

*Lake Country Airport Commission*  
*Annual Comprehensive Financial Report*  
*Years Ended June 30, 2024 and 2023*



*Creedle, Jones*  
*& Associates, P.C.*  
*Certified Public Accountants*

## Lake Country Airport Commission

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## INDEPENDENT AUDITOR'S REPORT

To the Commissioners  
Lake Country Airport Commission

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the accompanying financial statements of the business-type activities of the Lake Country Airport Commission, as of and for the years ended June 30, 2024 and 2023 and the related notes to the financial statements, which collectively comprise the Lake Country Airport Commission's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Lake Country Airport Commission, as of June 30, 2024 and 2023, and the respective changes in the financial position and, where applicable, cash flows, thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

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

#### **Change in Accounting Principle**

As described in Note 2 to the financial statements, in 2024, the Commission adopted new accounting guidance, GASB Statement No. 99, Omnibus 2022 and No. 100, Accounting Changes and Error Corrections. Our opinion is not modified with respect to this matter.

#### **Responsibilities of Management for the Financial Statements**

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

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 1-2 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 1, 2025, on our consideration of the Lake Country Airport Commission'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 Lake Country Airport Commission'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 Lake Country Airport Commission's internal control over financial reporting and compliance.

*Creedle, Jones & Associates, P.C.*

Creedle, Jones & Associates, P.C.  
Certified Public Accountants

South Hill, Virginia  
July 1, 2025

## Lake Country Airport Commission

### Management's Discussion and Analysis

As of June 30, 2024 and 2023

Our discussion and analysis of the Lake Country Airport Commission's financial performance provides an overview of the Commission's financial activities for the year ended June 30, 2024. Please read this information in conjunction with the Lake Country Airport Commission's basic financial statements.

#### OVERVIEW OF THE FINANCIAL STATEMENTS

The Lake Country Airport Commission (the "Commission") presents three basic financial statements. These are: (1) Statements of Net Position; (2) Statements of Revenues, Expenses, and Changes in Net Position; and (3) Statements of Cash Flows.

Our financial position is measured in terms of resources (assets) we own and obligations (liabilities) we owe on a given date. This information is reported on the Statements of Net Position, which reflects the Commission's assets in relation to its debt to creditors. The excess of our assets over liabilities is our equity or net position.

Information regarding the results of our operation during the year is reported in the Statements of Revenues, Expenses, and Changes in Net Position. This statement shows how much our overall net position increased or decreased during the year as a result of our operations and for other reasons.

Our Statements of Cash Flows discloses the flow of cash resources into and out of the Commission during the year and how we applied those funds.

#### FINANCIAL SUMMARY

**Financial Position.** A summary of the Commission's Statements of Net Position for 2024 and 2023 is presented below:

	<u>2024</u>	<u>2023</u>
Total Assets	<u>\$ 4,702,788</u>	<u>\$ 4,627,852</u>
Total Liabilities	<u>\$ 195</u>	<u>\$ 27,012</u>
<b>Net Position</b>		
Net investment in capital assets	<u>4,513,778</u>	4,350,705
Unrestricted	<u>188,815</u>	250,135
Total Net Position	<u>4,702,593</u>	<u>4,600,840</u>
Total Liabilities and Net Position	<u>\$ 4,702,788</u>	<u>\$ 4,627,852</u>

The overall financial position of the Commission increased in the year ended June 30, 2024. Assets increased by \$74,936, while liabilities decreased by \$26,817.

**Change in Net Position.** A summary of the Commission's Statements of Revenues, Expenses, and Changes in Net Position for the years ended June 30, 2024 and 2023 is presented below:

**Condensed Statements of Revenues, Expenses,  
and Changes in Net Position**

	<u>2024</u>	<u>2023</u>
Operating Revenue	\$ 16,760	\$ 19,511
Operating Expenses	<u>106,191</u>	<u>128,784</u>
Net Operating Loss	(89,431)	(109,273)
Non-Operating Revenue	191,929	1,461,287
Non-Operating Expenses	<u>(745)</u>	<u>(7,260)</u>
Change in Net Position	<u>\$ 101,753</u>	<u>\$ 1,344,754</u>

During the year, the Commission had a net operating loss of \$89,431. The Commission had non-operating income in the form of interest income, state reimbursement, as well as contributions from localities, which amounted to \$191,929. Operating expenses of \$106,191 included fuel, professional fees, insurance, repairs and maintenance, depreciation and amortization, and utilities. Non-operating expenses amounted to \$745 which is interest on debt.

