

FAIRFAX WATER
Minutes of Finance and Audit Committee Meeting
December 11, 2025

At 5:48 p.m. on Thursday, December 11, 2025, a Meeting of the Fairfax Water Finance and Audit Committee was held in the Bill G. Evans Boardroom at 8570 Executive Park Avenue, Fairfax, Virginia, with the following in attendance:

Committee Members: Cammarata, Ginyard-Jones, Griffin (Chair), Roberson

Other Members: Allin, Begovich (remote), Colleton, Day, Dotson, Rubin

Staff: Aranda, Brown, Cotten, Dewhirst, Dooley, Finarelli, Franklin, Goldberg, Grimes, Hedges, James, Kingsbury, Long, Love, McCarthy, S. Miller, B. Nguyen, Oates, Prelewicz, Rhodes, Riglick, Spittle, Stewart, Van der Vyver

Counsel: John McGranahan, Hunton Andrews Kurth LLP

Consultants: Sarah Frey, PFM Financial Advisors LLC

Upon separate motions duly made, seconded, and unanimously carried, unless otherwise noted, the following actions were taken:

Approval of Participation by Electronic Communication

Mr. Cammarata moved, with a second by Mr. Griffin that Mr. Begovich's request to participate in the Finance and Audit Committee Meeting by means of electronic communication was consistent with the Board's policy, and the Board approved his request pursuant to Virginia Code Section 2.2-3708.3(B)(4). Mr. Begovich participated by means of electronic communication from North Carolina, where he was located due to the medical condition of a family member.

Approval of Minutes

The Committee approved the Minutes of the November 6, 2025, Meeting.

Proposed Amendments to the General Trust Indenture

Ms. Frey from PFM Financial Advisors LLC presented an overview of the proposed amendments to Fairfax Water's General Trust Indenture, which is currently administered by U.S. Bank (the "Trustee"). She explained the revisions would modernize the Indenture, align it more closely with current industry practices, and lower costs by eliminating an outdated requirement for an insurance surety policy to fund the reserve requirement. Ms. Frey concluded that the amendments are expected to generate savings without affecting the marketing, reception, or pricing of Fairfax Water's bonds.

Following Ms. Frey's presentation, Mr. Allin and Mr. Cammarata asked her to clarify the coverage of the current Ambac insurance surety policy. The discussion also addressed Ambac's insolvency, when the policy would be triggered, and whether it provides any real value.

Annual Trust Engineer Inspection and External Cost of Service Study

Ms. Oates presented an overview of the services provided over the past 30 years and discussed the potential hiring of a new Trust Engineer to conduct annual water system inspections, as well as a Consultant to complete the upcoming five-year external cost of service study.

Mr. Griffin noted that staff expects to present actionable items for Board consideration at the January 15, 2026 Board Meeting.

Adjournment

There being no further business, the Meeting was adjourned at 6:38 p.m.


ON BEHALF OF
Anthony Griffin, Committee Chairman