

**INDUSTRIAL DEVELOPMENT AUTHORITY  
OF LOUISA COUNTY, VIRGINIA**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED JUNE 30, 2024**

**INDUSTRIAL DEVELOPMENT AUTHORITY**

**OF LOUISA COUNTY, VIRGINIA**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024**

**DIRECTORS**

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Dustin Madison, Chairman

Donald Bishop, Vice Chairman

Jeff Martin

Bo Bundrick

Mark Tubbs

Page Kemp

Nathan Newcomb

Duane Adams, Board of Supervisors Liason

Brittany Shupe, Treasurer/Administrator

## TABLE OF CONTENTS

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	<u>Page</u>
Front Cover	1
Directory of Officials	2
Table of Contents	3
Independent Auditors' Report	4-6
<b><u>Basic Financial Statements</u></b>	
Statement of Net Position	8
Statement of Revenues, Expenses and Changes in Net Position	9
Statement of Cash Flows	10
Notes to Financial Statements	11-21
<b><u>Supplementary Information</u></b>	
Combining Statement of Net Position	23
Combining Statement of Revenues, Expenses and Changes in Net Position	24
Combining Statement of Cash Flows	25
<b><u>Compliance:</u></b>	
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	27-28
Schedule of Findings and Responses	29
Schedule of Findings and Responses	30



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**Independent Auditors' Report**

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**To the Honorable Members of  
Industrial Development Authority of Louisa County, Virginia  
Louisa, Virginia**

**Report on the Audit of the Financial Statements**

***Opinion***

We have audited the accompanying financial statements of the business-type activities of the Industrial Development Authority of Louisa County, Virginia, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of the Industrial Development Authority of Louisa County, Virginia, as of June 30, 2024, and the changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Authorities, Boards, and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Industrial Development Authority of Louisa County, Virginia, 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 opinion.

***Responsibilities of Management 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.

### ***Responsibilities of Management for the Financial Statements (Continued)***

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 Industrial Development Authority of Louisa County, Virginia's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Industrial Development Authority of Louisa County, Virginia'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 Industrial Development Authority of Louisa County, Virginia's ability to continue as a going concern for a reasonable period of time.

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

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

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

## Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Industrial Development Authority of Louisa County, Virginia's basic financial statements. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 11, 2025, on our consideration of Industrial Development Authority of Louisa 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 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 Industrial Development Authority of Louisa County, Virginia's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Industrial Development Authority of Louisa County, Virginia's internal control over financial reporting and compliance.

*Robinson, Farmer, Cox Associates*

Charlottesville, Virginia  
September 11, 2025

## **Basic Financial Statements**

**INDUSTRIAL DEVELOPMENT AUTHORITY OF LOUISA COUNTY, VIRGINIA**

Combined Statement of Net Position  
As of June 30, 2024

	<b>Total</b>
<b>ASSETS</b>	
<b>Current Assets</b>	
Cash and cash equivalents	\$ 407,002
Accounts receivable	112,989
Prepaid expenses	5,730
Fuel inventory	9,642
<b>Total Current Assets</b>	<b>\$ 535,363</b>
<b>Noncurrent Assets</b>	
Airfield, fueling, and apron	\$ 6,751,973
Hangars	2,060,909
Parking lot and roadways	460,219
Fueling systems	170,312
Buildings	537,931
Equipment	282,430
Construction in progress	403,482
Total Capital Assets	\$ 10,667,256
Accumulated depreciation	7,550,818
<b>Net Noncurrent Assets</b>	<b>\$ 3,116,438</b>
<b>Other Assets</b>	
Land held for resale	\$ 551,996
Land held for resale - Cooke property	7,133,776
<b>Total Other Assets</b>	<b>\$ 7,685,772</b>
<b>TOTAL ASSETS</b>	<b>\$ 11,337,573</b>
<b>LIABILITIES</b>	
<b>Current Liabilities</b>	
Accounts payable	\$ 5,411
Tenant prepaid	24,425
<b>Total Current Liabilities</b>	<b>\$ 29,836</b>
<b>Long-Term Liabilities</b>	
Note payable - 208 land (see note 5)	\$ 7,180,056
<b>Total Long-Term Liabilities</b>	<b>\$ 7,180,056</b>
<b>TOTAL LIABILITIES</b>	<b>\$ 7,209,892</b>
<b>NET POSITION</b>	
Investment in capital assets	\$ 3,116,438
Unrestricted	1,011,243
<b>Total Net Position</b>	<b>\$ 4,127,681</b>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b>\$ 11,337,573</b>

The accompanying notes are an integral part of these financial statements.