Net position increased by \$101,753 in the year ending June 30, 2024.

**Cash Flows.** A summary of the Commission's Statements of Cash Flows for the years ended June 30, 2024 and 2023 is presented below:

**Condensed Statements of Cash Flows**

	<u>2024</u>	<u>2023</u>
<b>Cash Flows Provided by (Used in)</b>		
Operating activities	\$ (31,861)	\$ (57,679)
Non-capital financing activities	190,575	1,460,728
Capital and related financing activities	(239,712)	(1,353,692)
Investing activities	<u>1,353</u>	<u>559</u>
Net Increase (Decrease) in Cash	<u>\$ (79,645)</u>	<u>\$ 49,916</u>

Cash flows from operating activities consist of rent, fuel sales and payments to suppliers, creating a negative cash flow.

Cash flows from non-capital financing activities net to \$190,575 consisting of receipts from localities and receipts from the state reimbursement program.

Cash flows from capital and related financing activities consist of the purchase of property and equipment, principal on debt and interest payments on debt.

Cash flows from investing activities net to \$1,353 consisting of interest income.

During the year, there was a decrease of \$79,645 in cash.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the Commission's finances and to demonstrate the Commission's accountability for the money it receives. Questions concerning this report or requests for additional information should be directed to the Chairman, Lake Country Airport Commission, 413 Virginia Avenue, Clarksville, Virginia 23927, telephone 434-374-8028.

# **BASIC FINANCIAL STATEMENTS**

## Lake Country Airport Commission

## Statements of Net Position

As of June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash in bank	\$ 117,186	\$ 197,736
Cash held by vendor	1,253	348
Inventory	<u>13,092</u>	<u>13,994</u>
Total Current Assets	<b>131,531</b>	212,078
<b>Noncurrent Assets</b>		
<i>Capital Assets</i>		
Land	440,123	440,123
Land improvements	4,178,607	457,969
Construction-in-progress	-	3,524,628
Building and hangars	175,737	166,427
Equipment	250,663	242,791
Vehicles	1,500	1,500
Less: Accumulated depreciation	<u>(532,852)</u>	<u>(482,733)</u>
Total Noncurrent Assets	<b>4,513,778</b>	4,350,705
<b>Other Assets</b>		
Wetlands Mitigation	113,854	113,854
Less: Accumulated amortization	<u>(56,375)</u>	<u>(48,785)</u>
Net Other Assets	<u>57,479</u>	<u>65,069</u>
Total Assets	<b><u>\$ 4,702,788</u></b>	<b><u>\$ 4,627,852</u></b>
<b>Liabilities and Net Position</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 195	\$ 1,237
Line of credit	<u>-</u>	<u>25,775</u>
Total Current Liabilities	<b>195</b>	27,012
<b>Long-Term Liabilities</b>		
Total Liabilities	<b>195</b>	27,012
Net investment in capital assets	4,513,778	4,350,705
Unrestricted	<u>188,815</u>	<u>250,135</u>
Total Net Position	<u>4,702,593</u>	<u>4,600,840</u>
Total Liabilities and Net Position	<b><u>\$ 4,702,788</u></b>	<b><u>\$ 4,627,852</u></b>

