Basic Financial Statements and Schedules
June 30, 2015 and 2014
(With Independent Auditors' Report Thereon)

Economic Development Authority of James City County, Virginia

(A Component Unit of the County of James City, Virginia)

DIXON HUGHES GOODMAN LLP

Economic Development Authority of James City County, Virginia
(A Component Unit of the County of James City, Virginia)

Table of Contents

	Page
Introductory Section	
Authority Officials	i
Independent Auditors' Report	1 - 2
Management's Discussion and Analysis	3 - 6
Basic Financial Statements	
Balance Sheets	7
Statements of Revenues, Expenses, and Changes in Net Position	8
Statements of Cash Flows	9
Notes to Financial Statements	10 - 18
Compliance Section	
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	19 - 20
Other Information	
Schedule of Balance Sheets - by Activity	21
Schedule of Revenues, Expenses, and Changes in Net Position - by Activity	22
Schedules of Revenue Bonds Outstanding - Conduit Debt (Unaudited)	23 - 24

Economic Development Authority of James City County, Virginia
(A Component Unit of the County of James City, Virginia)

Authority Officials

June 30, 2015

Board Members

Marshall N. Warner…………………………………………………………………………………...Chairman

Robin D. Carson…………………………………………………………………………………...Vice Chairman

Leanne DuBois

Paul W. Gerhardt

Tim Harris

Stephen H. Montgomery

Thomas G. Tingle

Other Officials

Russell Seymour…………………………………………………………………………………....Secretary

Laura Messer..……………………………………………………….……………….Recording Secretary

Jennifer Tomes………………………………………………………...………………………………….Treasurer

Max Hlavin…......……………………..……………………………………………………….Legal Counsel

DIXON HUGHES GOODMAN LLP

INDEPENDENT AUDITORS' REPORT

Members
Economic Development Authority of James City County, Virginia

We have audited the accompanying basic financial statements of the ***Economic Development Authority of James City County, Virginia*** as of and for the years ended June 30, 2015 and 2014, as listed in the table of contents. These financial statements are the responsibility of the ***Economic Development Authority of James City County, Virginia's*** management. Our responsibility is to express an opinion on these financial statements based on our audits.

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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and *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 audits 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 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 ***Economic Development Authority of James City County, Virginia*** as of June 30, 2015 and 2014, and the changes in net position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

DIXON HUGHES GOODMAN LLP

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3-6 be presented to supplement the basic financial statements. Such 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. 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.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprises the ***Economic Development Authority of James City County, Virginia's*** basic financial statements. The balance sheets by activity and schedules of revenues, expenses, and changes in net position by activity are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The balance sheets by activity and schedules of revenues, expenses, and changes in net position by activity on pages 21 and 22 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the balance sheets by activity and schedules of revenues, expenses, and changes in net position by activity are fairly stated, in all material respects, in relation to the financial statements as a whole.

The Schedules of Revenue Bonds Outstanding - Conduit Debt on pages 23 and 24 have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards,* we have also issued our report dated October 8, 2015, on our consideration of the ***Economic Development Authority of James City County, 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 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 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 the ***Economic Development Authority of James City County, Virginia's*** internal control over financial reporting and compliance.

Dixon Hughes Goodman LLP

Newport News, Virginia
October 8, 2015

June 30, 2015 and 2014

This section of the ***Economic Development Authority of James City County, Virginia's*** (Authority) annual financial report presents our discussion and analysis of the Authority's financial performance during the fiscal years ended June 30, 2015 and 2014.

Financial Highlights for Fiscal Years 2015 and 2014

* The Authority had a decrease in net position of $116,591 for fiscal year 2015 primarily as a result of an agreement settlement with a local manufacturing facility, and a decrease in net position of $2,377,647 for fiscal year 2014, which was primarily a result of a transfer of property.

Overview of the Financial Statements

The financial section of this report has two components - Management's Discussion and Analysis (this section) and the basic financial statements. The basic financial statements are comprised of the balance sheets, statements of revenues, expenses, and changes in net position, statements of cash flows, and notes to the financial statements. The Authority implemented the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, during fiscal year 2003, which established new requirements and a new reporting model for the annual financial reports of state and local governments.

The Authority is a self-supporting entity and follows enterprise fund accounting; accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Enterprise fund statements offer short and long-term financial information about the activities and operations of the Authority.

Financial Analysis

Net position is a financial measure that compares an entity's assets and deferred outflows of resources to its liabilities and deferred inflows of resources. Over time, increases and decreases in net position are one indicator of whether the Authority's financial health is improving or deteriorating. However, it is also important to consider other nonfinancial factors, such as changes in economic conditions, population and service area growth, and new or changed legislation.

Balance Sheets

The following table reflects a summary of the balance sheets:

Table 1
Condensed Balance Sheet Information
June 30, 2015, 2014, and 2013

		2015		2014		2013
Current and other assets	$	1,340,691	$	1,594,835	$	1,826,685
Capital assets, net of accumulated depreciation		405,770		407,802		2,659,877
Total assets	$	1,746,461	$	2,002,637	$	4,486,562
Current liabilities	$	100,599	$	240,184	$	346,462
Net position						
Net investment in capital assets		405,770		407,802		2,659,877
Unrestricted		1,240,092		1,354,651		1,480,223
Total net position		1,645,862		1,762,453		4,140,100
Total liabilities and net position	$	1,746,461	$	2,002,637	$	4,486,562

Net position (assets and deferred outflows of resources in excess of liabilities and deferred inflows of resources) may serve over time as a useful indicator of a government's financial position. In the case of the Authority, assets exceeded liabilities by $1,645,862 at June 30, 2015 and by $1,762,453 at June 30, 2014.

