

ECONOMIC DEVELOPMENT AUTHORITY
OF
WOODSTOCK, VIRGINIA

FINANCIAL REPORT

YEAR ENDED JUNE 30, 2021



**ECONOMIC DEVELOPMENT AUTHORITY OF
WOODSTOCK, VIRGINIA**

**FINANCIAL REPORT
YEAR ENDED JUNE 30, 2021**

ECONOMIC DEVELOPMENT AUTHORITY OF WOODSTOCK, VIRGINIA

BOARD OF DIRECTORS

Phyllis Fleming

Zachary Hottel

Charles Hepner

David Hutton

Michael Funk

Jessica McDonald

Travis Cooper

OFFICIALS

David Hutton, Chairman

Amy Dill, Treasurer

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INDEPENDENT AUDITORS' REPORT

**TO THE BOARD OF DIRECTORS
ECONOMIC DEVELOPMENT AUTHORITY OF WOODSTOCK, VIRGINIA
WOODSTOCK, VIRGINIA**

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the Economic Development Authority of Woodstock, Virginia as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of the Economic Development Authority of Woodstock, Virginia, as of June 30, 2021, and the changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 3-5 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements is required by the Government 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge, we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Economic Development Authority of Woodstock, Virginia's basic financial statements. The other supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The other supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 5, 2022, on our consideration of Economic Development Authority of Woodstock, Virginia'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 the Economic Development Authority of Woodstock, Virginia'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 Economic Development Authority of Woodstock, Virginia's internal control over financial reporting and compliance.

Robinson, Farmer, Cox Associates

Staunton, Virginia
April 5, 2022

Management's Discussion and Analysis

As management of the Economic Development Authority of Woodstock, Virginia we offer readers of our financial statements this narrative. The narrative provides an overview and analysis of our financial activities for the fiscal year ending (FYE) June 30, 2021.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Authority's basic financial statements. Since the Authority is engaged only in business-type activities, its basic financial statements are comprised of only two components: 1) enterprise fund financial statements and 2) notes to the financial statements. This report also contains required supplementary information in addition to the basic financial statements.

Enterprise fund financial statements. The enterprise fund financial statements are designed to provide readers with a broad overview of the Authority's finances, in a manner similar to a private-sector business.

- **Statement of Net Position:** This statement presents information on the Authority's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

- **Statement of Revenues, Expenses, and Changes in Net Position:** This statement presents information showing how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

- **Statement of Cash Flows:** This statement reports cash and cash equivalent activities for the year resulting from operating, capital, and related activities.

The basic enterprise fund financial statements are found on pages 6 through 8 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to the financial statements can be found on pages 9 through 12 of this report.

Financial Highlights of FYE 2021

- The assets and deferred outflows of the Authority exceeded its liabilities and deferred inflows at the close of FYE 2021 by \$34,420 (net position), a \$34,558 decrease compared to last fiscal year.
- Total revenues decreased by \$25,879 when compared to last fiscal year. This change is due to a decreased contribution by the Town of Woodstock during fiscal year 2021. This decrease was due to the unknown impact of the Coronavirus pandemic on the Town's revenue stream.
- Total expenses increased by \$50,310 when compared to FYE 2020. The key areas seeing expense growth are the approval and reimbursement of Façade Renew Grant projects, as reviewed and approved by the Authority. FY 2021 saw the reimbursement of four (4) more Façade Renew Grants than in FY 2020.

Financial Analysis

Changes in Net Position –

The Authority's net position decreased by \$34,558 compared to FYE 2020. The Authority's total net position invested in capital assets remains unchanged at \$0. During the current year, 10.68% of the Authority's operating revenue came from charges for services (administrative fees), 88.97% from contributions made by the Town of Woodstock, and .35% from interest earned on bank accounts.

The table below represents a summary of the net position of the Authority at June 30, 2021 and 2020.

