

MINUTES
JAMES CITY SERVICE AUTHORITY BOARD OF DIRECTORS
REGULAR MEETING
COUNTY GOVERNMENT CENTER BOARD ROOM
101 MOUNTS BAY ROAD, WILLIAMSBURG, VA 23185

December 12, 2023

5:00 PM

A. CALL TO ORDER

Mr. Icenhour called the meeting to order at approximately 8:54 p.m. following the James City County Board of Supervisors Regular Meeting.

B. ROLL CALL

James O. Icenhour, Jr., Vice Chairman, Jamestown District
John J. McGlennon, Roberts District
Ruth M. Larson, Berkeley District
Michael J. Hipple, Powhatan District
P. Sue Sadler, Chairman, Stonehouse District - Absent

Scott A. Stevens, Secretary to the Board
Adam R. Kinsman, County Attorney
M. Douglas Powell, General Manager

ADOPTED

JAN 09 2024

**Board of Directors
James City County, VA**

C. PRESENTATION(S)

1. FY 2023 Financial Statements Review for James City Service Authority – Cherry Bekaert

A motion to Approve was made by John McGlennon, the motion result was Passed.

AYES: 4 NAYS: 0 ABSTAIN: 0 ABSENT: 1

Ayes: Hipple, Icenhour Jr, Larson, McGlennon

Absent: Sadler

Mr. Powell noted he would introduce Mr. Rob Churchman, partner with Cherry Bekaert, LLP. He stated Cherry Bekaert, LLP performed the audit for the James City Service Authority (JCSA), adding it was the first year the firm had done JCSA's audit. Mr. Powell noted Cherry Bekaert, LLP was also performing the County's audit.

Mr. Churchman addressed the Board noting he had a PowerPoint presentation that highlighted the core points of the audit. He noted the audit standards required he brief the Board either in a presentation or a written format at the end of each audit. Mr. Churchman began the presentation highlighting the members of the Core Audit Team or Client Service Team (as identified in the PowerPoint). He noted JCSA's financial statements were audited and Cherry Bekaert, LLP found all the materials were fairly presented in all material respects and in compliance with Government Auditing Standards. Mr. Churchman added the term materials was used as the audit was not down to every single dollar. He noted due to the County's receipt of certain types of funding, specific auditing guidelines had to be followed. Mr. Churchman further noted the audit showed no matters of noncompliance which were required to be reported, adding that was the news an organization wanted to hear from its auditor. He continued the presentation

addressing corrected and uncorrected misstatements, which he noted none were found in either category. Mr. Churchman stated he was required to provide that information annually. He noted a policy change which was in accordance with the Generally Accepted Accounting Principles (GAAP). Mr. Churchman stated subscriptions such as Microsoft subscriptions were included in this area. He cited an example, reiterating that he was required to provide that information. Mr. Churchman continued the presentation addressing disclosures and JCSA's relationships in that area. He noted there were no undisclosed relationships or questionable transactions with third parties. Mr. Churchman stated significant or unusual transactions were subject to review, but JCSA had none. He addressed the audit and the review of accounting estimates. Mr. Churchman stated there were no concerns with JCSA's accounting estimates. He noted JCSA's financial statement disclosures were neutral, consistent, and clear. Mr. Churchman further noted nonattest services and auditor independence aspects of the audit. He continued the presentation highlighting required communications: difficulties encountered, disagreements with management, auditor consultations, and management representations and the correlation of each aspect in relation to JCSA. Mr. Churchman noted those areas were all positive and the way he liked to see an audit. He highlighted some additional required communications: management consultations, other findings or issues, fraud and illegal acts, and ongoing concern. Mr. Churchman stated no negative results were noted on those points. He indicated other information found in the audit report and highlighted some upcoming financial reporting and auditing changes in the next few years.

The Board thanked Mr. Churchman for the audit.

Mr. Powell recommended the Board accept the Fiscal Year 2023 Financial Audit.

D. PUBLIC COMMENT

None.

E. CONSENT CALENDAR

1. Minutes Adoption

A motion to Approve was made by John McGlennon, the motion result was Passed.
AYES: 4 NAYS: 0 ABSTAIN: 0 ABSENT: 1
Ayes: Hipple, Icenhour Jr, Larson, McGlennon
Absent: Sadler

The Minutes Approved for Adoption included the following meetings:

- November 14, 2023, Regular Meeting
- November 15, 2023, Continuation of Regular Meeting

F. PUBLIC HEARING(S)

None.

G. BOARD CONSIDERATION(S)

None.

H. BOARD REQUESTS AND DIRECTIVES

Mr. McGlennon asked for clarification regarding the JCSA holiday luncheon.

Mr. Powell noted it was Thursday, December 14, 2023.

Mr. Hipple stated he would be unable to attend due to a Hampton Roads Transportation Accountability Committee meeting.

Mr. Powell noted he would extend Mr. Hipple's regrets to staff.

I. GENERAL MANAGER'S UPDATE

Mr. Powell noted he had no update.

J. ADJOURNMENT

1. Adjourn until 4 pm on January 9, 2024 for the Organizational Meeting

A motion to Adjourn was made by John McGlennon, the motion result was Passed.

AYES: 4 NAYS: 0 ABSTAIN: 0 ABSENT: 1

Ayes: Hipple, Icenhour Jr, Larson, McGlennon

Absent: Sadler

At approximately 9:09 p.m., Mr. Icenhour adjourned the Board of Directors.

Teresa J. Saeed

Deputy Secretary