

Agenda Item: {{section.number}}C

May 19, 2025

TO: THE FINANCE COMMITTEE

Director Mike Gardner
Director Laura Roughton

FROM: Richard R. Aragon, Assistant General Manager/Chief Financial Officer

RECEIVE AND FILE FISCAL YEAR 2024-2025 AUDIT PLANNING COMMUNICATION LETTER

RECOMMENDATION:

Staff requests that the Finance Committee recommend the Board of Directors:

1. Receive and File the Audit Planning Communication Letter from the Board-appointed independent audit firm CliftonLarsonAllen LLP for the fiscal year 2024-2025 financial statement audit of Western Municipal Water District and for Western Municipal Water District's federal grants compliance audit referred to as the Single Audit.

EXECUTIVE SUMMARY:

The Audit Planning Communication Letter describes the auditor's responsibilities and scope of work in conducting the audits of Western Municipal Water District (Western Water) financial statements in accordance with auditing standards generally accepted in the United States of America and with generally accepted government auditing standards.

BUDGET IMPACT:

There is no budget impact for receiving and filing the fiscal year 2024-2025 audit planning communication letter.

DETAIL:

The audit planning communication letter is a required communication under the American Institute of Certified Public Accountants (AICPA) Auditing Standards (SAS) Codification – Post Clarity (subsequent to the Clarity Project) per AU-C Section 260 – “The Auditor's Communication with Those Charged With Governance”. This letter describes the auditor's responsibilities and scope of work in conducting the audit of the financial statements.

Reason for Action:

Professional auditing standards require that the auditor communicate directly with the Board of Directors, recognizing the importance of effective two-way communication and transparency.

Solution:

Receive and file the auditor's audit planning communications letter for the fiscal year 2024-2025 financial statement and compliance audits of Western Water.

STRATEGIC PRIORITIES REFERENCE:

This action is in alignment with Western Water's 2022-2025 strategic priority of Financial Stewardship.

PROPOSED DATE OF ACTION:

If approved by the Committee, this item is scheduled for consideration by the full Board of Directors at their meeting on June 4, 2025.

LEGAL COUNSEL REVIEW:

Not applicable.

Respectfully submitted by:

Richard R. Aragon, Assistant General Manager/Chief Financial Officer

Attachments:

1. Audit Planning Communication Letter for Fiscal Year 2024-2025
2. Audit Planning Presentation