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

## Lake Country Airport Commission

## Statements of Revenues, Expenses, and Changes in Net Position

Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<b>Operating Revenues</b>		
Fuel sales	\$ 9,555	\$ 9,416
Rental income	<u>7,205</u>	<u>10,095</u>
Total Operating Revenues	<b>16,760</b>	19,511
<b>Operating Expenses</b>		
Fuel and gas	10,281	10,340
Professional fees	4,500	4,350
Consulting	-	1,463
Advertising	125	100
Bank fees	-	150
Fire safety	253	-
Dues	100	100
Insurance	13,085	11,264
Repairs and maintenance	11,008	17,577
Utilities	5,871	5,702
Postage and office	291	531
Supplies	-	453
Depreciation - operations	50,120	52,408
Amortization	7,590	7,590
Vehicle	1,992	108
Brush control	720	5,500
Tree removal	-	11,000
Miscellaneous	<u>255</u>	<u>148</u>
Total Operating Expenses	<u>106,191</u>	<u>128,784</u>
Operating Loss	<b>(89,431)</b>	(109,273)
<b>Non-Operating Revenues (Expenses)</b>		
Interest income	1,353	559
Interest expense	(745)	(743)
State Reimbursement Program	127,143	1,097,428
Contributions from local governments	63,000	359,500
Insurance proceeds	-	93
Miscellaneous income	433	3,707
Depreciation - rentals	<u>-</u>	<u>(6,517)</u>
Total Non-Operating Revenues (Expenses)	<u>191,184</u>	<u>1,454,027</u>
Change in Net Position	<b>101,753</b>	1,344,754
Net Position - Beginning of Year	<u>4,600,840</u>	<u>3,256,086</u>
Net Position - End of Year	<u>\$ 4,702,593</u>	<u>\$ 4,600,840</u>

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

## Lake Country Airport Commission

## Statements of Cash Flows

Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<b>Cash Flows from Operating Activities</b>		
Sales of fuel	\$ 9,555	\$ 9,416
Rental income	7,205	10,095
Payments to suppliers	<u>(48,621)</u>	<u>(77,190)</u>
Net Cash Used in Operating Activities	<b>(31,861)</b>	(57,679)
<b>Cash Flows from Non-Capital Financing Activities</b>		
Receipts from localities	63,000	359,500
Receipts from State Reimbursement Program	127,142	1,097,428
Miscellaneous income	433	3,707
Insurance recoveries	<u>-</u>	<u>93</u>
Net Cash Provided by Non-Capital Financing Activities	<b>190,575</b>	1,460,728
<b>Cash Flows from Capital and Related Financing Activities</b>		
Proceeds from short-term notes	-	52,500
Purchase of property and equipment	(213,192)	(1,378,724)
Principal payments on debt	(25,775)	(26,725)
Interest payments on debt	<u>(745)</u>	<u>(743)</u>
Net Cash Used in Capital and Related Financing Activities	<b>(239,712)</b>	(1,353,692)
<b>Cash Flows from Investing Activities</b>		
Interest income	<u>1,353</u>	<u>559</u>
Net Cash Provided by Investing Activities	<u>1,353</u>	559
Net Increase (Decrease) in Cash and Cash Equivalents	<b>(79,645)</b>	49,916
Cash and Cash Equivalents - Beginning of Year	<u>198,084</u>	<u>148,168</u>
Cash and Cash Equivalents - End of Year	<u>\$ 118,439</u>	<u>\$ 198,084</u>
<b>Reconciliation of Operating Loss to Net Cash Used in Operating Activities</b>		
Operating loss	\$ (89,431)	\$ (109,273)
Depreciation	50,120	52,408
Amortization	7,590	7,590
(Increase) Decrease in inventory	902	(8,697)
Increase (Decrease) in accounts payable	<u>(1,042)</u>	<u>293</u>
Net Cash Used in Operating Activities	<u>\$ (31,861)</u>	<u>\$ (57,679)</u>

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

## Lake Country Airport Commission

### Notes to the Financial Statements

Years Ended June 30, 2024 and 2023

#### 1 Organization, Description of the Entity and Its Activities

The Lake Country Airport Commission (the "Commission") is a political subdivision of the Commonwealth of Virginia duly created pursuant to Chapter 3 of Chapter 680 of the Acts of the Virginia General Assembly of 2005 as amended and by resolution of the Towns of Boydton, Virginia and Clarksville, Virginia. The purpose of the Commission is to establish and operate an airport or landing field for the Boydton and Clarksville region.

An eight-member Board shall consist of members from the participating towns and county, the membership being composed of three members from the Town of Clarksville, Virginia, three members from the County of Mecklenburg, Virginia, and two members from the Town of Boydton, Virginia, each appointed by the governing bodies thereof, respectively. Although not listed in the bylaws, the County of Mecklenburg, Virginia has requested that an eighth member be added to the Board to represent the Board of Supervisors. Accordingly, the current Board consists of eight members who are to serve terms of three years each which are staggered so that no more than three Board member's terms will expire in one year.

