation of GASB 101 related to compensated absences, capital assets and construction in progress. She summarized unpredictability testing performed on expenses related to fleet and safety supply with no exceptions noted. She concluded with an overview on upcoming accounting standards related to GASB 103 financial reporting.

Mr. Woidzik shared potential effects GASB 103 would have on the Water Authority. Any changes stemming from this will be presented at the next Audit Committee meeting. The Board of Directors will be informed about the GASB 103 update as part of the financial update at the February Board meeting.

Committee members asked questions and Ms. Ayala and staff answered questions.

2. Review of the audited Annual Comprehensive Financial Report (ACFR) for the Fiscal Year ended June 30, 2025.

Mr. Woidzik presented a recap of activities that had taken place since the September 18, 2025 meeting, which included completion of the FY2025 audit and ACFR on schedule, audit sub-committee participation in a separate discussion with auditors, and the audit committee review of the draft FY2025 ACFR with comments reflected. He streamlined the audit process, FY2025 financial results and next steps.

Committee members asked questions and staff answered questions.

3. Accept and Authorize the Chair of the Audit Committee to transmit the Annual Comprehensive Financial Report (ACFR) for Fiscal Year ended June 30, 2025, to the Board of Directors.

Staff Recommendation:

Accept the ACFR and authorize the Chair of the Audit Committee to transmit the report to the Board of Directors.

Mr. Woidzik presented the next steps in the ACFR process to complete and publish the ACFR for distribution and deliver the Audit Committee Annual Report to the Board at the November 20, 2025, Board meeting. Draft copies of the ACFR were provided to audit committee members for review and comments prior to the Audit Committee meeting. The ACFR was also provided to the Board of Directors. Final copies of the ACFR will be mailed 1-2 weeks before the next Board meeting.

Director Paul moved, Director Leahy seconded, and the motion to approve the staff recommendation passed.

4. Discuss Audit Committee Annual Report and process to complete and transmit to the Board of Directors.

Mr. Woidzik reported the Audit Committee Annual Report is being finalized and will be submitted to the Audit Committee members to review and approve before being transmitted to the Board of Directors. Ms. Harris informed the committee that the annual report will be provided as an information item at the November Formal Board meeting.

Committee members asked questions and staff answered questions.

III. INFORMATION

There were no information items.

IV. ADJOURNMENT



Ms. Harris thanked Directors Leahy and Vespi for their participation on the Audit Committee and wished them well. There being no further business to come before the Audit Committee, Chair Castaneda adjourned the meeting at 9:48 a.m.