

**James River Water Authority
Board of Directors Meeting
Fluvanna County Administration Building- Morris Room
132 Main Street
Palmyra, VA 22963
August 9, 2023
9:00 A.M.**

Regular Meeting of the James River Water Authority Board of Directors

- I. Call to Order**
- II. Adoption of Agenda**
- III. Approval of Minutes of Preceding Meeting**
 - a. July 12, 2023 – Regular Meeting
- IV. Financial Report**
 - a. Bill Approval
 - i. Aqualaw
 - ii. GAI Consultants
 - iii. Hefty Wiley & Gore
 - iv. MBP
 - v. Faulconer Construction Company
- V. Public Information and Discussion**
 - a. Discussion – Project Status Update
- VI. Action Items**
 - a. James River Water Authority Financial Statements June 30, 2022
- VII. Consent Agenda**
- VIII. Closed Meeting**
- IX. Adjournment**

The James River Water Authority Board of Directors reserves the right to amend and/or change the Agenda the day of the meeting.

BY ORDER OF:
D.D. WATSON, CHAIRMAN
BOARD OF DIRECTORS
JAMES RIVER WATER AUTHORITY

**JAMES RIVER WATER AUTHORITY BOARD OF DIRECTORS
FLUVANNA COUNTY ADMINISTRATION BUILDING
PALMYRA, VIRGINIA
July 12, 2023
9:00 A.M.**

Present: D. D. Watson (Chairman), Eric Anderson (Vice Chairman), Joe Chesser (Treasurer), Eric Purcell (arrived 9:10am, left 10:00am), Christian Goodwin, Eric Dahl

Absent: Eric Purcell

CALL TO ORDER

Chairman Watson called the meeting of the James River Water Authority (JRWA) Board of Directors to order at 9:00 a.m. and led the Board in the Pledge of Allegiance.

ADOPTION OF AGENDA

On the motion of Mr. Chesser, seconded by Mr. Anderson, which carried by a vote of 4-0, the agenda was adopted.

APPROVAL OF MINUTES OF PRECEDING MEETING

On the motion of Mr. Anderson, seconded by Mr. Dahl, which carried by a vote of 4-0, the Board approved the draft minutes from the preceding meeting.

FINANCIAL REPORT

Mr. Chesser briefed the Board on bills in the packet for consideration. On the motion of Mr. Anderson, seconded by Mr. Goodwin, the bills were approved by a vote of 5-0.

PUBLIC INFORMATION AND DISCUSSION

Discussion – Project Status Update

Mr. Justin Curtis of Aqualaw provided an update on the project status. The project team has received written confirmation from the Virginia Marine Resources Commission that no permit from that entity is necessary. A draft permit from the Department of Environmental Quality (DEQ) has been received and is being reviewed. It is a fifteen year permit and some minor issues in the draft will need to be addressed. After review, it will be publicly noticed and issued if there are no further concerns. Regarding the Corps of Engineers (COE) permit, Mr. Curtis stated that he had recently spoken with the assigned staff at COE. She has confirmed the priority nature of the permit, requested further information, is coordinating with the Department of Fish and Wildlife Services regarding mussel concerns, and is reviewing cultural resources details. A fifteen day notice followed by a 30 day comment period for consulting parties is anticipated.

Mr. Joe Modica of MBP Engineering noted that the property acquisition process is underway.

ACTION ITEMS

FY2022 to FY2023 Budget Carryover

Mr. Dahl briefed the Board, noting that roughly \$1.3M had been spent in FY22, leaving about \$4.3M at the close of the fiscal year which needed to be carried over to the current fiscal year. On the motion of Mr. Anderson, seconded by Mr. Chesser, the Board approved the carryover by a vote of 5-0.

Timmons Group Budget Request for Reallocation

Mr. Joe Hines (Timmons Group) noted that the Timmons budget needs to be reallocated to reflect the actual expenditures versus those budgeted. No change to the budgeted total is necessary; the change will reallocated the existing total among the tasks. He stated that activity in task 5 is driving most of the change. On the motion of Mr. Goodwin, seconded by Mr. Anderson, which passed by a vote of 5-0, the action was approved.

CONSENT AGENDA

(none)

CLOSED SESSION

On the motion of Mr. Purcell, seconded by Mr. Anderson, which carried by a vote of 5-0, the Board voted to enter Closed Session at 9:17 a.m. for the purpose of discussing the following:

2.2-3711(A)(3) Discussion or consideration of the acquisition of real property for a public purpose regarding the Rose Property, and the disposition of publicly held real property regarding the Hammond Property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body.

2.2-3711(A)(29) Discussion of the award of a public contract for construction of the JRWA project at the new location involving the expenditure of public funds and discussion of the terms or scope of such contract, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the public body.

RESUMPTION OF REGULAR SESSION

On the motion of Mr. Goodwin, seconded by Mr. Anderson, which carried by a vote of 5-0, the Board voted to return to regular session at 10:23 a.m.

RESOLUTION - CERTIFICATION OF CLOSED SESSION

By roll call, which carried by a vote of 4-0, the Board voted to adopt the following resolution:

WHEREAS, the James River Water Authority Board of Directors has convened a Closed Meeting pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, §2.2-3712.D of the Code of Virginia requires a certification by the James River Water Authority Board of Directors that such closed meeting was conducted in conformity with the Virginia Law.

NOW, THEREFORE BE IT RESOLVED that the James River Water Authority Board of Directors does hereby certify that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting was heard, discussed or considered by the James River Water Authority Board of Directors.

<u>NAME</u>	<u>VOTE</u>
Joe Chesser	Yes/Aye
D.D. Watson	Yes/Aye
Christian Goodwin	Yes/Aye
Eric Dahl	Yes/Aye
Eric Anderson	Yes/Aye
Eric Purcell	(absent)

ADJOURNMENT

On the motion of Mr. Goodwin, seconded by Mr. Dahl, which carried by a vote of 4-0, the Board voted to adjourn the meeting at 10:23 a.m.