#### 2 Significant Accounting Policies

##### *Financial Statement Presentation*

The financial statements of the Lake Country Airport Commission have been prepared in conformity with the specifications promulgated by the Auditor of Public Accounts (APA) of the Commonwealth of Virginia, and the accounting principles generally accepted in the United States as specified by the Governmental Accounting Standards Board. The more significant of the Commission's accounting policies are described below:

##### *Basis of Accounting*

The Commission's accounting system is organized and operated on a fund basis. A fund records cash and other financial resources, together with all related liabilities, obligations, reserves, and residual equity, which is segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Proprietary Funds account for activities similar to those found in the private sector. The measurement focus is upon determination of net income. The Commission utilizes one type of Proprietary Fund with that being an Enterprise Fund.

Enterprise Funds account for operations that are financed and operated in a manner similar to private business enterprises. The intent of the Commission is that the cost of providing services to the general public be financed or recovered through user charges. In the Commission's operation, costs are represented by interest expense and financing cost, while user charges consist of interest income earned on receivables.

The Commission utilizes the accrual basis of accounting under which revenues are recorded in the period earned and expenses are recorded when the related liabilities are incurred.

The Commission may realize its assets and liquidate its liabilities in operating cycles, which range from very short to very long periods. The accompanying financial statements are presented in a nonclassified format because working capital concepts are not indicative of its operating cycle.

### ***Capital Assets***

Capital outlays are recorded as assets on the financial statements. Depreciation is recorded using the straight-line method and the following estimated useful lives:

Building and hangars	10-40 years
Land improvements	7-20 years
Equipment	5-15 years
Vehicles	5 years

All fixed assets are valued at historical cost. Maintenance, repairs, and minor equipment are charged to operations when incurred. Expenses that materially change capacities or extend useful lives are capitalized. Upon sale or retirement of land, buildings, and equipment, the cost and related accumulated depreciation, if applicable, are eliminated from the respective accounts and any resulting gain or loss is included in the results of operations.

### ***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 until then.

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 until that time.

### ***Net Position***

Net position is the difference between a) assets and deferred outflows of resources and b) liabilities and deferred inflows of resources. Net investment in capital assets represent capital assets, less accumulated depreciation, less any outstanding debt related 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 also included in this component of net position. Net position is reported as restricted when there are limitations imposed on their use through the enabling legislation adopted by the Commission or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

### ***Net Position Flow Assumptions***

Sometimes the Commission 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 Commission's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

### ***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.

### ***Adoption of New GASB Statements***

The Commission adopted the following GASB statements during the year ended June 30, 2024:

In April 2022, GASB Issued Statement No. 99, Omnibus 2022. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. Certain requirements of this statement have been implemented as of June 30, 2022. The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. The requirements of this statement are effective for the fiscal year ending June 30, 2024 for the Commission.

In June 2022, GASB Issued Statement No. 100, Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62. The objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. The requirements of this statement are effective for the fiscal year ending June 30, 2024 for the Commission.

## **3 Cash and Cash Equivalents**

All cash of the Commission is maintained in accounts collateralized in accordance with the Virginia Security for Public Deposits Act, Section 2.2-4400 et seq. of the Code of Virginia or covered by Federal Depository Insurance.

The Commission considers all investments purchased with a maturity of three months or less to be cash equivalents.

## **4 Inventory**

Management estimates that the fuel tank has a 2,000-gallon capacity and that at year end there were 2,281 gallons of usable fuel held in the tank. The Commission uses the FIFO method to account for inventory, as such, the value of the gas inventory is estimated to be \$13,092.