NET POSITION		
June 30, 2021		
	Business-type Activities	
	2021	2020
Current and other assets \$	34,420	\$ 68,978
Total Assets	\$ 34,420	\$ 68,978
Net Position:		
Unrestricted (deficit)	\$ 34,420	\$ 68,978
Total net position	\$ 34,420	\$ 68,978

Expenses realized a \$50,310 increase compared to FYE 2020. This was primarily due to increased Façade Renew Grant project applications approved and reimbursed by the Authority. FY 2021 saw four (4) more Façade Renew Grant reimbursements than the prior fiscal year.

CHANGES IN NET POSITION		
June 30, 2021		
	Business-type Activities	
	2021	2020
Revenues:		
Program revenues:		
Charges for services	\$ 3,000	\$ 3,000
Operating grants	25,000	50,000
General Revenues:		
Use of money and property	98	977
Total Revenues	\$ 28,098	\$ 53,977
Expenses:		
Grant payments	\$ 62,656	\$ 12,346
Total expenses	\$ 62,656	\$ 12,346
Increase (decrease) in net position before transfers	\$ (34,558)	\$ 41,631
Increase (decrease) net position	\$ (34,558)	\$ 41,631
Net position - beginning	68,978	27,347
Net position - ending	\$ 34,420	\$ 68,978

Requests for Information

This financial report is designed to provide readers with a general overview of the Authority's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Economic Development Authority of Woodstock, Virginia; 135 North Main Street; Woodstock, VA 22664.

FINANCIAL STATEMENTS

**ECONOMIC DEVELOPMENT AUTHORITY OF
WOODSTOCK, VIRGINIA**

Exhibit 1

**Statement of Net Position
June 30, 2021**

ASSETS

Current Assets:

Cash and cash equivalents	\$	31,420
Administrative fees receivable		<u>3,000</u>
Total current assets	\$	<u>34,420</u>
Total Assets	\$	<u><u>34,420</u></u>

NET POSITION

Net Position:

Unrestricted	\$	<u>34,420</u>
Total Net Position	\$	<u><u>34,420</u></u>

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

**ECONOMIC DEVELOPMENT AUTHORITY OF
WOODSTOCK, VIRGINIA**

Exhibit 2

**Statement of Revenues, Expenses and Changes in Net Position
Year Ended June 30, 2021**

Nonoperating Revenues:	
Town contributions	\$ 25,000
Administrative fees	3,000
Interest income	\$ 98
Total nonoperating revenues	<u>\$ 28,098</u>
Nonoperating Expenses:	
Grant payments to subrecipients	\$ 62,656
Total nonoperating expenses	<u>\$ 62,656</u>
Change in net position	\$ (34,558)
Net position, beginning of year	<u>68,978</u>
Net position, end of year	<u><u>\$ 34,420</u></u>

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

**ECONOMIC DEVELOPMENT AUTHORITY OF
WOODSTOCK, VIRGINIA**

Exhibit 3

**Statement of Cash Flows
Year Ended June 30, 2021**

Cash flows from noncapital and related financing activities:

Economic development payments to subrecipients \$ (62,656)

Net cash provided by (used for) noncapital and related financing activities \$ (62,656)

Cash flows from investing activities:

Interest received \$ 98

Town of Woodstock contributions received 25,000

Administrative fees received 3,000

Net cash provided by (used for) investing activities \$ 28,098

Increase (decrease) in cash and cash equivalents \$ (34,558)

Cash and cash equivalents, beginning 65,978

Cash and cash equivalents, ending \$ 31,420

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

**ECONOMIC DEVELOPMENT AUTHORITY OF
WOODSTOCK, VIRGINIA**

**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

NOTE 1—NATURE OF BUSINESS:

Economic Development Authority of Woodstock, Virginia was created as a governmental subdivision of the Commonwealth of Virginia by ordinance of the Board of Supervisors of the Town of Woodstock: pursuant to the provisions of the Economic Development and Revenue Bond Act (Chapter 33, Section 15.1-1373, et seq., of the Code of Virginia [1950 as amended]). The Authority is governed by seven directors appointed by the Town Council. It is authorized to acquire, own, lease and dispose of properties to the end that such activities may promote industry and develop trade by inducing enterprises to locate and remain in Virginia.