Total assets experienced a decrease of 12.8% for fiscal year 2015, primarily as a result of an agreement settlement with a local manufacturing facility, which reduced the amount due from James City County (the County). Total assets experienced a decrease of 55.4% for fiscal year 2014, primarily as a result of a transfer of the Mainland Farm property from the Authority to the County. The transfer was made so that the County could grant an easement on the property to the Williamsburg Land Conservancy.

Total liabilities experienced a decrease of $139,585 in 2015, primarily as a result of an agreement settlement with a local manufacturing facility. Total liabilities experienced a decrease of $106,278 in 2014, primarily as a result of payments of amounts due to enterprise zone participants and the County as well as reductions to amounts due under a performance based agreement between the Authority and a local manufacturing facility.

Statements of Revenues, Expenses, and Changes in Net Position

The following table reflects the condensed revenues, expenses, and changes in net position:

Table 2
Summary of Changes in Net Position
Years Ended June 30, 2015, 2014, and 2013

	2015	2014	2013
County contribution	$ 93,946	$ 83,297	$ 154,316
Other operating revenues	123,399	118,150	391,092
Total operating revenues	217,345	201,447	545,408
Community development, agreements, and incubator	260,172	264,210	581,202
Other expenses	85,491	78,194	122,567
Total operating expenses before depreciation	345,663	342,404	703,769
Operating loss before depreciation	(128,318)	(140,957)	(158,361)
Depreciation	2,032	2,075	1,989
Operating loss	(130,350)	(143,032)	(160,350)
Net nonoperating revenues (expenses)	13,759	(2,234,615)	17,734
Change in net position	(116,591)	(2,377,647)	(142,616)
Net position - beginning of year	1,762,453	4,140,100	4,282,716
Net position - end of year	$ 1,645,862	$ 1,762,453	$ 4,140,100

Total net position decreased $116,591 in 2015, primarily as a result of an agreement settlement with a local manufacturing facility. Total net position decreased $2,377,647 in 2014, primarily as a result of the transfer of land from the Authority to the County.

Operating revenues represented the County's contribution to the Authority and other operating revenues from bond fees, TBIC client fees, and lease income collected from the operation that currently leases a portion of Mainland Farm and Breathe Healthy. During fiscal year 2015, the County contributions increased $10,649 primarily as a result of enterprise zone payments. During fiscal year 2014, the County contributions decreased $71,019 primarily as a result of final payments on certain enterprise zone grants and reductions to the amount due under the performance based agreement between the Authority and a local manufacturing facility. Other operating revenues increased $5,249 in 2015 primarily as a result of changes to the lease agreement with a business that is no longer included in the Incubator. Other operating revenues decreased $272,942 in 2014 primarily as a result of changes to the lease agreement for Mainland Farm. In prior fiscal years, the agreement with Mainland Farm provided that revenue from that operation belonged to the Authority and that the Authority would pay the operation a fixed fee plus a share of the proceeds from the sale of farm goods, which impacted both the Authority's revenues and expenses. Starting in fiscal year 2014, a new agreement provided that the operation would pay the Authority $14,725 annually to lease the Mainland Farm property, which reduces the effect of this arrangement on the Authority's revenues and expenses.

Net nonoperating revenues (expenses) consist of interest income and losses from a property transfer. Net nonoperating revenues (expenses) increased $2,248,374 in 2015 and decreased $2,252,349 in 2014. During fiscal year 2014, the Authority transferred the Mainland Farm property to the County.

Community development, agreements, and incubator consists primarily of contributions toward local business efforts, grants awarded to local businesses for exceeding certain investment figures, performance agreements, and costs associated with the incubator, while other expenses include costs such as advertising and professional fees. Community development, agreements, and incubator costs decreased by 1.5% for fiscal year 2015 primarily as a result of a decrease in the Authority's expenses related to the performance based agreement and enterprise zone grant payments. Community development, agreements, and incubator costs decreased by 54.5% for fiscal year 2014, primarily as a result of the changes to the lease agreement for Mainland Farm and a decrease in the Authority's expenses related to the performance based agreement with a local manufacturing facility. For fiscal year 2015, other expenses increased $7,297, primarily as a result of higher costs incurred for promotional events and professional services during the year. For fiscal year 2014, other expenses decreased $44,373 primarily as a result of fewer costs incurred for promotional events and professional services during the year.

Capital Assets

As of the end of fiscal years 2015 and 2014, the Authority had net capital assets of $405,770 and $407,802, respectively. The Authority's net capital assets as of the end of fiscal year 2015 included $233,106 in land, $166,510 in design and engineering costs related to the construction of a shell building, $3,114 in furniture and equipment (net of accumulated depreciation), and $3,040 in the value of the Authority's intangible asset from the development of its website (net of related amortization). In fiscal year 2014, the Authority transferred ownership of the Mainland Farm property to the County; resulting in a decrease of $2,250,000 in the amount the Authority had invested in land. The Authority's net capital assets as of the end of fiscal year 2014 included $233,106 in land, $166,510 in design and engineering costs related to the construction of a shell building, $3,626 in furniture and equipment (net of accumulated depreciation), and $4,560 in the value of the Authority's intangible asset from the development of its website (net of related amortization).

Debt Administration

The Authority had no outstanding debt at June 30, 2015 and 2014.

The Authority has issued Economic Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. At June 30, 2015 and 2014, there were 13 series and 15 series, respectively, of Economic Revenue Bonds outstanding, with an aggregate principal amount payable of approximately $186 million and $201 million, respectively. It should be noted this debt is all conduit debt. Although conduit debt obligations bear the name of the governmental issuer, which is the Authority, the issuer has no obligation for such debt beyond the resources provided by a lease or loan with the third party on whose behalf they are issued.

Contacting the Authority's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the money it receives. Questions concerning this report or requests for additional information should be directed to the James City County Department of Financial and Management Services, 101-F Mounts Bay Road, P.O. Box 8784, Williamsburg, Virginia 23187-8784.