**INDUSTRIAL DEVELOPMENT AUTHORITY OF LOUISA COUNTY, VIRGINIA**

Combined Statement of Revenues, Expenses and Changes in Net Position  
For the Year Ended June 30, 2024

	<u>Total</u>
<b>OPERATING REVENUES:</b>	
Tenant rental	\$ 165,336
Land lease income	79,491
FBO income	260
Sale of fuel inventory	233,933
Miscellaneous	<u>32,389</u>
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 511,409</b>
<b>OPERATING EXPENSES</b>	
Salaries and benefits	\$ 154,976
Payroll tax	11,900
Legal and professional services	28,643
Dues and subscriptions	1,904
Insurance	37,409
Cooke property expenses	352,291
AWOS expenses	2,400
Conferences	1,034
Utilities	18,360
Fuel	208,951
Repairs and maintenance	153,088
Office and other supplies	24,540
Projects	501,910
Depreciation	318,601
Miscellaneous	<u>13,678</u>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 1,829,685</b>
<b>OPERATING INCOME (LOSS)</b>	<b>\$ (1,318,276)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>	
Federal grants	\$ 55,723
County grants	174,423
Foundation grant	352,656
Interest income	477,702
Interest expense	(9,874)
Grant expense	<u>(120,541)</u>
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>\$ 930,089</b>
<b>INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS</b>	<b>\$ (388,187)</b>
<b>CAPITAL CONTRIBUTIONS</b>	
Virginia state grant	\$ <u>213,849</u>
Increase (decrease) in net position	\$ (174,338)
Net position, beginning of year	<u>4,302,019</u>
Net position, end of year	<b>\$ <u><u>4,127,681</u></u></b>

The accompanying notes are an integral part of these financial statements.

**INDUSTRIAL DEVELOPMENT AUTHORITY OF LOUISA COUNTY, VIRGINIA**

Combined Statement of Cash Flows  
For the Year Ended June 30, 2024

	<b>Total</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
County appropriations and operating grants	\$ 230,146
Receipts from customers and users	479,428
Payments to employees	(187,052)
Payments to suppliers	(1,321,768)
	<u>(799,246)</u>
<b>Net Cash Provided by (Used for) Operating Activities</b>	<b>\$ (799,246)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
State nonoperating contributions	\$ 213,849
Grant for loan interest	352,656
Grant payments	(120,541)
Payments on VRA loan	(356,042)
Interest and fiscal charges	(9,874)
Acquisition and construction of hangar	(297,747)
Acquisition of equipment	(2,314)
	<u>(220,013)</u>
<b>Net Cash Provided by (Used for) Capital and Related Financing Activities</b>	<b>\$ (220,013)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest Received	\$ 477,702
	<u>477,702</u>
<b>Net Cash Provided by (Used for) Investing Activities</b>	<b>\$ 477,702</b>
Net Increase (Decrease) in Net Position In Cash	\$ (541,557)
Cash and Cash Equivalents, beginning of year	948,559
	<u>948,559</u>
Cash and Cash Equivalents, end of year	<u>\$ 407,002</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</b>	
Operating income (loss)	\$ (1,318,276)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:	
Depreciation	318,601
Changes in operating assets and liabilities:	
(Increase) Decrease in Accounts Receivable	(43,318)
(Increase) Decrease in Prepaid Expense	19,445
(Increase) Decrease in Fuel Inventory	14,129
Increase (Decrease) in Accounts Payable and Accrued Expenses	(11,134)
Increase (Decrease) in Compensated Absences	(20,176)
Increase (Decrease) in Tenant Prepaid	11,337
	<u>11,337</u>
<b>Net Cash Provided by (Used for) Operating Activities</b>	<b>\$ (1,029,392)</b>

The accompanying notes are an integral part of these financial statements.