In addition, the Authority is authorized to issue revenue bonds for the purpose of obtaining and constructing facilities. Liability under the bonds may be retained by the Authority or it may be assumed by the enterprises for whom facilities are constructed. The collection of revenue bonds is not deemed to constitute a debt or pledge of the faith and credit of the Commonwealth of Virginia or any municipality thereof. The bonds are payable solely from revenues generated from the lease of the facilities constructed and may be collateralized by a deed of trust on those facilities.

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. Basic Financial Statements

Since the Authority is only engaged in business-type activities, it is required to present only the financial statements required for enterprise funds. For the Authority, the basic financial statements and required supplementary information consist of:

- Management's discussion and analysis (management has elected not to prepare the MD&A in the current year)
- Enterprise fund financial statements
 - Statement of Net Position
 - Statement of Revenues, Expenses, and Changes in Net Position
 - Statement of Cash Flows
 - Notes to Financial Statements

B. Basis of Accounting

Economic Development Authority of Woodstock, Virginia 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 accompanying financial statements are prepared in accordance with pronouncements issued by the Governmental Accounting Standards Board (GASB). The principles prescribed by GASB represent generally accepted accounting principles applicable to governmental units.

ECONOMIC DEVELOPMENT AUTHORITY OF
WOODSTOCK, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (CONTINUED)

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

B. Basis of Accounting (Continued)

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. The principal operating revenues of the Authority are charges to industries for bond fees and lease revenue. Operating expenses include contributions to industries, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

C. Cash and Cash Equivalents

For the purpose of the Statement of Cash Flows, cash and cash equivalents are defined as short-term highly liquid investments that are both readily convertible to known amounts of cash and investments with original maturities of 90 days or less. The authority considers all cash in bank accounts to be cash and cash equivalents.

D. 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 results could differ from those estimates.

E. Net Position

For government-wide reporting as well as in proprietary funds, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

- Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.
- Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.
- Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

**ECONOMIC DEVELOPMENT AUTHORITY OF
WOODSTOCK, VIRGINIA**

**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (CONTINUED)**

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

E. Net Position (Continued)

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 government-wide and proprietary fund financial 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.

F. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The Authority does not have any deferred outflows of resources as of June 30, 2021.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Authority does not have any deferred inflows of resources as of June 30, 2021.

G. Pass-through Financing Leases and Installment Sales:

The principal activities of the Authority represent pass-through leases or installment sales. These agreements provide for periodic payments in amounts which are equal to the principal and interest payments due to the project bond holders.

The Authority has assigned all rights to the payments to the trustees, agents or the holders of the bonds, and the lessees or purchasers have assumed responsibility for all operating costs such as utilities, repairs and property taxes. In such cases, the Authority neither receives nor disburses funds.

Although title to these properties may rest with the Authority, bargain purchase options or other provisions eliminate any equity interest that would otherwise be retained in the lease transactions. Deeds of trust secure outstanding bond obligations and title will pass to the lessee or purchaser at such time as the bonds are fully paid.

Although the Authority provides a conduit to execute such transactions, it does not retain either the benefits of asset ownership or the liability for bond liquidation. Accordingly, the Authority does not recognize assets, liabilities, rental income or interest expense in its financial statements.

**ECONOMIC DEVELOPMENT AUTHORITY OF
WOODSTOCK, VIRGINIA**

**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (CONTINUED)**

NOTE 3—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 the District 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), 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).

The Authority did not have any investments at year-end.

NOTE 4—ADMINISTRATIVE FEES RECEIVABLE:

The authority collects an administrative fee from Shenandoah University on the 2017 Revenue Bond. As of year-end, the fiscal year 2021 administrative fee in the amount of \$3,000 had not been collected.

NOTE 5—CONTINGENCIES AND EVENTS OF DEFAULT:

Although obligations under the revenue bonds issued to date are secured by lease proceeds and the underlying properties, the Authority retains no liability on pass-through leases. However, the Authority and the Town of Woodstock, Virginia, may choose, at their option, to assume responsibility for the bonds in the event of default by lessees to preserve the credit rating of the Authority for future issues.