Economic Development Authority of James City County, Virginia
(A Component Unit of the County of James City, Virginia)

Balance Sheets

June 30,		2015		2014
Assets				
Current assets				
Cash and short-term investments (Note 2)	$	1,238,005	$	1,358,901
Due from James City County		82,000		218,108
Interest receivable		640		845
Bond fee receivable		4,807		-
Current portion of notes receivable (Note 5)		3,220		-
Total current assets		1,328,672		1,577,854
Notes receivable, net of current portion (Note 5)		12,019		16,981
Capital assets (Note 6)				
Land		233,106		233,106
Construction in progress		166,510		166,510
Furniture and equipment		5,119		5,119
Software costs		7,600		7,600
Total capital assets		412,335		412,335
Less accumulated depreciation		6,565		4,533
Net capital assets		405,770		407,802
	$	1,746,461	$	2,002,637
Liabilities and Net Position				
Current liabilities				
Accounts payable	$	100,190	$	240,013
Due to James City County		409		171
Total current liabilities		100,599		240,184
Net position				
Net investment in capital assets		405,770		407,802
Unrestricted		1,240,092		1,354,651
Total net position		1,645,862		1,762,453
Total liabilities and net position	$	1,746,461	$	2,002,637

See accompanying notes to financial statements.

Economic Development Authority of James City County, Virginia
(A Component Unit of the County of James City, Virginia)

Statements of Revenues, Expenses, and Changes in Net Position

Years Ended June 30,	**2015**	**2014**
Operating revenues		
Lease income	$ 20,575	$ 14,725
County contribution	93,946	83,297
Bond fees	22,860	19,050
Incubator member contributions	69,000	69,000
Incubator client revenue	5,650	15,375
Miscellaneous revenue	5,314	-
Total operating revenues	217,345	201,447
Operating expenses		
Community development (Note 7)	165,093	215,133
Performance based agreements (Note 7)	82,000	41,994
Promotion	62,648	59,908
Professional fees	20,352	16,038
Telecommunications	4,802	4,512
Utilities	2,764	2,571
Leases	5,513	-
Note forgiveness (Note 5)	1,742	1,882
Other expenses	749	366
Total operating expenses before depreciation	345,663	342,404
Operating loss before depreciation	(128,318)	(140,957)
Depreciation	2,032	2,075
Operating loss	(130,350)	(143,032)
Nonoperating revenues (expenses)		
Loss on the transfer of property	-	(2,250,000)
Interest income	13,759	15,385
Net nonoperating revenues (expenses)	13,759	(2,234,615)
Change in net position	(116,591)	(2,377,647)
Net position - beginning of year	1,762,453	4,140,100
Net position - end of year	$ 1,645,862	$ 1,762,453

See accompanying notes to financial statements.

Economic Development Authority of James City County, Virginia
(A Component Unit of the County of James City, Virginia)

Statements of Cash Flows

Years Ended June 30,	**2015**	**2014**
Cash flows from operating activities		
Receipts from customers	$ 350,593	$ 177,015
Payments to suppliers	(485,248)	(448,682)
Net cash from operating activities	(134,655)	(271,667)
Cash flows from investing activities		
Interest received	13,759	15,385
Net decrease in cash	(120,896)	(256,282)
Cash and short-term investments at beginning of year	1,358,901	1,615,183
Cash and short-term investments at end of year	$ 1,238,005	$ 1,358,901
Reconciliation of operating income to net cash provided by operating activities		
Operating loss	$ (130,350)	$ (143,032)
Adjustments to reconcile operating income to cash provided by operating activities:		
Depreciation expense	2,032	2,075
Note forgiveness (Note 5)	1,742	1,882
Changes in assets and liabilities:		
Accounts payable	(139,823)	30,254
Due to James City County	238	(102,032)
Unearned revenue	-	(34,500)
Due from James City County	136,108	(31,306)
Notes receivable	-	5,000
Bond fee receivable	(4,807)	-
Interest receivable	205	(8)
	$ (134,655)	$ (271,667)

See accompanying notes to financial statements.

1. Organizations and Summary of Significant Accounting Policies

The Economic Development Authority of James City County, Virginia (the Authority) was created as a political subdivision of the Commonwealth of Virginia by ordinance of the governing body of James City County (County) on July 9, 1979, 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 a seven-member board appointed by the Board of Supervisors of James City County, Virginia. The essential purpose of the Authority is to promote industrial and commercial development in the County.

The Authority has been determined to be a component unit of the County in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity,* as amended. Component units are legally separate entities for which a primary government is financially accountable. The County is financially accountable given the significance of the Authority's fiscal dependence on and financial relationship with the County. As a result of the County's financial accountability for the Authority, the information included in these financial statements is included in the financial statements of the County.

Implementation of these reporting requirements in no way infringes upon the independence of the Authority nor otherwise impairs the Authority's power to perform its functions under state law.

A. Basis of Accounting and Presentation

The Authority utilizes the economic resources measurement focus and the accrual basis of accounting as an enterprise fund. Accordingly, revenues are recognized in the period earned and expenses are recognized when they are incurred. Enterprise funds are used to account for the ongoing activities that are financed and operated similar to those often found in the private sector. Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from the Authority's ongoing operations. Operating revenues include revenue from the County, bond fees, and lease income. Operating expenses include the costs related to promoting and developing the County and administrative expenses. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

The Authority generally first uses restricted assets for expenses incurred for which both restricted and unrestricted assets are available. The Authority may defer the use of restricted assets based on a review of the specific transaction.