INDUSTRIAL DEVELOPMENT AUTHORITY OF LOUISA COUNTY, VIRGINIA

Notes to Financial Statements  
June 30, 2024

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. The Financial Reporting Entity:**

Industrial Development Authority of Louisa County, Virginia (the “Authority”) was created as a political subdivision of the Commonwealth of Virginia by ordinance of the governing body of Louisa County on February 6, 1978, pursuant to the provisions of the Industrial Development and Revenue Bond Act, Chapter 33, Section 15.1-1373, et seq., of the *Code of Virginia* (1950), as amended. The Authority is governed by seven directors appointed by the Board of Supervisors of Louisa County, Virginia. The essential purpose of the Authority is to provide a source of financing for industries locating their facilities in the County and to manage the airport located on the property.

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

**B. Related Organization:**

The Industrial Development Authority of Louisa County has been determined to be a related organization to the County of Louisa, Virginia because the Board of Supervisors appoints the board members of the Authority. Because no inherent financial benefit or burden exists between the County and the Authority, the County is not financially accountable for the Authority. Therefore, the financial statements of the Authority are not included in the County’s financial statements.

**C. Basic Financial Statements:**

Management’s Discussion and Analysis

Financial statements are accompanied by a narrative introduction and analytical overview of the Authority’s financial activities in the form of “Management’s Discussion and Analysis” (MD&A). Management has elected to omit the Management’s discussion and analysis in these financial statements.

Enterprise Fund Financial Statements

Since the Authority is only engaged in business-type activities, it is required to present only financial statements for Enterprise Funds. For the Authority, the basic financial statements consist of the following:

- a) Statement of Net Position
- b) Statement of Revenues, Expenses, and Changes in Net Position
- c) Statement of Cash Flows
- d) Notes to Financial Statements

**INDUSTRIAL DEVELOPMENT AUTHORITY OF LOUISA COUNTY, VIRGINIA**

**Notes to Financial Statements  
June 30, 2024 (Continued)**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)**

**D. Measurement Focus and Basis of Accounting:**

The Authority operates as an enterprise fund, and its accounts are maintained on the accrual basis of accounting. Under this method, revenues are recognized when earned, and expenses are recorded as liabilities when incurred, without regard to receipt or payment of cash. The Authority accrues revenue for services rendered but not yet billed at the end of the fiscal year. The accompanying financial statements are prepared in accordance with pronouncements issued by GASB. The principles prescribed by GASB represent generally accepted accounting principles applicable to governmental units.

The Authority distinguishes *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the Authority's principal ongoing operations. The principal operating revenues of the Authority are tenant rent charges, Fixed Base Operator (FBO) fees, and operating grants from the County. Operating expenses include airport operational expenses, payroll, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**E. Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Authority's cash and cash equivalents consist of cash on hand and money market accounts, both of which are readily convertible to known amounts of cash.

**F. Land for Resale:**

The Authority holds 212 acres of saleable land, valued at historical cost of \$609,249, as well as 35 acres of saleable land, valued at cost of \$299,948, less land sold of \$357,201. The Authority also holds the Cooke Industrial Rail Park, which contains 807 acres, and is held at the value for which it was purchased in 2014 of \$7,200,000, less land sold of \$19,944 and land donated of \$46,280. Costs related to Land for Resale are charged against income on a per acre basis when sold.

**G. Capital Assets:**

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the financial statements. Capital assets are defined by the Authority as assets with an initial, individual cost of more than \$2,500 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at cost on the date of purchase or acquisition value on the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. There was no interest capitalized during the fiscal year.

Property, plant, and equipment is depreciated using the straight-line method over the following estimated useful lives:

Airport and Terminal	10 to 40 years
Buildings	15 to 40 years
Furniture and Equipment	5 to 10 years

Depreciation expense totaled \$318,601 for the year ended June 30, 2024.

Notes to Financial Statements  
June 30, 2024 (Continued)

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)**

**H. 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.

**I. Deferred Inflows/Outflows of Resources**

In addition to assets, the Statement of Net Position includes a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Authority does not have any deferred outflows of resources as of June 30, 2024.

In addition to liabilities, the statement of financial position includes a separate section for deferred inflows of resources. Deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Authority does not have any deferred inflows of resources as of June 30, 2024.

**J. Net Position**

The difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

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

**INDUSTRIAL DEVELOPMENT AUTHORITY OF LOUISA COUNTY, VIRGINIA**

**Notes to Financial Statements  
June 30, 2024 (Continued)**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)**

**J. Net Position: (Continued)**

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

**NOTE 2 - DEPOSITS AND INVESTMENTS:**

**Deposits:**

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

**Investments:**

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

The Authority has no formal investment policy addressing the various risks related to investments. The Authority has no investments as of June 30, 2024.