NOTE 6—UPCOMING PRONOUNCEMENTS:

Statement No. 91, *Conduit Debt Obligations*, provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021.

Statement No. 92, *Omnibus 2020*, addresses practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics such as leases, assets related to pension and postemployment benefits, and reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature. The effective dates differ by topic, ranging from January 2020 to period beginning after June 15, 2021.

Management is currently evaluating the impact these standards will have on the financial statements when adopted.

OTHER SUPPLEMENTARY INFORMATION

ECONOMIC DEVELOPMENT AUTHORITY OF WOODSTOCK, VIRGINIA

Schedule of Fiduciary Revenue Bonds Outstanding

June 30, 2021

<u>Issued on Behalf of</u>	<u>Date of Issuance</u>	<u>Amount Issued</u>	<u>Stated Interest Rate</u>	<u>Date of Maturity</u>	<u>Name of Trustee</u>	<u>Outstanding June 30, 2021</u>
Shenandoah University - Series 2017	7/20/2017	\$ 10,000,000	Variable	6/29/2047	Truist	\$ 9,790,000
						<u>\$ 9,790,000</u>

This schedule is based upon statements of the respective fiduciaries.

**ECONOMIC DEVELOPMENT AUTHORITY OF MOUNT JACKSON, VIRGINIA
(A COMPONENT UNIT OF THE TOWN OF MOUNT JACKSON, VIRGINIA)**

Changes in Fiduciary Revenue Bonds Outstanding

Year Ended June 30, 2021

<u>Issued on Behalf of</u>	<u>Date of Issuance</u>	<u>Outstanding July 1, 2020</u>	<u>Outstanding June 30, 2021</u>	<u>Increase (Decrease)</u>
Shenandoah University - Series 2017	7/20/2017	\$ <u>9,930,000</u>	\$ <u>9,790,000</u>	\$ <u>(140,000)</u>
Totals		\$ <u><u>9,930,000</u></u>	\$ <u><u>9,790,000</u></u>	\$ <u><u>(140,000)</u></u>

This schedule is based upon statements of the respective fiduciaries.

COMPLIANCE

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 BOARD OF DIRECTORS
ECONOMIC DEVELOPMENT AUTHORITY OF WOODSTOCK, VIRGINIA
WOODSTOCK, 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 Economic Development Authority of Woodstock, Virginia as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Economic Development Authority of Woodstock, Virginia's basic financial statements and have issued our report thereon dated April 5, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Economic Development Authority of Woodstock, Virginia'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 Economic Development Authority of Woodstock, Virginia's internal control. Accordingly, we do not express an opinion on the effectiveness of Economic Development Authority of Woodstock, Virginia'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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Economic Development Authority of Woodstock, Virginia'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 determination of financial statement amounts. 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.

Robinson, Farmer, Cox Associates

Staunton, Virginia
April 5, 2022

**ECONOMIC DEVELOPMENT AUTHORITY OF WOODSTOCK, VIRGINIA
(A COMPONENT UNIT OF THE TOWN OF WOODSTOCK, VIRGINIA)**

Index of Fiduciary Affidavits

June 30, 2021

Shenandoah University



WOODSTOCK
EDA

BANK: Truist

Economic Development Authority of
Town of Woodstock, Virginia
Mr. Jeremy Mills
115 N. Cameron Street
Winchester, VA 22601

SUBJECT: Economic Development Authority of the Town of Woodstock
Educational Facilities Revenue Bond
Series 2017

Dear Mr. Mills:

In reference to the above-mentioned project, we certify that, to the best of our knowledge, all duties required of the bondholder under the agreement governing such transactions have been performed.

Outstanding principal balance at June 30, 2021: \$ 9,790,000.00

Very truly yours,

Signature: 

Name: Jeremy Mills

Title: SVP

State of Virginia

City/County of Winchester

I, Kathryn Elish Davis, a notary public for the City/County mentioned above, hereby certify that the person whose name is signed above has executed this instrument and acknowledged his signature before me this 17 day of November, 2021. My commission expires on May 31, 2024.

Note: This affidavit must be obtained from each financial institution which acts as a fiscal agent for an indebtedness issue.