B. Capital Assets

The Authority's policy is to capitalize assets with a cost basis or fair value at time of donation of one thousand dollars ($1,000) or greater. The costs of major improvements are capitalized, while the costs of maintenance and repairs, which do not improve or extend the life of an asset, are expensed. When appropriate, the Authority provides for depreciation of capital assets using the straight-line method at amounts estimated to amortize the cost or other basis of the assets over their estimated useful lives.

As of the end of both fiscal years 2015 and 2014, the Authority's capital assets consist of land, construction in progress, furniture and equipment, and software costs, of which only the furniture and equipment and software costs are depreciated. The useful lives of the Authority's depreciable assets are estimated to be between 3 to 10 years.

C. Pass-Through Financing Leases

Some activities of the Authority represent pass-through leases. The Authority is authorized to issue revenue bonds for the purpose of obtaining and constructing facilities within the County. These agreements provide for periodic rental payments in amounts, which are equal to the principal and interest payments due to project bondholders. The Authority has assigned all rights to the rental payments to the trustees of the bondholders, and the lessees 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 rests with the Authority, bargain purchase options or other lease provisions eliminate any equity interest that would otherwise be retained. Deeds of trust secure outstanding obligations, and title will revert to the lessee when the bonds are fully paid.

Therefore, while 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 associated assets, liabilities, deferred inflows or outflows of resources, rental income, or interest expense in its financial statements.

D. Advertising Costs

Advertising costs are expensed in the period in which they are incurred.

E. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements. Such estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and assumptions.

F. New Accounting Principles

Effective with the financial statements for the fiscal year ended June 30, 2014, the Authority has adopted GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities* (GASB 65). This statement amends prior reporting requirements by (i) reclassifying certain items previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources and (ii) recognizing certain items previously reported as assets and liabilities as expenses or revenues based on the definitions of those elements in GASB Concepts Statement No.4, *Elements of Financial Statements*. This statement also limits the use of the term *deferred* in financial statement presentations. The Authority replaced the term *deferred revenue* with *unearned revenue* in its balance sheet for the fiscal year ended June 30, 2013 with the adoption of GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. In addition, the Authority does not have to reclassify or amend its recognition of elements in its financial statements for the fiscal year ended June 30, 2014 based on the adoption of GASB 65. As a result, GASB 65 has no effect on the Authority's financial statements for the fiscal year ended June 30, 2014.

Effective with the financial statements for the fiscal year ended June 30, 2015, the Authority has adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27* (GASB 68). This statement replaces the requirements of Statement No. 27, *Accounting* *for Pensions by State and Local Governmental Employers,* as well as the requirements of Statement No. 50, *Pension Disclosures,* as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. This statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflows of resources, and expense/expenditures. Note disclosure and required supplementary information requirements about pensions are also addressed. This statement details the recognition and disclosure requirements for employers with liabilities to a defined benefit pension plan and for employers whose employees are provided with defined contribution pensions. In addition, the Authority does not pay any pensions, which are taken care of by the County. As a result, GASB 68 has no effect on the Authority's financial statements for the fiscal year ended June 30, 2015.

G. Subsequent Events

In preparing these financial statements, the Authority has evaluated events and transactions for potential recognition or disclosure through October 8, 2015, the date on which the financials were available to be issued.

2. Cash and Short-Term Investments

A. Cash

The carrying value of the Authority's deposits with banks was $197,443 and $60,758 at June 30, 2015 and 2014, respectively. The bank balance was $197,461 and $260,796 at June 30, 2015 and 2014, respectively, which differs from the carrying value of deposits primarily as a result of outstanding checks and deposits in transit. The bank balance is fully covered by the Federal Deposit Insurance Corporation (FDIC) or collateralized in accordance with the Virginia Security for Public Deposits Act (Act). Under the Act, banks holding public deposits in excess of the amounts insured by FDIC must pledge collateral in the amount of 50% of the excess deposits to a collateral pool in the name of the State Treasury Board. Savings and loan institutions are required to collateralize 100% of deposits in excess of FDIC limits. If any member financial institution fails, the entire collateral becomes available to satisfy claims of the Authority. If the value of the pool's collateral is inadequate to cover a loss, additional amounts would be assessed on a pro rata basis to the members (banks) of the pool. Therefore, these deposits are considered collateralized and, as a result, are considered insured. The State Treasury Board is responsible for monitoring compliance with the collateralization and reporting requirements of the Act and for notifying local governments of compliance by banks and savings and loans.

B. Investments

At June 30, 2015 and 2014, the fair values and maturities of the Authority's investments were as follows:

	2015	
Investment Type	**Fair Value**	**Maturity**
Certificate of Deposits	$ 819,546	2015
Certificate of Deposits	220,774	2016
Short-term investments - Commonwealth of Virginia LGIP	242	1 day
Total Investments	$ 1,040,562	

Investment Type	2014 Fair Value	2014 Maturity
Certificate of Deposits	$ 1,082,401	2015
Certificate of Deposits	215,500	2016
Short-term investments - Commonwealth of Virginia LGIP	242	1 day
Total Investments	$ 1,298,143	

C. Summary of Deposits

Reconciliations of the carrying values of the deposits and investments reported above to the amounts reported in the Authority's balance sheets for fiscal years 2015 and 2014 are as follows:

	2015
Deposits	$ 197,443
Investments	1,040,562
	$ 1,238,005

	2014
Deposits	$ 60,758
Investments	1,298,143
	$ 1,358,901

D. Investment Policy

The Authority utilizes the Investment Policy (Policy) of the County, which is enforced by the James City County Treasurer. In accordance with the Code of Virginia and other applicable law, including regulations, the Authority's Policy permits investments in U.S. government obligations, municipal obligations, commercial paper, and certain corporate notes, bankers' acceptances, repurchase agreements, negotiable certificates of deposit, bank deposit notes, mutual funds that invest exclusively in securities specifically permitted under the Policy, and the State Treasurer's Local Government Investment Pool (the Virginia LGIP, a 2a-7 like pool). The fair value of the Authority's position in the LGIP is the same as the value of the pool shares. The Treasury Board of the Commonwealth of Virginia has regulatory oversight of the LGIP.