## 5 Capital Assets

The schedule below shows the breakdown of capital assets by category at June 30, 2024:

	<u>Balance</u> <u>July 1, 2023</u>	<u>Acquired</u> <u>(Increased)</u>	<u>Disposed</u> <u>(Decreased)</u>	<u>Balance</u> <u>June 30, 2024</u>
Land	\$ 440,123	\$ -	\$ -	\$ 440,123
Land improvements	457,969	3,720,638	-	4,178,607
Construction-in-progress	3,524,628	-	(3,524,628)	-
Buildings and hangars	166,427	9,310	-	175,737
Equipment	242,791	7,872	-	250,663
Vehicles	<u>1,500</u>	<u>-</u>	<u>-</u>	<u>1,500</u>
Total Cost	4,833,438	3,737,820	(3,524,628)	5,046,630
Less: Accumulated depreciation for				
Land improvements	238,408	30,810	-	269,218
Buildings and hangars	72,329	6,601	-	78,930
Equipment	170,496	12,708	-	183,204
Vehicles	<u>1,500</u>	<u>-</u>	<u>-</u>	<u>1,500</u>
Total Accumulated Depreciation	<u>482,733</u>	<u>50,119</u>	<u>-</u>	<u>532,852</u>
Capital Assets, Net	<u>\$ 4,350,705</u>	<u>\$ 3,687,701</u>	<u>\$ (3,524,628)</u>	<u>\$ 4,513,778</u>

## 6 Other Assets

The schedule below shows the breakdown of other assets by category at June 30, 2024:

	<u>Balance</u> <u>July 1, 2023</u>	<u>Acquired</u> <u>(Increased)</u>	<u>Disposed</u> <u>(Decreased)</u>	<u>Balance</u> <u>June 30, 2024</u>
Wetlands Mitigation	\$ 113,854	\$ -	\$ -	\$ 113,854
Less: Amortization	<u>(48,785)</u>	<u>(7,590)</u>	<u>-</u>	<u>(56,375)</u>
Net Other Assets	<u>\$ 65,069</u>	<u>\$ (7,590)</u>	<u>\$ -</u>	<u>\$ 57,479</u>

## 7 Line of Credit

The Commission has the following line of credit as of June 30, 2024:

	<u>Beginning</u> <u>Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending</u> <u>Balance</u>
Benchmark Community Bank unsecured \$150,000 line of credit that renews annually.	<u>\$ 25,775</u>	<u>\$ -</u>	<u>\$ 25,775</u>	<u>\$ -</u>

## 8 Contributions from Local Government

Local government contributions were as follows:

County of Mecklenburg, Virginia	\$	50,000
Town of Clarksville, Virginia		13,000

## 9 Net Investment in Capital Assets

The “net investment in capital assets” amounts reported on the Statements of Net Position as of June 30, 2024 and 2023 are determined as follows:

	<u>2024</u>	<u>2023</u>
<b>Net Investment in Capital Assets</b>		
Cost of capital assets	\$ 5,046,630	\$4,833,438
Less: Accumulated depreciation	<u>(532,852)</u>	<u>(482,733)</u>
Book value	4,513,778	4,350,705
Less: Capital related debt	<u>-</u>	<u>-</u>
Net Investment in Capital Assets	<u>\$ 4,513,778</u>	<u>\$4,350,705</u>

## 10 Upcoming Pronouncements

GASB Statement No. 101, *Compensated Absences* – The objective of this Statement is to better meet the information needs of the financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

GASB Statement No. 102, *Certain Risk Disclosures* – The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government’s vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter.

GASB Statement No. 103, *Financial Reporting Model Improvements* – The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government’s accountability. This Statement also addresses certain application issues. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

## 11 Subsequent Events

Management has performed an analysis of the activities and transactions subsequent to June 30, 2024 to determine the need for any adjustments to and/or disclosures within the audited financial statements for the year ended June 30, 2024. Management has performed their analysis through July 1, 2025.

# COMPLIANCE



**INDEPENDENT AUDITOR'S 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 Commissioners  
Lake Country Airport Commission

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 *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 Lake Country Airport Commission, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Lake Country Airport Commission's basic financial statements, and have issued our report thereon dated July 1, 2025.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Lake Country Airport Commission'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Lake Country Airport Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of Lake Country Airport Commission's internal control.

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

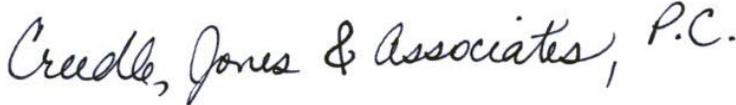
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

### Report on Compliance and Other Matters

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

### Purpose of this Report

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



Creedle, Jones & Associates, P.C.  
Certified Public Accountants

South Hill, Virginia  
July 1, 2025