**NOTE 3 – CASH AND CASH EQUIVALENTS**

The Authority maintains bank accounts at two banks. Accounts at an institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. As of June 30, 2024, the amount in excess of the FDIC limit total was \$39,545.

**INDUSTRIAL DEVELOPMENT AUTHORITY OF LOUISA COUNTY, VIRGINIA**

**Notes to Financial Statements  
June 30, 2024 (Continued)**

**NOTE 4 - CAPITAL ASSETS:**

A summary of changes in capital assets for the year follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets not being depreciated:				
Construction in progress	\$ 107,635	\$ 297,747	\$ 1,900	\$ 403,482
Total capital assets not being depreciated	<u>\$ 107,635</u>	<u>\$ 297,747</u>	<u>\$ 1,900</u>	<u>\$ 403,482</u>
Capital assets being depreciated:				
Airfield, fueling, and apron	\$ 6,751,973	\$ -	\$ -	\$ 6,751,973
Hangars	2,060,909	-	-	2,060,909
Parking lot and roadways	460,219	-	-	460,219
Fueling systems	170,312	-	-	170,312
Buildings	537,931	-	-	537,931
Equipment	278,216	4,214	-	282,430
Capital assets being depreciated	<u>\$ 10,259,560</u>	<u>\$ 4,214</u>	<u>\$ -</u>	<u>\$ 10,263,774</u>
Accumulated depreciation:				
Airfield, fueling, apron	\$ (4,931,632)	\$ (250,773)	\$ -	\$ (5,182,405)
Hangars	(1,232,134)	(27,883)	-	(1,260,017)
Parking lot and roadways	(460,219)	-	-	(460,219)
Fueling systems	(126,064)	(6,321)	-	(132,385)
Buildings	(333,098)	(12,152)	-	(345,250)
Equipment	(149,070)	(21,472)	-	(170,542)
Total accumulated depreciation	<u>\$ (7,232,217)</u>	<u>\$ (318,601)</u>	<u>\$ -</u>	<u>\$ (7,550,818)</u>
Capital assets being depreciated, net	<u>\$ 3,027,343</u>	<u>\$ (314,387)</u>	<u>\$ -</u>	<u>\$ 2,712,956</u>
Capital assets, net	<u>\$ 3,134,978</u>	<u>\$ (16,640)</u>	<u>\$ 1,900</u>	<u>\$ 3,116,438</u>

**NOTE 5 - LONG-TERM OBLIGATIONS:**

Changes in long-term obligations:

	<u>Beginning Balance</u>	<u>Issuances/ Additions</u>	<u>Retirements/ Deletions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Direct Borrowings:					
Note Payable - 208 land	\$ 7,180,056	\$ -	\$ -	\$ 7,180,056	\$ -
VRA loan	356,042	-	356,042	-	-
Compensated absences	20,176	-	20,176	-	-
Total long-term obligations	<u>\$ 7,556,274</u>	<u>\$ -</u>	<u>\$ 376,218</u>	<u>\$ 7,180,056</u>	<u>\$ -</u>

**INDUSTRIAL DEVELOPMENT AUTHORITY OF LOUISA COUNTY, VIRGINIA**

**Notes to Financial Statements  
June 30, 2024 (Continued)**

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**NOTE 5 - LONG-TERM OBLIGATIONS: (CONTINUED)**

Annual requirements to amortize the Authority's long-term obligations and related interest are as follows:

Year Ending June 30,	Direct Borrowings	
	Note Payable - 208 Land	
	Principal	Interest
2025	\$ -	\$ 359,003
2026	-	359,003
2027	-	359,003
2028	-	359,003
2029	-	359,003
2030-2034	<u>7,180,056</u>	<u>1,795,015</u>
Total loan outstanding	<u>\$ 7,180,056</u>	<u>\$ 3,590,030</u>

On June 12, 2014, the Authority purchased 807 acres zoned industrial for \$7,200,000. This land was financed by a non-recourse note payable over 20 years, principal on which will be due only as land is sold, and interest payable annually at a rate of 5%. The note is secured by the aforementioned land.

A local foundation has made a 20-year grant to the Authority providing annual grants of not less than the annual interest due on the non-recourse note.