The Policy establishes limitations on the holdings of non-U.S. government obligations. The maximum percentage of the portfolio (book value at the date of acquisition) permitted in each eligible security is as follows:

Registered money market mutual funds	100% maximum
Commonwealth of Virginia LGIP	100% maximum
Bank deposits	100% maximum
Repurchase agreements	50% maximum
Bankers' acceptances	40% maximum
Commercial paper	35% maximum
Negotiable certificates of deposit/bank notes	20% maximum
Municipal obligations	20% maximum
Corporate notes	15% maximum

E. Credit Risk

As required by state statute, the Policy requires commercial paper have a short-term debt rating of no less than "A-1" (or its equivalent) from at least two of the following: Moody's Investors Service, Standard & Poor's, Fitch Investor's Service, and Duff and Phelps. Corporate notes must have a minimum of "Aa" long-term debt rating by Moody's Investors Service and a minimum of "AA" long-term debt rating by Standard & Poor's. Negotiable certificates of deposit and bank deposit notes maturing in less than one year must have a short-term debt rating of at least "A-1" by Standard & Poor's and "P-1" by Moody's Investors Service. Notes having a maturity of greater than one year must be rated "AA" by Standard & Poor's and "Aa" by Moody's Investors Service.

Although state statute does not impose credit standards on repurchase agreement counterparties, bankers' acceptances, or money market mutual funds, the Authority has established stringent credit standards for these investments to minimize portfolio risk.

F. Concentration of Credit Risk

The Policy establishes limitations on portfolio composition by issuer in order to control concentration of credit risk. No more than 5% of the Authority's portfolio will be invested in the securities of any single issuer with the following exceptions:

U.S. Treasury	100% maximum
Commonwealth of Virginia LGIP	100% maximum
Each bank deposit institution	100% maximum
Each money market mutual fund	50% maximum
Each federal agency	35% maximum
Each repurchase agreement counterparty	25% maximum

G. Interest Rate Risk

As a means of limiting exposure to fair value losses arising from rising interest rates, the Authority's Policy limits the investment of short-term operating funds to an average weighted maturity of no more than 180 days, with a portion of the portfolio continuously invested in readily available funds. The operating fund core portfolio will be invested in permitted investments with a stated maturity of no more than five years from the date of purchase. To control the volatility of the core portfolio, the Treasurer will determine a duration target, not to exceed three years.

H. Custodial Credit Risk

The Policy requires all investment securities purchased by the Authority or held as collateral on deposits or investments shall be held by the Authority or by a third-party custodial agent who may not otherwise be counterparty to the investment transaction. As of June 30, 2015 and 2014, all of the Authority's investments are held in a bank's trust department in the Authority's name.

3. Conduit Debt Obligations

From time to time, the Authority has issued Economic Revenue Bonds (the Bonds) to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The Bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the Bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the County, the state, nor any political subdivision thereof is obligated in any manner for repayment of the Bonds. Accordingly, the Bonds are not reported as liabilities in the accompanying financial statements.

As of June 30, 2015 and 2014, there were 13 and 15 series, respectively of Economic Revenue Bonds outstanding, with an aggregate principal amount payable of approximately $186 and $201 million, respectively.

4. Transactions with Related Parties

Certain financial management and accounting services are provided to the Authority by the County. Services were provided at no charge during the years ended June 30, 2015 and 2014. In addition, certain personnel costs in 2015 and 2014 were incurred by the County for the benefit of the Authority at no charge to the Authority.

Certain legal services are provided to the Authority by the County. The charges for these services amounted to $6,000 for the years ended June 30, 2015 and 2014, and are included in professional fees in the accompanying statements of revenues, expenses, and changes in net position.

The Authority owes $409 to the County at June 30, 2015, as a result of a telecommunications expense paid for by the County. The Authority owed $171 to the County at June 30, 2014, as a result of a utility expense paid for by the County. The County owes $82,000 to the Authority at June 30, 2015, as a result of a settlement agreement the County will pay. The County owed $218,108 to the Authority at June 30, 2014, as a result of enterprise zone payments and a payment for an agreement with a local manufacturing facility the County will pay.

5. Notes Receivable

During fiscal year 2011, the Authority entered into a loan forgiveness agreement with Regina Enterprises, LLC for $5,000. The loan is to be forgiven by the Authority at a rate of 1% of the business' total taxable sales occurring in James City County per year. The amount to be forgiven is to be determined by March 31 each year until the principal balance of the loan is extinguished. Any outstanding portion of the loan not forgiven prior to March 31, 2016, plus 8% interest, will be immediately due and payable on that date. During fiscal years 2015 and 2014, the Authority forgave $317 and $380 on this loan, respectively. The remaining outstanding balance on this loan was $3,220 at June 30, 2015 and $3,537 at June 30, 2014.

On August 22, 2011, the Authority entered into a loan forgiveness agreement with Nouvel, LLC for $10,000. The loan is to be forgiven by the Authority at a rate of 1% of the business' total taxable sales occurring in James City County per year, plus 0.75% of new taxable capital investment. The amount to be forgiven is to be determined by March 31 each year until the principal balance of the loan is extinguished. Any outstanding portion of the loan not forgiven prior to August 31, 2016, plus 8% interest, will be immediately due and payable on that date. During fiscal years 2015 and 2014, the Authority forgave $934 and $1,052 on this loan, respectively. The remaining outstanding balance on this loan was $7,810 at June 30, 2015 and $8,744 at June 30, 2014.