BY ORDER OF:

D.D. WATSON, CHAIRMAN
BOARD OF DIRECTORS
JAMES RIVER WATER AUTHORITY

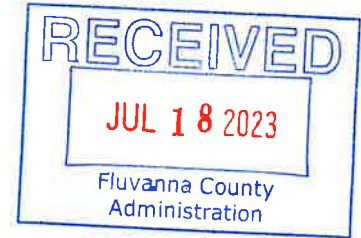
AQUALAW

JUSTIN W. CURTIS
JUSTIN@AQUALAW.COM

PH: 804.716.9021
Fx: 804.716.9022

July 14, 2023

Mr. Eric Dahl
Administrator
Fluvanna County
P.O. Box 540
Palmyra, VA 22963



Re: James River Water Authority

Dear Eric:

Enclosed is our invoice for services rendered during June.

We greatly appreciate the opportunity to work with you. Please let me know if you have any questions.

Very truly yours,

Justin W. Curtis

Enclosure

cc: Brendan Hefty, Esq.



July 14, 2023

James River Water Authority
P.O. Box 540
Palmyra, VA 22963

Attention: Eric Dahl
RE: General

Our File #: 0293-001
Inv #: 15494

DATE	WORK PERFORMED	HOURS	AMOUNT	LAWYER
Jun-02-23	Review draft FCAP funding application information request response and circulate suggested revisions to the same to C. Goodwin and E. Dahl	0.50	207.50	JWC
Jun-06-23	Virtual meeting with team re project and permit status; follow up with Army Corps project manager re application status; review and comment on revised FCAP response information	0.50	207.50	JWC
Jun-14-23	Attend and present update at Board meeting; virtual meeting with Corps project manager to provide additional information about the project and application; circulate summary of the same and action items to the team; prepare and submit additional information requested by Corps project manager	5.10	2,116.50	JWC
Jun-16-23	Review draft response to Corps information request and send comment on the same to M. Miller; review and comment on draft Board meeting minutes	0.40	166.00	JWC
Jun-19-23	Review draft RFP on Phase III study; send comments on the same to E. Tidlow and G. Glenn	0.60	249.00	JWC
Jun-20-23	Prepare for and participate in virtual meeting with project to review permitting status and other action items	0.40	166.00	JWC
Jun-21-23	Teleconference with DEQ staff re status of withdrawal permit; send update on the same to the team	0.30	124.50	JWC
Jun-30-23	Review draft VWP permit package from DEQ; circulate outline of comments and revisions on the same to the team; correspond with E. Dahl and C. Goodwin re inquiry from counsel for the Monacans; send update on DEQ permit status to Corps project manager	3.00	1,245.00	JWC
	Subtotal	10.80	\$4,482.00	

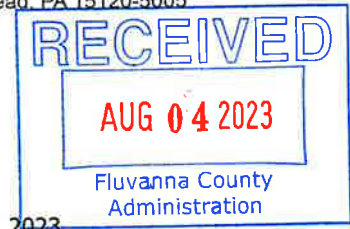
TOTAL AMOUNT THIS PERIOD

\$4,482.00



INVOICE

GAI Consultants, Inc. T 412.476.2000
 385 East Waterfront Drive F 412.476.2020
 Homestead, PA 15120-5005



Eric Dahl
 James River Water Authority
 132 Main St
 PO Box 540
 Palmyra, VA 22963

July 26, 2023
 Project No: C190908.00
 Invoice No: 2191204

Project C190908.00 JRWA - cultural oversight - water supply project
 Planning & Coordination with Council & subconsultant

Professional Services Through July 15, 2023

Task 001 Consultation and Document Review

Professional Personnel

	Hours	Rate	Amount
E06 ; Cultural Resources Managers			
Glenn, Jonathan	6.00	128.00	768.00
Totals	6.00		768.00
Total Labor			768.00
		Total this Task	\$768.00

Task 006 EXP Consultation Services

Consultants

Consultants Expense			1,980.00
Total Consultants	1.0 times	1,980.00	1,980.00
		Total this Task	\$1,980.00

Billing Limits

	Current	Prior	To-Date
Total Billings	2,748.00	466,629.22	469,377.22
Limit			535,987.59
Remaining			66,610.37
		Total this Invoice	\$2,748.00



EXP Energy Services Inc.
 2510 Miccosukee Road, Suite 200
 Tallahassee, Florida 32308
 Telephone: (850) 385-5441
 Facsimile: (850) 385-5523

GAI Consultants
 385 East Waterfront Drive
 Homestead, PA 15120-5005
 Jonathan Glenn

ap@gaiconsultants.com
j.glenn@gaiconsultants.com

Date: July 16, 2023
 Invoice No: **06202303**
 Project Number: HOU-23007494-00
 Work Order Nun Number: JRWA-03-01
 Client Project Number: C190908.00

Summary

James River Water Supply Project
 For Professional Services Rendered From
 June 13, 2023 - June 30, 2023

		Hours	Extended	
Phase 01	106 Coordination			
	Task 001 106 Coordination	11.00	\$	1,980.00
	SUBTOTAL - 106 COORDINATION	11.00	\$	1,980.00
		Subtotal	11.00	\$ 1,980.00
Amount Due - US Dollars			\$	1,980.00

If you have any questions regarding this invoice please contact: Ann Fulghum or Jessica Johnson
Please reference invoice number with remittance



James River Water Supply Project

Phase 01 106 Coordination

Task 001 106 Coordination

EXP

Classification	Employee Name	Hours	Rate	Extended
Senior Environmental Project Manager	Tidlow, E.	11.00	\$ 180.00	\$ 1,980.00
SUBTOTAL HOURS		11.00		\$ 1,980.00
SUBTOTAL - EXP		11.00		\$ 1,980.00
TOTAL - TASK 001		11.00		\$ 1,980.00
TOTAL - PHASE 01		11.00		\$ 1,980.00



James River Water Supply Project

Invoice Summary

ACTUAL COSTS FOR June 13, 2023 - June 30, 2023

EXP Energy Services Inc. (Actual Costs - See Attached)	\$	1,980.00
SUBTOTAL - ACTUAL COSTS	\$	1,980.00
TOTAL INVOICE AMOUNT	\$	1,980.00