On May 1, 2021, the Authority entered into a financing agreement with the Virginia Resource Authority (VRA). Under the terms of the financing agreement, the Authority may request funds up to \$400,000 in total from the VRA. Any funds received by the Authority accrue interest at a rate of 2.76%, with the payment of accrued interest only payable in December 2021. Beginning in June 2022, semi-annual payments of \$11,286 will be made towards any principal and interest outstanding on the loan, with any remaining balance due in June 2046. The full balance of the loan was paid off during the year ended June 30, 2024.

**NOTE 6 – LEASES:**

In August of 2022, the Authority entered into an agreement to lease the Cooke Industrial Rail Park property. According to the terms of the lease agreement, a diligence period of 66 months is to be recognized before any lease payments begin on the property. During this period, the lessee is permitted access to the property for purposes of testing and surveying of the property, and fees, not constituting lease payments, are due to the Authority as contractual milestones are met. During the diligence period, the lessee may terminate the agreement at any time.

**Notes to Financial Statements  
June 30, 2024 (Continued)**

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**NOTE 6 – LEASES: (CONTINUED)**

At the conclusion of the diligence period, the lease term of 240 months shall begin. The lessee has the option to renew the lease for 4 additional terms of 60 months each. During the lease term, lease payments will initially be \$700 per acre, increasing by 1.5% each year. Lease payments will be paid semi-annually. During the lease term, the lessee is permitted to terminate the lease after 180 months.

The lease is currently in the diligence period, and no lease payments are currently due from the lessee. Upon the commencement of the lease term, the Authority will recognize a receivable for the total value of all lease payments, as well as a deferred inflow to recognize lease revenue as it is earned.

**NOTE 7 - PENSION PLAN:**

***Plan Description***

All full-time, salaried permanent employees of the Authority are automatically covered by a VRS Retirement Plan upon employment, through the County of Louisa, Virginia. This is an agent multiple-employer plan administered by the Virginia Retirement System (the System) along with plans for other employer groups in the Commonwealth of Virginia. However, two other entities, the County of Louisa, Virginia and the Louisa County Water Authority, participate in the same VRS plan and report their proportionate information on the basis of a cost-sharing plan. Members earn one month of service credit for each month they are employed and for which they and their employer pay contributions to VRS. Members are eligible to purchase prior service, based on specific criteria as defined in the Code of Virginia, as amended. Eligible prior service that may be purchased includes prior public service, active military service, certain periods of leave, and previously refunded service.

***Benefit Structures***

The System administers three different benefit structures for covered employees – Plan 1, Plan 2 and Hybrid. Each of these benefit structures has different eligibility criteria, as detailed below.

- a. Employees with a membership date before July 1, 2010, vested as of January 1, 2013, and have not taken a refund, are covered under Plan 1, a defined benefit plan. Non-hazardous duty employees are eligible for an unreduced retirement benefit beginning at age 65 with at least 5 years of service credit or age 50 with at least 30 years of service credit. Non-hazardous duty employees may retire with a reduced benefit as early as age 55 with at least 5 years of service credit or age 50 with at least 10 years of service credit.
- b. Employees with a membership date from July 1, 2010 to December 31, 2013, that have not taken a refund or employees with a membership date prior to July 1, 2010 and not vested before January 1, 2013, are covered under Plan 2, a defined benefit plan. Non-hazardous duty employees are eligible for an unreduced benefit beginning at their normal social security retirement age with at least 5 years of service credit or when the sum of their age plus service credit equals 90. Non-hazardous duty employees may retire with a reduced benefit as early as age 60 with at least 5 years of service credit.

Notes to Financial Statements  
June 30, 2024 (Continued)

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**NOTE 7 - PENSION PLAN: (CONTINUED)**

***Benefit Structures: (Continued)***

- c. Non-hazardous duty employees with a membership date on or after January 1, 2014 are covered by the Hybrid Plan combining the features of a defined benefit plan and a defined contribution plan. Plan 1 and Plan 2 members also had the option of opting into this plan during the election window held January 1 – April 30, 2014 with an effective date of July 1, 2014. Employees covered by this plan are eligible for an unreduced benefit beginning at their normal social security retirement age with at least 5 years of service credit, or when the sum of their age plus service credit equal 90. Employees may retire with a reduced benefit as early as age 60 with at least 5 years of service credit. For the defined contribution component, members are eligible to receive distributions upon leaving employment, subject to restrictions.