On September 16, 2011, the Authority entered into a loan forgiveness agreement with Brass Cannon Brewing, LLC for $5,000. The loan is to be forgiven by the Authority at a rate of 1% of the business' total taxable sales occurring in James City County per year. The amount to be forgiven is to be determined by March 31 each year until the principal balance of the loan is extinguished. Any outstanding portion of the loan not forgiven prior to September 16, 2016, plus 8% interest, will be immediately due and payable on that date. For fiscal years 2015 and 2014, the Authority forgave $491 and $271 on the loan, respectively. The remaining outstanding balance on this loan was $4,209 at June 30, 2015 and $4,700 at June 30, 2014.

6. Capital Assets

Capital assets at June 30, 2015 and 2014 consisted of land, furniture and equipment, software costs, and construction in progress. Balances in construction in progress represent design and engineering costs incurred related to the construction of a shell building.

Following is a summary of the capital asset activity for fiscal years 2015 and 2014:

	Balance at July 1, 2014	Additions	Sales or Transfers	Balance at June 30, 2015
Capital assets not being depreciated:				
Land	$ 233,106	$ -	$ -	$ 233,106
Construction in progress	166,510	-	-	166,510
Total capital assets not being depreciated	399,616	-	-	399,616
Other capital assets:				
Furniture and equipment	5,119	-	-	5,119
Software costs	7,600	-	-	7,600
Total other capital assets	12,719	-	-	12,719
Less accumulated depreciation for:				
Furniture and equipment	1,493	512	-	2,005
Software costs	3,040	1,520	-	4,560
Total accumulated depreciation	4,533	2,032	-	6,565
Other capital assets - net	8,186	(2,032)	-	6,154
Net capital assets	$ 407,802	$ (2,032)	$ -	$ 405,770

	Balance at July 1, 2013	Additions	Sales or Transfers	Balance at June 30, 2014
Capital assets not being depreciated:				
Land	$ 2,483,106	$ -	$ 2,250,000	$ 233,106
Construction in progress	166,510	-	-	166,510
Total capital assets not being depreciated	2,649,616	-	2,250,000	399,616
Other capital assets:				
Furniture and equipment	5,119	-	-	5,119
Software costs	7,600	-	-	7,600
Total other capital assets	12,719	-	-	12,719
Less accumulated depreciation for:				
Furniture and equipment	938	555	-	1,493
Software costs	1,520	1,520	-	3,040
Total accumulated depreciation	2,458	2,075	-	4,533
Other capital assets - net	10,261	(2,075)	-	8,186
Net capital assets	$ 2,659,877	$ (2,075)	$ 2,250,000	$ 407,802

7. Commitment of Operating Subsidies

The following operating subsidy agreements are in effect:

A. Effective April 1, 2011, the Authority, in conjunction with the County, entered into an agreement with the Technology and Business Center with The College of William and Mary (CWM-TBC). The Authority also recorded payables to CWM-TBC of $17,500 for the remaining management fees owed under the agreement and $2,343 for CWM-TBC's share of the incubator fees collected during fiscal year 2013. The Authority made payments to CWM-TBC for these amounts during 2014, leaving no remaining balance due to CWM-TBC for the fiscal year ended June 30, 2014.

B. On July 2, 2013, the Authority, in conjunction with the County, entered into an agreement with the William & Mary Business School Foundation (W&M BSF) to operate a business incubator facility, named the Triangle Business and Innovation Center (TBIC). This agreement provides that W&M BSF will manage the TBIC in exchange for a management fee of $70,000 per year and half of the revenue collected from TBIC clients in excess of $10,000 each year. The term of this agreement ended on September 30, 2014.

   For fiscal year 2014, the Authority recorded payables due to W&M BSF in the amount of $5,833 for the final monthly management fee owed for the year and $2,688 for W&M BSF's share of fees collected from TBIC clients during 2014. In fiscal year 2015, the Authority paid W&M BSF's share of fees collected and the management fee owed for 2015 along with three months' worth of fees before entering into a new management agreement for TBIC.

C. On October 8, 2012, the Authority entered into a Memorandum of Understanding (MOU) with the Economic Development Authority of the City of Williamsburg, Virginia (EDA-WMSBG) and the Economic Development Authority of York County, Virginia (EDA-YORK) regarding the operation of a regional business incubator, later named the Triangle Business and Innovation Center (TBIC). The parties to this MOU agreed to jointly operate the TBIC commencing January 1, 2013 to provide startup opportunities for small businesses and encourage the businesses to remain in the participating localities.

   In addition, the Authority received $69,000 from EDA-WMSBG and EDA-YORK for their contributions to the TBIC for calendar year 2013. Of this amount, $34,500 was recognized as revenue in the accompanying statements of revenues, expenses, and changes in net position when earned in fiscal year 2014. EDA-WMSBG and EDA-YORK provided an additional $17,250 each in fiscal year 2014 for their remaining contributions due for that fiscal year.

   The Authority recorded payables to EDA-WMSBG and EDA-YORK in the amount of $16,901 each for their shares of the TBIC's revenues in excess of costs. These payables are recorded in the accompanying balance sheets for fiscal year 2014. In fiscal year 2015, the Board made a resolution to keep any TBIC revenue to cover TBIC expenses and these payables were reversed. The reverse is recorded in the accompanying balance sheet for fiscal year 2015.

   For fiscal years 2015 and 2014, TBIC related expenses are included in community development expenses in the accompanying statements of revenues, expenses, and changes in net position.

   In fiscal year 2015, the Authority along with EDA-WMSBG and EDA-York entered into a new MOU regarding the creation and operation of TBIC. The Authority is to remain the fiscal agent of TBIC, unless the Incubator Board votes to select another fiscal agent. The MOU stated that the Parties shall equally share all revenues in excess of operating costs of the Incubator. In fiscal year 2015, the Board made a resolution that authorized any TBIC revenue be utilized to cover TBIC expenses instead of equally sharing the amount between the Parties. The three financial and management partners concurred that the unspent funds should remain in the Triangle Business and Innovation Center (TBIC) account and should be utilized for operating and marketing expenses for TBIC.