JRWA
Employee Timesheet Breakdown
June 2023

Project Name	Date	Phase	Task	Employee Name	Hours	Rate	Extension
HOU-23007494-00 - JRWA	6/13/2023	01	001	Tidlow, Evelyn	1.00	\$ 180.00	\$ 180.00
HOU-23007494-00 - JRWA	6/14/2023	01	001	Tidlow, Evelyn	1.00	\$ 180.00	\$ 180.00
HOU-23007494-00 - JRWA	6/15/2023	01	001	Tidlow, Evelyn	3.00	\$ 180.00	\$ 540.00
HOU-23007494-00 - JRWA	6/16/2023	01	001	Tidlow, Evelyn	2.00	\$ 180.00	\$ 360.00
HOU-23007494-00 - JRWA	6/23/2023	01	001	Tidlow, Evelyn	1.50	\$ 180.00	\$ 270.00
HOU-23007494-00 - JRWA	6/26/2023	01	001	Tidlow, Evelyn	0.50	\$ 180.00	\$ 90.00
HOU-23007494-00 - JRWA	6/30/2023	01	001	Tidlow, Evelyn	2.00	\$ 180.00	\$ 360.00
			001 Total		11.00		\$ 1,980.00
		01 Total			11.00		\$ 1,980.00
				Tidlow, Evelyn Total	11.00		\$ 1,980.00

Approved By: *Ann Fulghum*

Date: *06/30/2023*

HEFTY WILEY & GORE, P.C.

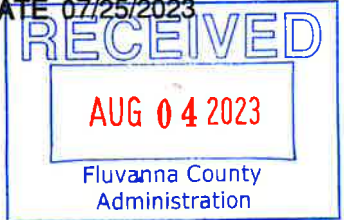
100 West Franklin Street, Suite 300 • Richmond, VA 23220

BILL TO

James River Water Authority
ATTN: Eric Dahl
P.O. Box 540
132 Main Street
Palmyra, VA 22963

INVOICE # 12478

DATE 07/25/2023



DATE	DESCRIPTION	QTY	RATE	AMOUNT
	Agreed monthly fee for serving as legal counsel to JRWA board for July , August, and September 2023	3	2,500.00	7,500.00
			BALANCE DUE	\$7,500.00



July 12, 2023
Invoice No: 527455

Remit To:
MBP
Williams Plaza 1
3040 Williams Drive, Suite 300
Fairfax, VA 22031-2215

James River Water Authority (JRWA)
Attn: Brendan Scott Hefty & Christian R. Goodwin
100 West Franklin Street
Suite 300
Richmond, VA 23220

Contract #: N/A
Subcontract #: N/A
Purchase Order #: N/A

Invoice Total **\$1,784.48**

Project Manager: Joseph Modica
Project: J22177.001 JRWA Pump Station and Raw Water Main

Professional Services through June 30, 2023

Phase: 003 Task 3: On-Call Project Management Supp

Professional Personnel

	Hours	Rate	Amount	
Project Manager/Analyst				
Modica, Joseph	10.00	169.95	1,699.50	
White, Taylor	.50	169.95	84.98	
Totals	10.50		1,784.48	
Total Labor				1,784.48
		Total this Phase		\$1,784.48

Contract	Current	Prior	To-Date	
Total Billings	1,784.48	13,596.03	15,380.51	
Contract Value			39,938.28	
Remaining			24,557.77	
		Total this Invoice		\$1,784.48

Billing Backup

Wednesday, July 12, 2023

McDonough Bolyard Peck, Inc.

Invoice 527455 Dated 7/12/2023

3:23:25 PM

Project: J22177.001 JRWA Pump Station and Raw Water Main
 Phase: 003 Task 3: On-Call Project Management Supp

Professional Personnel

			Hours	Rate	Amount
Project Manager/Analyst					
Project Manager/Analyst					
29PRJM00 - Modica, Joseph	6/1/2023		1.50	169.95	254.93
Coordinating with JRWA and Faulconer, discussion with Brendan					
29PRJM00 - Modica, Joseph	6/2/2023		.50	169.95	84.98
Coordination with contractor.					
29PRJM00 - Modica, Joseph	6/6/2023		2.50	169.95	424.86
Prep for and attendance at Property Aquisition meeting and biweekly project meeting					
29PRJM00 - Modica, Joseph	6/13/2023		3.00	169.95	509.85
Prep for and attendance at Pricing meeting at Faulconer's office.					
29PRJM00 - Modica, Joseph	6/14/2023		1.00	169.95	169.95
29PRJM00 - Modica, Joseph	6/20/2023		1.50	169.95	254.93
Meeting and coordination					
29PRJM00 - White, Taylor	6/6/2023		.50	169.95	84.98
JRWA TEAM MEETING					
Totals			10.50		1,784.48
Total Labor					1,784.48
Total this Phase					\$1,784.48
Total this Project					\$1,784.48
Total this Report					\$1,784.48

APPLICATION AND CERTIFICATE FOR PAYMENT

TO OWNER:
James River Water Authority

PROJECT:
James River Water Project PPEA

APPLICATION #: 12
PERIOD TO: 07/31/23
PROJECT NOS: 9161

Distribution to:

<input checked="" type="checkbox"/>	Owner
<input type="checkbox"/>	Const. Mgr
<input type="checkbox"/>	Architect
<input type="checkbox"/>	Contractor

FROM CONTRACTOR:
Faulconer Construction Company, Inc.
2496 Old Ivy Rd
Charlottesville, VA 22903

VIA Engineer:
N/A

CONTRACT DATE: 01/03/17

CONTRACT FOR:

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract.
Continuation Sheet is attached.

1. ORIGINAL CONTRACT SUM-----	\$	7,938,731.00
2. Net change by Change Orders+Credit Deds.	\$	-7,435,247.00
3. CONTRACT SUM TO DATE (Line 1 +/- 2)	\$	503,484.00
4. TOTAL COMPLETED & STORED TO DATE-\$ (Column G on Continuation Sheet)		503,484.00
5. RETAINAGE:		
a. 5.0% of Completed Work (Columns D+E on Continuation Sheet)	\$	25,174.20
b. 5.0% of Stored Material (Column F on Continuation Sheet)	\$	
Total Retainage (Line 5a + 5b or Total in Column 1 of Continuation Sheet-----	\$	25,174.20
6. TOTAL EARNED LESS RETAINAGE----- (Line 4 less Line 5 Total)	\$	478,309.80
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from prior Certificate)-----		
	\$	478,309.80
8. CURRENT PAYMENT DUE-----	\$	
9. BALANCE TO FINISH, INCLUDING RETAINAGE (Line 3 less Line 6)	\$	25,174.20

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown therein is now due.