***Average Final Compensation and Service Retirement Multiplier***

The VRS defined benefit is a lifetime monthly benefit based on a retirement multiplier as a percentage of the employee's average final compensation multiplied by the employee's total service credit. Under Plan 1, average final compensation is the average of the employee's 36 consecutive months of highest compensation and the multiplier is 1.70% for non-hazardous duty employees. Under Plan 2, average final compensation is the average of the employee's 60 consecutive months of highest compensation and the retirement multiplier is 1.65% for non-hazardous duty employees. Under the Hybrid Plan, average final compensation is the average of the employee's 60 consecutive months of highest compensation and the multiplier is 1.00%. For members who opted into the Hybrid Retirement Plan from Plan 1 or Plan 2, the applicable multipliers for those plans will be used to calculate the retirement benefit for service credited in those plans.

***Cost-of-Living Adjustment (COLA) in Retirement and Death and Disability Benefits***

Retirees with an unreduced benefit or with a reduced benefit with at least 20 years of service credit are eligible for an annual COLA beginning July 1 after one full calendar year from the retirement date. Retirees with a reduced benefit and who have less than 20 years of service credit are eligible for an annual COLA beginning on July 1 after one calendar year following the unreduced retirement eligibility date. Under Plan 1, the COLA cannot exceed 5.00%. Under Plan 2 and the Hybrid Plan, the COLA cannot exceed 3.00%. The VRS also provides death and disability benefits. Title 51.1 of the Code of Virginia, as amended, assigns the authority to establish and amend benefit provisions to the General Assembly of Virginia.

***Contributions***

The contribution requirement for active employees is governed by §51.1-145 of the Code of Virginia, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement.

The Authority's contractually required employer contribution rate for the year ended June 30, 2024 was 10.07% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021.

Notes to Financial Statements  
June 30, 2024 (Continued)

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**NOTE 7 - PENSION PLAN: (CONTINUED)**

***Contributions: (Continued)***

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

As previously disclosed, the Authority participates in VRS through the County of Louisa, Virginia and accordingly does not receive a separately issued actuarial valuation. Additionally, the Authority only has two employees who are eligible to contribute to VRS. Accordingly, the Authority's allocable portion of the County's VRS liability and other VRS data is immaterial and will not be reported in this report.

**NOTE 8 – GROUP LIFE INSURANCE (GLI) PLAN (OPEB PLAN):**

The Authority participates in the VRS sponsored GLI Plan through the County of Louisa, Virginia as the fiscal agent. The Authority does not have a separate GLI plan.

***Plan Description***

The Group Life Insurance (GLI) Plan was established pursuant to §51.1-500 et seq. of the Code of Virginia, as amended, and which provides the authority under which benefit terms are established or may be amended. All full-time, salaried permanent employees of the state agencies, teachers, and employees of participating political subdivisions are automatically covered by the VRS GLI Plan upon employment. This is a cost-sharing multiple-employer plan administered by the Virginia Retirement System (the System), along with pensions and other OPEB plans, for public employer groups in the Commonwealth of Virginia.

In addition to the Basic GLI benefit, members are also eligible to elect additional coverage for themselves as well as a spouse or dependent children through the Optional GLI Plan. For members who elect the optional group life insurance coverage, the insurer bills employers directly for the premiums. Employers deduct these premiums from members' paychecks and pay the premiums to the insurer. Since this is a separate and fully insured program, it is not included as part of the GLI Plan OPEB.

The specific information for GLI OPEB, including eligibility, coverage and benefits is described below:

***Eligible Employees***

The GLI Plan was established July 1, 1960, for state employees, teachers, and employees of political subdivisions that elect the Plan. Basic GLI coverage is automatic upon employment. Coverage ends for employees who leave their position before retirement eligibility or who take a refund of their accumulated retirement member contributions and accrued interest.

**INDUSTRIAL DEVELOPMENT AUTHORITY OF LOUISA COUNTY, VIRGINIA**

**Notes to Financial Statements  
June 30, 2024 (Continued)**

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**NOTE 7 - PENSION PLAN: (CONTINUED)**

***Benefit Amounts***

The GLI Plan is a defined benefit plan with several components. The natural death benefit is equal to the employee's covered compensation rounded to the next highest thousand and then doubled. The accidental death benefit is double the natural death benefit. In addition to basic natural and accidental death benefits, the Plan provides additional benefits provided under specific circumstances that include the following: accidental dismemberment benefit, seatbelt benefit, repatriation benefit, felonious assault benefit, and accelerated death benefit option. The benefit amounts are subject to a reduction factor. The benefit amount reduces by 25% on January 1 following one calendar year of separation. The benefit amount reduces by an additional 25% on each subsequent January 1 until it reaches 25% of its original value. For covered members with at least 30 years of service credit, the minimum benefit payable was set at \$8,000 by statute in 2015. This will be increased annually based on the VRS Plan 2 cost-of living adjustment calculation. The minimum benefit, adjusted for the COLA was \$9,254 as of June 30, 2024.

