

SOUTH BAY WATER

Board of Directors
December 10, 2025



Consideration to Receive the Fiscal Year 2024-25 Financial Statement Audit Report

RECOMMENDATION

Staff recommends that the Governing Board receive the FY 2024-25 Financial Statement Audit Report as presented.

OVERVIEW

South Bay Water's auditing firm, The Pun Group LLP, recently completed an audit of the FY 2024-25 financial statements. This is the fourth year of a five-year agreement with The Pun Group LLP to audit South Bay Water's financial statements and review internal controls. The auditor's opinion letter in the financial report concludes that the financial statements are presented fairly in all material respects and represent an unmodified "clean" opinion. This opinion represents the highest achievement in accuracy that an auditor will issue. The significant changes to the financial statements from the previous year are provided in the Management's Discussion and Analysis section of the FY 2024-25 Financial Statement Audit Report. The Audit Communications Letter relays additional information from the auditors on their findings for FY 2024-25.

FISCAL IMPACT

The FY 2025-26 Budget Operating Expense Audits & Accounting includes funding for auditing services.

OPTIONS

1. Receive the FY 2024-25 Audit Report as presented.
2. Provide staff with additional comments to complete the FY 2024-25 Audit Report.
3. Other direction as determined by the Board of Directors.

Staff Contact:

Carlos Quintero, General Manager

Roberto Yano, Assistant General Manager

Rich Stevenson, Director of Finance

SUPPORTING INFORMATION

Attachments

1. Fiscal Year 2024-25 Financial Statement Audit Report
2. Audit Communications

Past Board Actions

November 12, 2024	The Governing Board received the FY 2023-24 Annual Comprehensive Financial Report as presented.
November 8, 2023	The Governing Board received the FY 2022-23 Annual Comprehensive Financial Report as presented.
November 9, 2022	The Governing Board received the FY 2021-22 Annual Comprehensive Financial Report as presented.