The undersigned Contractor further certifies to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment, and subsequent Requisition to the Virginia Resources Authority, includes payments for labor or to contractors, builders or materialmen, and that such work was actually performed or such materials, supplies or equipment were actually furnished or installed in or about the Project.

CONTRACTOR (Faulconer Construction Representative):

By: _____

Date: _____

7/24/23

OWNER (JRWA/Fluvanna County Representative):

By: _____

Date: _____



CHANGE ORDER SUMMARY	ADDITIONS	CREDIT/DEDUCTIONS
Total changes approved in previous months by Owner	\$26,760.00	-\$7,462,007.00
Total approved this Month		
TOTALS	\$26,760.00	-\$7,462,007.00
NET CHANGES by Change Order		-\$7,435,247.00

CONTINUATION SHEET

ATTACHMENT TO PAY APPLICATION

APPLICATION NUMBER: 12

PROJECT:

APPLICATION DATE: 07/21/23

James River Water Project PPEA

PERIOD TO: 31-Jul-23

ARCHITECT'S PROJECT NO: 9161

A Item No.	B Description of Work	C Scheduled Value	D Work Completed		F Materials Presently Stored (Not In D or E)	G		H Balance To Finish (C - G)	I Retainage
			From Previous Application (D + E)	This Period		Total Completed And Stored To Date (D + E + F)	% (G/C)		
1	Pre- Construction					\$ -		\$ -	\$ -
2	Engineering	\$ 281,824	\$ 281,824			\$ 281,824	100%	\$ -	\$ 14,091
3	Redesign & Additional Due Diligence	\$ 207,500	\$ 207,500			\$ 207,500	100%	\$ -	\$ 10,375
4	General Conditions	\$ 336,345		\$ 336,345		\$ 336,345	100%	\$ -	\$ 16,817
5	Mobilization	\$ 500,000		\$ 500,000		\$ 500,000	100%	\$ -	\$ 25,000
6	Site Access	\$ 153,620		\$ 153,620		\$ 153,620	100%	\$ -	\$ 7,681
7	Raw Water Intake Structure					\$ -		\$ -	\$ -
8	Coffer Dam	\$ 274,861		\$ 274,861		\$ 274,861	100%	\$ -	\$ 13,743
9	Intake Structure	\$ 721,811		\$ 721,811		\$ 721,811	100%	\$ -	\$ 36,091
10	Exc/ BF for Intake Pipe and Wetwell	\$ 349,950		\$ 349,950		\$ 349,950	100%	\$ -	\$ 17,498
11	Intake Pipe	\$ 132,895		\$ 132,895		\$ 132,895	100%	\$ -	\$ 6,645
12	24" Raw Water Main					\$ -		\$ -	\$ -
13	24" RWL	\$ 844,001		\$ 844,001		\$ 844,001	100%	\$ -	\$ 42,200
14	Gas Line Crossing	\$ 101,613		\$ 101,613		\$ 101,613	100%	\$ -	\$ 5,081
15	Rivanna Crossing	\$ 789,975		\$ 789,975		\$ 789,975	100%	\$ -	\$ 39,499
16	Railroad Bore	\$ 297,572	\$ 750	\$ 296,822		\$ 297,572	100%	\$ -	\$ 14,879
17	Rte. 6 Bore	\$ 53,181		\$ 53,181		\$ 53,181	100%	\$ -	\$ 2,659
18	ARV's/ BOV's/ Hydrants	\$ 55,272		\$ 55,272		\$ 55,272	100%	\$ -	\$ 2,764
19	Cathodic Protection	\$ 100,395		\$ 100,395		\$ 100,395	100%	\$ -	\$ 5,020
20	Raw Water Pump Station					\$ -		\$ -	\$ -
21	Site Work	\$ 95,320		\$ 95,320		\$ 95,320	100%	\$ -	\$ 4,766
22	Concrete	\$ 808,158		\$ 808,158		\$ 808,158	100%	\$ -	\$ 40,408
23	Masonry	\$ 169,868		\$ 169,868		\$ 169,868	100%	\$ -	\$ 8,493
24	Metals	\$ 162,661		\$ 162,661		\$ 162,661	100%	\$ -	\$ 8,133
25	Carpentry	\$ 2,059		\$ 2,059		\$ 2,059	100%	\$ -	\$ 103
		\$ 6,438,881	\$ 490,074	\$ 5,948,807	\$ -	\$ 6,438,881	\$ 1	\$ -	\$ 321,944

CONTINUATION SHEET

ATTACHMENT TO PAY APPLICATION

APPLICATION NUMBER: 12

PROJECT:

APPLICATION DATE: 07/21/23

James River Water Project PPEA

PERIOD TO: 31-Jul-23

ARCHITECT'S PROJECT NO: 9161

A Item No.	B Description of Work	C Scheduled Value	D Work Completed		F Materials Presently Stored (Not In D or E)	G		H Balance To Finish (C - G)	I Retainage
			From Previous Application (D + E)	This Period		Total Completed And Stored To Date (D + E + F)	% (G/C)		
26	Roofing/ Ins	\$ 79,272		\$ 79,272		\$ 79,272	100%	\$ -	\$ 3,964
27	Doors and Windows	\$ 30,885		\$ 30,885		\$ 30,885	100%	\$ -	\$ 1,544
28	Finishes	\$ 33,974		\$ 33,974		\$ 33,974	100%	\$ -	\$ 1,699
29	Fire/ Skylights	\$ 20,590		\$ 20,590		\$ 20,590	100%	\$ -	\$ 1,030
30	Equipment	\$ 427,126		\$ 427,126		\$ 427,126	100%	\$ -	\$ 21,356
31	Mechanical	\$ 237,227		\$ 237,227		\$ 237,227	100%	\$ -	\$ 11,861
32	Electrical	\$ 539,920		\$ 539,920		\$ 539,920	100%	\$ -	\$ 26,996
33	Controls	\$ 72,065		\$ 72,065		\$ 72,065	100%	\$ -	\$ 3,603
34	QC Testing and Inspection	\$ 58,791		\$ 58,791		\$ 58,791	100%	\$ -	\$ 2,940
35						\$ -		\$ -	\$ -
36						\$ -		\$ -	\$ -
37						\$ -		\$ -	\$ -
38						\$ -		\$ -	\$ -
39						\$ -		\$ -	\$ -
40						\$ -		\$ -	\$ -
41						\$ -		\$ -	\$ -
42						\$ -		\$ -	\$ -
43						\$ -		\$ -	\$ -
44						\$ -		\$ -	\$ -
45						\$ -		\$ -	\$ -
46						\$ -		\$ -	\$ -
47						\$ -		\$ -	\$ -
48						\$ -		\$ -	\$ -
49						\$ -		\$ -	\$ -
50						\$ -		\$ -	\$ 74,993
	ORIGINAL CONTRACT TOTAL	\$ 7,938,731	\$ 490,074	\$ 7,448,657	\$ -	\$ 7,938,731	100%	\$ -	\$ 396,937

CONTINUATION SHEET

ATTACHMENT TO PAY APPLICATION

APPLICATION NUMBER: 12

PROJECT:

APPLICATION DATE: 07/21/23

James River Water Project PPEA

PERIOD TO: 31-Jul-23

ARCHITECT'S PROJECT NO: 9161

A Item No.	B Description of Work	C Scheduled Value	D Work Completed		F Materials Presently Stored (Not In D or E)	G Total Completed And Stored To Date (D + E + F)	H % (G/C)	I Balance To Finish (C - G)	Retainage
			From Previous Application (D + E)	This Period					
LINES 51-80 ARE CREDIT DEDUCTIONS TO ZERO OUT THE REMAINING CONTRACT VALUE FOR POF LOCATION SCOPE OF WORK									
51	General Conditions CREDIT	\$ (336,345)		\$ (336,345)		\$ (336,345)		\$ -	\$ (16,817)
52	Mobilization CREDIT	\$ (500,000)		\$ (500,000)		\$ (500,000)		\$ -	\$ (25,000)
53	Site Access CREDIT	\$ (153,620)		\$ (153,620)		\$ (153,620)		\$ -	\$ (7,681)
54	Coffer Dam CREDIT	\$ (274,861)		\$ (274,861)		\$ (274,861)		\$ -	\$ (13,743)
55	Intake Structure CREDIT	\$ (721,811)		\$ (721,811)		\$ (721,811)		\$ -	\$ (36,091)
56	Exc/ BF for Intake Pipe and Wetwell CREDIT	\$ (349,950)		\$ (349,950)		\$ (349,950)		\$ -	\$ (17,498)
57	Intake Pipe CREDIT	\$ (132,895)		\$ (132,895)		\$ (132,895)		\$ -	\$ (6,645)
58	24" RWL CREDIT	\$ (844,001)		\$ (844,001)		\$ (844,001)		\$ -	\$ (42,200)
59	Gas Line Crossing CREDIT	\$ (101,613)		\$ (101,613)		\$ (101,613)		\$ -	\$ (5,081)
60	Rivanna Crossing CREDIT	\$ (789,975)		\$ (789,975)		\$ (789,975)		\$ -	\$ (39,499)
61	Railroad Bore CREDIT	\$ (296,822)		\$ (296,822)		\$ (296,822)		\$ -	\$ (14,841)
62	Rte. 6 Bore CREDIT	\$ (53,181)		\$ (53,181)		\$ (53,181)		\$ -	\$ (2,659)
63	ARV's/ BOV's/ Hydrants CREDIT	\$ (55,272)		\$ (55,272)		\$ (55,272)		\$ -	\$ (2,764)
64	Cathodic Protection CREDIT	\$ (100,395)		\$ (100,395)		\$ (100,395)		\$ -	\$ (5,020)
65	Site Work CREDIT	\$ (95,320)		\$ (95,320)		\$ (95,320)		\$ -	\$ (4,766)
66	Concrete CREDIT	\$ (808,158)		\$ (808,158)		\$ (808,158)		\$ -	\$ (40,408)
67	Masonry CREDIT	\$ (169,868)		\$ (169,868)		\$ (169,868)		\$ -	\$ (8,493)
68	Metals CREDIT	\$ (162,661)		\$ (162,661)		\$ (162,661)		\$ -	\$ (8,133)
69	Carpentry CREDIT	\$ (2,059)		\$ (2,059)		\$ (2,059)		\$ -	\$ (103)
70	Roofing/ Ins CREDIT	\$ (79,272)		\$ (79,272)		\$ (79,272)		\$ -	\$ (3,964)
71	Doors and Windows CREDIT	\$ (30,885)		\$ (30,885)		\$ (30,885)		\$ -	\$ (1,544)
72	Finishes CREDIT	\$ (33,974)		\$ (33,974)		\$ (33,974)		\$ -	\$ (1,699)
73	Fire/ Skylights CREDIT	\$ (20,590)		\$ (20,590)		\$ (20,590)		\$ -	\$ (1,030)
74	Equipment CREDIT	\$ (427,126)		\$ (427,126)		\$ (427,126)		\$ -	\$ (21,356)
CREDIT DEDUCTIONS TO CONTRACT SUB-TOTAL		\$ (6,540,654)	\$ -	\$ (6,540,654)	\$ -	\$ (6,540,654)		\$ -	\$ (327,033)

CONTINUATION SHEET

ATTACHMENT TO PAY APPLICATION

APPLICATION NUMBER: 12

PROJECT:

APPLICATION DATE: 07/21/23

James River Water Project PPEA

PERIOD TO: 31-Jul-23

ARCHITECT'S PROJECT NO: 9161

A Item No.	B Description of Work	C Scheduled Value	D Work Completed		F Materials Presently Stored (Not In D or E)	G		H Balance To Finish (C - G)	I Retainage
			From Previous Application (D + E)	This Period		Total Completed And Stored To Date (D + E + F)	% (G/C)		
75	Mechanical CREDIT	\$ (237,227)		\$ (237,227)		\$ (237,227)		\$ -	\$ (11,861)
76	Electrical CREDIT	\$ (539,920)		\$ (539,920)		\$ (539,920)		\$ -	\$ (26,996)
77	Controls CREDIT	\$ (72,065)		\$ (72,065)		\$ (72,065)		\$ -	\$ (3,603)
78	QC Testing and Inspection CREDIT	\$ (58,791)		\$ (58,791)		\$ (58,791)		\$ -	\$ (2,940)
79						\$ -		\$ -	\$ -
80	CO 1 - Threatened & Endangered (Mussel Survey) CREDIT	\$ (12,600)		\$ (12,600)		\$ (12,600)		\$ -	\$ (630)
81						\$ -		\$ -	\$ -
82	Railroad Bore CREDIT - reloc. to correct orig. contract sum	\$ (750)	\$ (750)			\$ (750)		\$ -	\$ (38)
83						\$ -		\$ -	\$ -
84						\$ -		\$ -	\$ -
85						\$ -		\$ -	\$ -
86						\$ -		\$ -	\$ -
87						\$ -		\$ -	\$ -
88						\$ -		\$ -	\$ -
89						\$ -		\$ -	\$ -
90						\$ -		\$ -	\$ -
91						\$ -		\$ -	\$ -
92						\$ -		\$ -	\$ -
93						\$ -		\$ -	\$ -
94						\$ -		\$ -	\$ -
95						\$ -		\$ -	\$ -
96						\$ -		\$ -	\$ -
97						\$ -		\$ -	\$ -
98						\$ -		\$ -	\$ -
CREDIT DEDUCTIONS TO CONTRACT TOTAL		\$ (7,462,007)	\$ (750)	\$ (7,461,257)	\$ -	\$ (7,462,007)		\$ -	\$ (373,100)

CONTINUATION SHEET

ATTACHMENT TO PAY APPLICATION

PROJECT:
James River Water Project PPEA

APPLICATION NUMBER: 12
 APPLICATION DATE: 07/21/23
 PERIOD TO: 31-Jul-23
 ARCHITECT'S PROJECT NO: 9161

A Item No.	B Description of Work	C Scheduled Value	D Work Completed		F Materials Presently Stored (Not In D or E)	G Total Completed And Stored To Date (D + E + F)		H Balance To Finish (C - G)	I Retainage
			From Previous Application (D + E)	This Period		% (G/C)			
	Change Orders								
99	CO 1 - Threatened & Endangered (Mussel Survey)	\$ 12,600		\$ 12,600		\$ 12,600	100%	\$ -	\$ 630
100	CO 2 - RR Xing Permit; Prepare & Manage Permit Application	\$ 10,500	\$ 10,500			\$ 10,500	100%	\$ -	\$ 525
101	CO 3 - CSX RR Application Review Fee	\$ 3,660	\$ 3,660			\$ 3,660	100%	\$ -	\$ 183
102						\$ -		\$ -	\$ -
103						\$ -		\$ -	\$ -
104						\$ -		\$ -	\$ -
105						\$ -		\$ -	\$ -
106						\$ -		\$ -	\$ -
107						\$ -		\$ -	\$ -
108						\$ -		\$ -	\$ -
109						\$ -		\$ -	\$ -
110						\$ -		\$ -	\$ -
111						\$ -		\$ -	\$ -
112						\$ -		\$ -	\$ -
113						\$ -		\$ -	\$ -
114						\$ -		\$ -	\$ -
115						\$ -		\$ -	\$ -
116						\$ -		\$ -	\$ -
117						\$ -		\$ -	\$ -
	CHANGE ORDER TOTAL (PAGE 6)	\$ 26,760	\$ 14,160	\$ 12,600	\$ -	\$ 26,760	100%	\$ -	\$ 1,338
	APPLICATION TOTALS	\$ 7,965,491	\$ 503,484	\$ -	\$ -	\$ 503,484	6%	\$ -	\$ 25,174

JAMES RIVER WATER AUTHORITY
FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

JAMES RIVER WATER AUTHORITY

**Financial Statements
Year Ended June 30, 2022**

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Independent Auditors' Report

**To the Honorable Members of
James River Water Authority
Louisa, Virginia**

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities of James River Water Authority, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the James River Water Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of James River Water Authority, as of June 30, 2022, and the changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Authorities, Boards, and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of James River Water Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about James River Water Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the *Specifications for Audits of Authorities, Boards, and Commissions* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the *Specifications for Audits of Authorities, Boards, and Commissions*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of James River Water Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about James River Water Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 4, 2023, on our consideration of James River Water Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of James River Water Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering James River Water Authority's internal control over financial reporting and compliance.

Charlottesville, Virginia
August 4, 2023

Financial Statements

JAMES RIVER WATER AUTHORITY

Statement of Net Position
June 30, 2022

Assets

Current Assets

Cash and cash equivalents	\$ 522,287
Accounts receivable	143
Due from other governments	36,426
Restricted Assets:	
Investments	<u>6,041,574</u>
Total Current Assets	<u>\$ 6,600,430</u>

Noncurrent Assets

Capital Assets:

Construction in progress	<u>\$ 3,987,331</u>
Total Assets	<u>\$ 10,587,761</u>

Liabilities

Current Liabilities

Retainage payable	\$ 25,174
Accrued interest payable	76,053
Bond payable, net of bond premium, current portion	<u>218,392</u>
Total Current Liabilities	<u>\$ 319,619</u>

Noncurrent Liabilities

Bond payable, net of bond premium, noncurrent portion	<u>\$ 7,814,412</u>
Total Noncurrent Liabilities	<u>\$ 7,814,412</u>
Total Liabilities	<u>\$ 8,134,031</u>

Net Position

Net investment in capital assets	\$ 1,499,484
Restricted for debt service	471,443
Unrestricted	<u>482,803</u>
Total Net Position	<u>\$ 2,453,730</u>

The accompanying notes to financial statements are an integral part of this statement.