***Contributions***

The contribution requirements for the GLI Plan are governed by §51.1-506 and §51.1-508 of the Code of Virginia, as amended, but may be impacted as a result of funding provided to state agencies and school divisions by the Virginia General Assembly. The total rate for the GLI Plan was 1.34% of covered employee compensation. This was allocated into an employee and an employer component using a 60/40 split. The employee component was 0.80% (1.34% x 60%) and the employer component was 0.54% (1.34% x 40%). Employers may elect to pay all or part of the employee contribution; however, the employer must pay all of the employer contribution. Each employer's contractually required employer contribution rate for the year ended June 30, 2024 was 0.54% of covered employee compensation. This rate was the final approved General Assembly rate, which was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits payable during the year, with an additional amount to finance any unfunded accrued liability.

In June 2023, the Commonwealth made a special contribution of approximately \$40.1 million to the Group Life Insurance Plan. This special payment was authorized by Chapter 2 of the Acts of Assembly of 2022, Special Session I, as amended by Chapter 769, 2023 Acts of Assembly Reconvened Session, as is classified as a special employer contribution.

As previously disclosed, the Authority participates in the GLI plan through Louisa County, Virginia and accordingly does not receive a separately issued actuarial valuation. Additionally, the Authority only has two employees who are eligible to participate in the GLI plan. Accordingly, the Authority's allocable portion of the County's GLI OPEB liability and other GLI data is immaterial and will not be reported in this report.

**NOTE 9 – RELATED PARTY TRANSACTIONS:**

Significant transactions between the Louisa Industrial Authority and the County of Louisa are summarized below:

Amount contributed by the County for operations	\$ <u>174,423</u>
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Notes to Financial Statements  
June 30, 2024 (Continued)

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**NOTE 10 – UPCOMING ACCOUNTING PRONOUNCEMENTS**

Statement No. 101, *Compensated Absences*, updates the recognition and measurement guidance for compensated absences. It aligns the recognition and measurement guidance under a unified model and amends certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023.

Statement No. 102, *Certain Risk Disclosures*, provides users of government financial statements with essential information about the 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.

Statement No. 103, *Financial Reporting Model Improvements*, improves 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. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025.

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

**NOTE 11 – SUBSEQUENT EVENT: FISCAL AGENT**

Beginning on July 1, 2024, the County of Louisa, Virginia became the fiscal agent for the Authority. All fiscal and administrative functions previously performed by the Authority are now conducted through the County of Louisa, and going forward the Authority will be reported as a component unit of the County.

