

**FAIRFAX WATER**  
**Minutes of Finance and Audit Committee Meeting**  
**April 18, 2024**

At 6:30 p.m. on Thursday, April 18, 2024, a Meeting of the Fairfax Water Finance and Audit Committee was held at the Bill G. Evans Boardroom at 8570 Executive Park Avenue, Fairfax, Virginia, with the following in attendance:

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

**Other Members:** Allin, Begovich, Colleton, Day, Dotson, Rubin

**Staff:** Bolton, Dooley, Goldberg, Grimes, Hedges, Kingsbury, Long, Love, S. Miller, B. Nguyen, Oates, Prelewicz, Sinopole

**Counsel:** John McGranahan, Hunton Andrews Kurth LLP

**Consultant:** Mike Garber, PBMares LLP, Preston Bryant Jr., McGuireWoods Consulting

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

**Approval of Participation by Electronic Communication**

Mr. Griffin moved, with a second by Ms. Colleton, that Ms. Ginyard-Jones' 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 her request pursuant to Virginia Code Section 2.2-3708.3(B)(4). Ms. Ginyard-Jones participated by means of electronic communication from Houston, Texas, where she was located for business travel.

**Approval of Minutes**

The Committee approved the Minutes of the March 21, 2024, Meeting.

**Audit Results for Fiscal Year 2023**

Mr. Garber of PBMares discussed the results of the annual audit of Fairfax Water's financial statements for the year ended December 31, 2023, and stated that there were no audit findings or adjustments. PBMares provided an unqualified "clean" opinion of the statements.

**Internal Control and Compliance Report**

Mr. Garber reviewed the Internal Control and Compliance Report. This report, which presents the finding of their evaluation of Fairfax Water's internal controls, contained no findings.

**Management Letter**

Mr. Garber conveyed the opinion of PBMares that there were no recommendations to management this year in relation to the financial statements. The issuance of several new GASB pronouncements will be reviewed for adoption by Fairfax Water in the next couple of years. Of note,

GASB Statement No. 96, Subscription Based Information Technology Agreements, was successfully implemented in 2023 and all entries were booked correctly.

**Trust Indenture Compliance Report**

Mr. Garber discussed the Trust Indenture Compliance Report. This report, required by the Bond Trustee, states that Fairfax Water is in compliance with Section 6.7 of the 1992 General Trust Indenture regarding debt service coverage.

The Committee unanimously voted to recommend to the Board that the audit be finalized and to submit the audited financial statements and debt compliance report to the Trustee.

**Follow up Courtesy Leak Adjustment Policy Discussion**

Mr. Griffin stated that staff further reviewed and analyzed the impact of including two billing quarters rather than one for Courtesy Leak Adjustments. He summarized that doing so would require a \$0.02 rate increase per thousand gallons of water for all Fairfax Water retail customers. The Committee discussed the matter and made no further recommendations..

**Adjournment**

There being no further business, the Meeting was adjourned at 6:57 p.m.



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Anthony Griffin, Committee Chairman