JAMES RIVER WATER AUTHORITY

Statement of Revenues, Expenses and Changes in Net Position Year Ended June 30, 2022

Operating Expenses

Professional fees	\$ 30,000
Bank fees	119
Insurance	<u>1,808</u>
Total Operating Expenses	<u>\$ 31,927</u>

Net Operating Income (Loss) \$ (31,927)

Nonoperating Revenues (Expenses)

Interest income	\$ 18,904
Interest expense	<u>(255,022)</u>

Total Nonoperating Revenues (Expenses) \$ (236,118)

Income (loss) before capital contributions \$ (268,045)

Capital contributions \$ 502,644

Change in net position \$ 234,599

Net position, beginning of year 2,219,131

Net position, end of year \$ 2,453,730

The accompanying notes to financial statements are an integral part of this statement.

JAMES RIVER WATER AUTHORITY

Statement of Cash Flows
Year Ended June 30, 2022

Cash flows from operating activities:

Payments to suppliers and vendors	\$ <u>(69,397)</u>
Net cash provided by (used for) operating activities	\$ <u>(69,397)</u>

Cash flows from capital and related financing activities:

Draws on restricted cash	\$ 515,227
Acquisition of plant and equipment	(503,596)
Capital contributions	501,022
Principal paid on bonds	(155,000)
Interest paid on bonds	<u>(311,891)</u>
Net cash provided by (used for) capital and related financing activities	\$ <u>45,762</u>

Net increase (decrease) in cash and cash equivalents	\$ <u>(23,635)</u>
--	--------------------

Cash and cash equivalents at beginning of year	\$ <u>545,922</u>
--	-------------------

Cash and cash equivalents at end of year	\$ <u><u>522,287</u></u>
--	--------------------------

Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:

Operating income (loss)	\$ (31,927)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:	
Changes in operating assets and liabilities:	
(Increase) decrease in accounts receivable	290
Increase (decrease) in accounts payable	<u>(37,760)</u>

Net cash provided by (used for) operating activities	\$ <u><u>(69,397)</u></u>
--	---------------------------

Schedule of non-cash activities:

Capital asset additions financed by accounts payable	\$ <u><u>-</u></u>
--	--------------------

The accompanying notes to financial statements are an integral part of this statement.

JAMES RIVER WATER AUTHORITY

Notes to Financial Statements June 30, 2022

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. Organization and Purpose

The James River Water Authority (The Authority) was created by Louisa County, Virginia and Fluvanna County, Virginia on April 20, 2009 in order to cooperatively provide a reliable public water supply to county citizens. The counties wanted to delineate their respective rights and duties regarding a water pipeline and associated structures to be planned, designed, constructed and financed.

The Authority may fund a portion of the cost of these activities by issuing bonds, through direct contributions and from the counties, or charging connection fees or charges to the counties.

B. Basic Financial Statements

Management's Discussion and Analysis: Government Accounting Standards Board requires the Financial Statements be accompanied by a narrative introduction and analytical overview of the government's financial activities in the form of "management's discussion and analysis" (MD&A). Management has elected to omit the management's discussion and analysis in these financial statements.

Statement of Net Position: The Statement of Net Position is designed to report to the financial position of the Authority. Governments report all capital assets in the Statement of Net Position and report depreciation expense the cost of "expensing" capital assets in the Statement of Revenues, Expenses, and Changes in Net Position. The net position of the government will be broken down into three categories: 1) net investment in capital assets, net of related debt; 2) restricted; and 3) unrestricted.

Statement of Revenues, Expenses and Changes in Net Position: This statement is designed to report the results of operations during the fiscal year.

C. Basis of Accounting

James River Water Authority operates as an enterprise fund and its accounts are maintained on the accrual basis of accounting. Under this method, revenues are recognized when earned, and expenses are recorded as liabilities when incurred, without regard to receipt or payment of cash. The Authority accrues revenue for services rendered but not yet billed at the end of the fiscal year. The Authority's financial statements conform to generally accepted accounting principles (GAAP) applicable to governmental units promulgated by the Governmental Accounting Standards Board. The Authority distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the Authority's principal ongoing operations.

D. Cash Equivalents

The Authority has defined cash and cash equivalents to include cash on hand, demand deposits, certificates of deposit and money market funds.

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

E. Capital Assets and Depreciation

Purchased and constructed capital assets in service are recorded at historical cost. Capital assets are defined by the Authority as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Capital assets acquired by the Authority through contributions, such as from developers, are capitalized and recorded in the accounts at acquisition value on the date accepted. The Authority provides for depreciation of capital assets in service on the straight-line method at amounts estimated to depreciate the cost of assets over their estimated useful lives, as follows:

Structures and Improvements	20 to 50 years
Equipment	5 to 10 years

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No interest was capitalized during the current or previous fiscal year.

F. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual amounts could differ from those amounts.

G. Net Position

Net position is the difference between a) assets and deferred outflows of resources and b) liabilities and deferred inflows of resources. Net investments in capital assets represent capital assets, less accumulated depreciation, less any outstanding debt related to the acquisition, construction or improvement of those assets.

H. Net Position Flow Assumption

Sometimes the Authority will fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the financials statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the Authority's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

JAMES RIVER WATER AUTHORITY

Notes to Financial Statements
June 30, 2022 (Continued)

NOTE 2—DEPOSITS AND INVESTMENTS:

Deposits

Deposits with banks are covered by the Federal Deposit Insurance Corporation (FDIC) and collateralized in accordance with the Virginia Security for Public Deposits Act (the “Act”) Section 2.2-4400 et. seq. of the Code of Virginia. Under the Act, banks and savings institutions holding public deposits in excess of the amount insured by the FDIC must pledge collateral to the Commonwealth of Virginia Treasury Board. Financial Institutions may choose between two collateralization methodologies and depending upon that choice, will pledge collateral that ranges in the amounts from 50% to 130% of excess deposits. Accordingly, all deposits are considered fully collateralized.

Investments

Statutes authorize local governments and other public bodies to invest in obligations of the United States or agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, “prime quality” commercial paper that has received at least two of the following ratings: P-1 by Moody’s Investors Service, Inc.; A-1 by Standard and Poor’s; or F1 by Fitch Ratings, Inc. (Section 2.2-4502), banker’s acceptances, repurchase agreements, and the State Treasurer’s Local Government Investment Pool (LGIP).

Credit Risk of Debt Securities

The Authority does not have a policy related to credit risk of debt securities.