In fiscal year 2015, the Authority, along with EDA-WMSBG and EDA-YORK, entered into an agreement with Small Business Development Center of Hampton Roads (SBDC) for the operation of management for TBIC. The term of the agreement is for one year terminating on September 30, 2015 and the Parties may renew the agreement for an additional year. The Authority will pay SBDC $45,240 for a management service fee in equal quarterly installments. In addition, the SBDC shall pay $22,260 towards the compensation of a manager of TBIC. The Authority will pay certain costs of operating the TBIC. During fiscal year 2015, $28,644 was paid to SBDC for this agreement.

On May 1, 2015, the Authority along with EDA-WMSBG and EDA-YORK entered into a lease agreement for the Triangle Business and Innovation Center (TBIC) location. The initial term shall be for five years and one month, with the option to extend the term of the lease for one period of five years from the expiration date of the initial lease term. The initial term base rent is:

Fiscal years ending June 30:	
2016	$66,150
2017	$68,135
2018	$70,179
2019	$72,284
2020	$74,453
Total	$351,201

D. During fiscal year 2009, the Authority entered into two performance based agreements with a business currently operating in the County that intended to make significant investments in new machinery and tools at its manufacturing facility. In addition, a third agreement was set forth during fiscal year 2010. During fiscal year 2014, the amounts of taxable tangible business personal property reported by the business for prior years were revisited and were under ongoing review.

In fiscal year 2015, the Authority entered into a settlement agreement with the local manufacturing facility. The parties also chose to end all previous performance based agreements. In the new agreement, the parties agreed that in full accord and satisfaction of the agreements, the Authority will provide funds in the amount of $82,000. This amount is included in payables in the accompanying balance sheet.

E. The Authority entered into an agreement with Renwood Farms, Inc. (Renwood), the previous owner of the Mainland Farm from whom the Authority purchased the farm during 2002, whereby Renwood agreed to operate a farm on the property for a fixed fee of $29,188 per year and a share of the proceeds from the sale of farm goods. During fiscal year 2012, the Authority renewed its agreement with Renwood, retaining the terms of the 2002 agreement through the end of calendar year 2012. During fiscal year 2013, the Authority entered into a new agreement with Renwood, commencing on February 1, 2013 and ending on January 31, 2016, with the option of renewal. Under the new agreement, Renwood will be compensated solely from the proceeds from the sale of farm goods, and Renwood will pay the Authority $14,725 on December 31 each year during the term of the agreement.

In fiscal year 2014, the Authority transferred ownership of the Mainland Farm property with the intent that the County would grant an easement on the property to the Williamsburg Land Conservancy. In October 2013, the County accepted the transfer and assigned the rights to the lease income earned from the property to the Authority.

* * * * *

Economic Development Authority of James City County, Virginia
(A Component Unit of the County of James City, Virginia)

Compliance Section

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

Members
Economic Development Authority of
James City County, Virginia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the ***Economic Development Authority of James City County, Virginia*** as of and for the year ended June 30, 20155, and the related notes to the financial statements, which collectively comprises the ***Economic Development Authority of James City County, Virginia's*** basic financial statements, and have issued our report thereon dated October 8, 2015.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the ***Economic Development Authority of James City County, Virginia's*** internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the ***Economic Development Authority of James City County, Virginia's*** internal control. Accordingly, we do not express an opinion on the effectiveness of the ***Economic Development Authority of James City County, 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 over financial reporting 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.

DIXON HUGHES GOODMAN LLP

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the ***Economic Development Authority of James City County, Virginia's*** financial statements are free of 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 purposes.

Dixon Hughes Goodman LLP

Newport News, Virginia
October 8, 2015

Economic Development Authority of James City County, Virginia
(A Component Unit of the County of James City, Virginia)

Other Information

Economic Development Authority of James City County, Virginia
(A Component Unit of the County of James City, Virginia)

Balance Sheets - by Activity

June 30, 2015 *(with comparative totals for 2014)*	**Authority Operations**	**Regional Incubator Operations**	**Totals 2015**	**Totals 2014**
Assets				
Current assets				
Cash and short-term investments	$ 1,119,182	118,823	$ 1,238,005	$ 1,358,901
Due from James City County	82,000	-	82,000	218,108
Interest receivable	640	-	640	845
Bond fee receivable	4,807	-	4,807	-
Current portion of notes receivable (Note 5)	3,220	-	3,220	-
Total current assets	1,209,849	118,823	1,328,672	1,577,854
Notes receivable, net of current portion (Note 5)	12,019	-	12,019	16,981
Capital assets				
Land	233,106	-	233,106	233,106
Construction in progress	166,510	-	166,510	166,510
Furniture and equipment	5,119	-	5,119	5,119
Software costs	7,600	-	7,600	7,600
Total capital assets	412,335	-	412,335	412,335
Less accumulated depreciation	6,565	-	6,565	4,533
Net capital assets	405,770	-	405,770	407,802
	$ 1,627,638	$ 118,823	$ 1,746,461	$ 2,002,637
Liabilities and Net Position				
Current liabilities				
Accounts payable	$ 82,626	17,564	$ 100,190	$ 240,013
Due to James City County	409	-	409	171
Total current liabilities	83,035	17,564	100,599	240,184
Net position				
Net investment in capital assets	405,770	-	405,770	407,802
Unrestricted	1,138,833	101,259	1,240,092	1,354,651
Total net position	1,544,603	101,259	1,645,862	1,762,453
Total liabilities and net position	$ 1,627,638	$ 118,823	$ 1,746,461	$ 2,002,637

See accompanying independent auditors' report.

