AUDIT COMMITTEE MEETING

DATE: August 26, 2026

LOCATION: 4060 Sunrise Highway, Oakdale

ATTENDANCE: Charles Lefkowitz, Chairman
Elizabeth Mercado, Secretary
John Rose, Member
Jeffrey W. Szabo, CEO
Jessica Mattera, Executive Assistant
Chris Cecchetto, Chief Financial Officer- Virtually Attended
Stephanie Hannan, Manager of Accounting
Jason Spiegel, Lead Audit Engagement Partner, KPMG- Virtual
Ryan Gibbons, Lead Audit Engagement Senior Manager, KPMG- Virtual

EXCUSED ABSENCE: NONE

The meeting was called to order by Mr. Szabo at 8:35 a.m. upon Members of the Committee being present.

On motion made by Ms. Mercado, duly seconded by Mr. Rose, and unanimously carried, it was

RESOLVED, To approve the Audit Committee Meeting Minutes from May 28, 2026, meeting

Mr. Christopher Cecchetto, CFO introduced Mr. Jason Spiegel, Lead Audit Engagement Partner, Ryan Gibbons, Lead Audit Engagement Senior Manager and Ed Lee, Audit Engagement Transition Partner from KPMG who presented the Suffolk County Water Authority Discussion with those Charged with Governance, Audit plan and strategy for the year ending May 31, 2026.

KPMG presented the Suffolk County Water Authority's audit results for the fiscal year ended May 31, 2026. Overall, the audit results were positive, with KPMG concluding that SCWA's financial statements fairly present the Authority's financial position in accordance with generally accepted accounting principles. SCWA 2026 Audit Results presentation. The audit identified no instances of fraud, material weaknesses in internal controls, or reportable noncompliance, and testing of key areas, including cash and investments, operating revenues, long-term debt, capital assets, and employee benefit liabilities, generally resulted in no exceptions. Financially, SCWA reported approximately

$380.3 million in operating revenues, $109 million in operating income, and a $124.8 million increase in net position for fiscal year 2026. SCWA 2026 Audit Results presentation total net position increased to approximately $965.1 million, while long-term debt decreased to approximately $823.9 million and net capital assets increased to approximately $1.37 billion. SCWA 2026 Audit Results Overall, the presentation reflected a strong audit outcome and continued financial stability for the Authority.

On motion made by Mr. Rose, duly seconded by Ms. Mercado, and unanimously carried, it was

RESOLVED, To accept the Fiscal Year End 2026 Audit Plan.

On motion made by Ms. Mercado, duly seconded by Mr. Rose, and unanimously carried, it was

RESOLVED, To approve the FYE 2026 Finance summary memo, which went on to explain water service revenues, for the second year in a row, exceeded expectations and outperformed initial projections by approximately $6.9 million. However, the capital expenditure once again ended the fiscal year below final approved budgets. Operating and maintenance expenses also exceeded budgets; this was due to the continued recognition of legal expenses related to additional settlements and increases in system maintenance costs.

Mr. Cecchetto, Mr. Szabo, and the Board thanked KPMG for their presentation, and are looking forward to seeing them in a few months. No questions or comments were had.

On motion made by Ms. Mercado, duly seconded by Mr. Rose, and unanimously carried, the meeting of the Audit Committee was adjourned at 8:55 a.m.

Ms. Elizabeth Mercado, Secretary