The Authority’s rated debt investments as of June 30, 2022 were rated by Standard & Poor’s and the ratings are presented below using Standard & Poor’s rating scale.

Rated Debt Investments' Values	
Rated Debt Investments	Fair Quality Ratings
	AAAm
SNAP	\$ 6,041,574
Total	\$ 6,041,574

Interest Rate Risk

The Authority does not have a policy related to interest rate risk.

Investment maturities in years:

Investment Type	Fair Value	Less Than 1 Year
SNAP	\$ 6,041,574	\$ 6,041,574
Total	\$ 6,041,574	\$ 6,041,574

External Investment Pool

The value of the positions in the external investment pool (State Non-arbitrage Pool) is the same as the value of the pool shares. As SNAP is not SEC registered, regulatory oversight of the pool rests with the Virginia State Treasury. SNAP is an amortized cost basis portfolio. There are no withdrawal limitations or restrictions imposed on participants.

JAMES RIVER WATER AUTHORITY

Notes to Financial Statements
June 30, 2022 (Continued)

NOTE 3—RELATED PARTY TRANSACTIONS:

Significant transactions between the James River Water Authority and the Counties of Louisa and Fluvanna are summarized below:

Capital contribution from Fluvanna	\$	251,322
Capital contribution from Louisa		<u>251,322</u>
Total	\$	<u><u>502,644</u></u>

NOTE 4—CONTINGENCIES:

The Authority knew of no potential or actual material claims for damages by any party against the Authority as of June 30, 2022.

NOTE 5—CONTRACTS AND COMMITMENTS:

On December 23, 2013, the Authority entered into a legal agreement with Hefty & Wiley, PC to provide General Counsel Legal Services for a fee of \$2,500 per month.

On July 1, 2014, the Authority entered into an agreement with Raymond James & Associates, Inc. to provide Financial Advisory Services regarding construction proposals, financial terms and long-term financial projections. Fees are to be paid based on hourly rates.

On July 17, 2014, the Authority entered in an engineering consulting contract with McDonough Bolyard Peck, Inc. (MBP), to provide consulting services regarding the pipeline project.

On January 3, 2017, the Authority contracted with Falcouner Construction Company Inc. in the amount of \$7,965,491 for design and construction of raw water intake and pump station and raw water pipeline. The amount remaining on the contract is \$7,487,181 at June 30, 2022.

NOTE 6—CAPITAL ASSETS:

Capital asset activity for the year was as follows:

	<u>Balance</u> <u>July 1, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2022</u>
Capital assets, not being depreciated:				
Construction in Progress	\$ <u>3,483,735</u>	\$ <u>503,596</u>	\$ <u>-</u>	\$ <u>3,987,331</u>
Total capital assets not being depreciated	\$ <u><u>3,483,735</u></u>	\$ <u><u>503,596</u></u>	\$ <u><u>-</u></u>	\$ <u><u>3,987,331</u></u>

JAMES RIVER WATER AUTHORITY

**Notes to Financial Statements
June 30, 2022 (Continued)**

NOTE 7—LONG-TERM LIABILITIES:

The change in long-term liabilities during the year is as follows:

	<u>Balance July 1, 2021</u>	<u>Issuances/ Increases</u>	<u>Retirements/ Decreases</u>	<u>Balance June 30, 2022</u>	<u>Amounts Due Within One Year</u>
Direct Borrowings and Direct Placements:					
VRA Revenue Bond	\$ 7,410,000	\$ -	\$ 155,000	\$ 7,255,000	\$ 165,000
Premium on bonds	832,638	-	54,834	777,804	53,392
Total	<u>\$ 8,242,638</u>	<u>\$ -</u>	<u>\$ 209,834</u>	<u>\$ 8,032,804</u>	<u>\$ 218,392</u>

Debt service requirements are as follows:

Year Ending June 30,	<u>Direct Borrowings and Direct Placements</u>	
	<u>VRA Revenue Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 165,000	\$ 303,691
2024	170,000	295,106
2025	180,000	286,137
2026	190,000	276,956
2027	200,000	267,563
2028	210,000	258,006
2029	220,000	248,688
2030	230,000	239,256
2031	240,000	229,012
2032	250,000	217,956
2033	260,000	207,338
2034	270,000	197,231
2035	280,000	186,738
2036	290,000	175,856
2037	305,000	164,534
2038	315,000	152,747
2039	325,000	140,547
2040	340,000	127,856
2041	355,000	114,622
2042	365,000	100,922
2043	380,000	85,431
2044	400,000	67,944
2045	420,000	49,581
2046	435,000	30,372
2047	460,000	10,288
Total	<u>\$ 7,255,000</u>	<u>\$ 4,434,378</u>

JAMES RIVER WATER AUTHORITY

Notes to Financial Statements
June 30, 2022 (Continued)

NOTE 7—LONG-TERM LIABILITIES: (CONTINUED)

Details of long-term liabilities are as follows:

	<u>Amount Outstanding</u>	<u>Due Within One Year</u>
<u>VRA Revenue Bonds:</u>		
<u>Direct Borrowings and Direct Placements:</u>		
\$7,695,000 VRA Revenue Bonds Series 2016 issued May 25, 2016 payable in various semi-annual payments through October 1, 2046, interest payable semi-annually at rates from 3.797% to 5.325%	\$ 7,255,000	\$ 165,000
Premium on bonds	<u>777,804</u>	<u>53,392</u>
Total	<u>\$ 8,032,804</u>	<u>\$ 218,392</u>

The Authority is required to separately maintain a reserve to cure any deficiencies in payment by the Authority. The current reserve is \$471,443.

NOTE 8—DUE FROM OTHER GOVERNMENTS:

The due from other governments receivable at June 30, 2022 is summarized below:

Fluvanna County	\$ 18,213
Louisa County	<u>18,213</u>
Total	<u>\$ 36,426</u>



**Independent Auditors' Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

**To the Honorable Members of
James River Water Authority
Louisa, Virginia**

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Authorities, Boards, and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the business-type activities of James River Water Authority as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise James River Water Authority's basic financial statements and have issued our report thereon dated August 4, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered James River Water Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of James River Water Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of James River Water Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether James River Water Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Charlottesville, Virginia
August 4, 2023