Economic Development Authority of James City County, Virginia
(A Component Unit of the County of James City, Virginia)

Schedule of Revenues, Expenses, and Changes in Net Position - by Activity

Year Ended June 30, 2015 *(with comparative totals for year ended June 30, 2014)*	**Authority Operations**	**Regional Incubator Operations**	**Totals 2015**	**Totals 2014**
Operating revenues				
Lease income	$ 20,575	$ -	$ 20,575	$ 14,725
County contribution	93,946	-	93,946	83,297
Bond fees	22,860	-	22,860	19,050
Incubator member contributions	-	69,000	69,000	69,000
Authority's contribution	(34,500)	34,500	-	-
Incubator client revenue	-	5,650	5,650	15,375
Miscellaneous revenue	5,314	-	5,314	-
Total operating revenues	108,195	109,150	217,345	201,447
Operating expenses				
Community development	136,645	28,448	165,093	215,133
Performance based agreements	82,000	-	82,000	41,994
Promotion	61,648	1,000	62,648	59,908
Professional fees	20,352	-	20,352	16,038
Telecommunications	-	4,802	4,802	4,512
Utilities	-	2,764	2,764	2,571
Leases	-	5,513	5,513	-
Note forgiveness	1,742	-	1,742	1,882
Other expenses	749	-	749	366
Total operating expenses before depreciation	303,136	42,527	345,663	342,404
Operating income (loss) before depreciation	(194,941)	66,623	(128,318)	(140,957)
Depreciation	2,032	-	2,032	2,075
Operating income (loss)	(196,973)	66,623	(130,350)	(143,032)
Nonoperating revenues (expenses)				
Loss on the transfer of property	-	-	-	(2,250,000)
Interest income	13,759	-	13,759	15,385
Net nonoperating revenues (expenses)	13,759	-	13,759	(2,234,615)
Change in net position	(183,214)	66,623	(116,591)	(2,377,647)
Net position - beginning of year	1,762,453	-	1,762,453	4,140,100
Net position - end of year	$ 1,579,239	$ 66,623	$ 1,645,862	$ 1,762,453

See accompanying independent auditors' report.

Economic Development Authority of James City County, Virginia
(A Component Unit of the County of James City, Virginia)

Schedule of Revenue Bonds Outstanding - Conduit Debt (Unaudited)

June 30, 2015

Bond	Date Issued	Balance
Virginia United Methodist Homes of Williamsburg, Inc., Series 2013A Senior	05/31/13	$ 30,000,160
Virginia United Methodist Homes of Williamsburg, Inc., Series 2013A Subordinated	05/31/13	9,897,733
Virginia United Methodist Homes of Williamsburg, Inc., Series 2013B Senior	05/31/13	6,500,000
Virginia United Methodist Homes of Williamsburg, Inc., Series 2013C Senior	05/31/13	2,000,000
Lease Revenue Bonds-Public Facilities Project (James City County)	12/28/06	52,665,000
Lease Revenue Bonds-Virginia Capital Projects (James City County)	09/11/12	22,265,000
Lease Revenue Bonds-Series 2011-James City County	09/30/11	4,669,000
Lease Revenue Refunding Bonds - Series 2014 - James City County	08/04/14	12,575,000
Revenue and Refunding Bond - Residential Care Facility First Mortgage	05/11/05	17,940,000
Build America Lease Revenue Bonds- James City County	09/23/09	11,430,000
Revenue Refunding Bond- William and Mary Foundation, Series 2011 (refunding Variable Rate Revenue Bond-William and Mary Foundation, Series 2006 issued 12/01/06)	01/17/12	8,090,000
Revenue Bond, Series B 2003 - Williamsburg Landing Inc.	09/01/03	5,590,000
Economic Development Revenue Bond - Christopher Newport University Educational Foundation	05/18/01	2,702,119
		$186,324,012

Economic Development Authority of James City County, Virginia
(A Component Unit of the County of James City, Virginia)

Schedule of Revenue Bonds Outstanding - Conduit Debt (Unaudited)

June 30, 2014

Bond	Date Issued	Balance
Virginia United Methodist Homes of Williamsburg, Inc., Series 2013A Senior	05/31/13	$ 30,000,160
Virginia United Methodist Homes of Williamsburg, Inc., Series 2013A Subordinated	05/31/13	9,897,733
Virginia United Methodist Homes of Williamsburg, Inc., Series 2013B Senior	05/31/13	6,500,000
Virginia United Methodist Homes of Williamsburg, Inc., Series 2013C Senior	05/31/13	2,000,000
Lease Revenue Bonds-Public Facilities Project (James City County)	12/28/06	57,455,000
Lease Revenue Bonds-Virginia Capital Projects (James City County)	09/11/12	23,930,000
Lease Revenue Bonds, Series 2005-James City County	08/24/05	15,670,000
Lease Revenue Bonds-Series 2011-James City County	09/30/11	5,336,000
Revenue and Refunding Bond - Residential Care Facility First Mortgage	05/11/05	17,955,000
Build America Lease Revenue Bonds- James City County	09/23/09	12,025,000
Revenue Refunding Bond- William and Mary Foundation, Series 2011 (refunding Variable Rate Revenue Bond-William and Mary Foundation, Series 2006 issued 12/01/06)	01/17/12	8,090,000
Revenue Bond, Series B 2003 - Williamsburg Landing Inc.	09/01/03	5,590,000
Economic Development Revenue Bond - Association for the Preservation of Virginia Antiquities	11/16/04	4,125,000
Economic Development Revenue Bond - Christopher Newport University Educational Foundation	05/18/01	2,774,119
Economic Development Revenue Bond - Sixty West	12/19/84	129,960
		$ 201,477,972

Unaudited - See accompanying independent auditors' report.