## **Supplementary Information**

**INDUSTRIAL DEVELOPMENT AUTHORITY OF LOUISA COUNTY, VIRGINIA**

Combining Statement of Net Position  
As of June 30, 2024

	<u>IDA</u>	<u>Airport</u>	<u>Eliminations</u>	<u>Total</u>
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and cash equivalents	\$ 301,523	\$ 105,479	\$ -	\$ 407,002
Accounts receivable	-	112,989	-	112,989
Prepaid expenses	-	5,730	-	5,730
Fuel inventory	-	9,642	-	9,642
Due from Airport	34,445	-	(34,445)	-
<b>Total Current Assets</b>	<b>\$ 335,968</b>	<b>\$ 233,840</b>	<b>\$ (34,445)</b>	<b>\$ 535,363</b>
<b>Noncurrent Assets</b>				
Airfield, fueling, and apron	\$ 6,751,973	\$ -	\$ -	\$ 6,751,973
Hangars	2,060,909	-	-	2,060,909
Parking lot and roadways	460,219	-	-	460,219
Fueling systems	170,312	-	-	170,312
Buildings	537,931	-	-	537,931
Equipment	282,430	-	-	282,430
Construction in progress	403,482	-	-	403,482
Total Capital Assets	\$ 10,667,256	\$ -	\$ -	\$ 10,667,256
Accumulated depreciation	7,550,818	-	-	7,550,818
<b>Net Noncurrent Assets</b>	<b>\$ 3,116,438</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,116,438</b>
<b>Other Assets</b>				
Land held for resale	\$ 551,996	\$ -	\$ -	\$ 551,996
Land held for resale - Cooke property	7,133,776	-	-	7,133,776
<b>Total Other Assets</b>	<b>\$ 7,685,772</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,685,772</b>
<b>TOTAL ASSETS</b>	<b>\$ 11,138,178</b>	<b>\$ 233,840</b>	<b>\$ (34,445)</b>	<b>\$ 11,337,573</b>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Accounts payable	\$ 5,325	\$ 86	\$ -	\$ 5,411
Tenant prepaid	-	24,425	-	24,425
Due to IDA	-	34,445	(34,445)	-
<b>Total Current Liabilities</b>	<b>\$ 5,325</b>	<b>\$ 58,956</b>	<b>\$ (34,445)</b>	<b>\$ 29,836</b>
<b>Long-Term Liabilities</b>				
Note payable - 208 land (see note 5)	\$ 7,180,056	\$ -	\$ -	\$ 7,180,056
<b>Total Long-Term Liabilities</b>	<b>\$ 7,180,056</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,180,056</b>
<b>TOTAL LIABILITIES</b>	<b>\$ 7,185,381</b>	<b>\$ 58,956</b>	<b>\$ (34,445)</b>	<b>\$ 7,209,892</b>
<b>NET POSITION</b>				
Investment in capital assets	\$ 3,116,438	\$ -	\$ -	\$ 3,116,438
Unrestricted	836,359	174,884	-	1,011,243
<b>Total Net Position</b>	<b>\$ 3,952,797</b>	<b>\$ 174,884</b>	<b>\$ -</b>	<b>\$ 4,127,681</b>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b>\$ 11,138,178</b>	<b>\$ 233,840</b>	<b>\$ (34,445)</b>	<b>\$ 11,337,573</b>

**INDUSTRIAL DEVELOPMENT AUTHORITY OF LOUISA COUNTY, VIRGINIA**

Combining Statement of Revenues, Expenses and Changes in Net Position  
For the Year Ended June 30, 2024

	<u>IDA</u>	<u>Airport</u>	<u>Total</u>
<b>OPERATING REVENUES:</b>			
Tenant rental	\$ 1,480	\$ 163,856	\$ 165,336
Land lease income	79,491	-	79,491
FBO income	-	260	260
Sale of fuel inventory	-	233,933	233,933
Miscellaneous	<u>31,341</u>	<u>1,048</u>	<u>32,389</u>
<b>TOTAL OPERATING REVENUES</b>	<b>\$ <u>112,312</u></b>	<b>\$ <u>399,097</u></b>	<b>\$ <u>511,409</u></b>
<b>OPERATING EXPENSES</b>			
Salaries and benefits	\$ -	\$ 154,976	\$ 154,976
Payroll tax	-	11,900	11,900
Legal and professional services	23,029	5,614	28,643
Dues and subscriptions	-	1,904	1,904
Insurance	-	37,409	37,409
Cooke property expenses	352,291	-	352,291
AWOS expenses	-	2,400	2,400
Conferences	-	1,034	1,034
Utilities	-	18,360	18,360
Fuel	-	208,951	208,951
Repairs and maintenance	-	153,088	153,088
Office and other supplies	-	24,540	24,540
Projects	501,910	-	501,910
Depreciation	318,601	-	318,601
Miscellaneous	<u>4,878</u>	<u>8,800</u>	<u>13,678</u>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ <u>1,200,709</u></b>	<b>\$ <u>628,976</u></b>	<b>\$ <u>1,829,685</u></b>
<b>OPERATING INCOME (LOSS)</b>	<b>\$ <u>(1,088,397)</u></b>	<b>\$ <u>(229,879)</u></b>	<b>\$ <u>(1,318,276)</u></b>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Federal grants	\$ 16,372	\$ 39,351	\$ 55,723
County grants	-	174,423	174,423
Foundation grant	352,656	-	352,656
Interest income	474,857	2,845	477,702
Interest expense	-	(9,874)	(9,874)
Grant expense	<u>(120,541)</u>	<u>-</u>	<u>(120,541)</u>
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>\$ <u>723,344</u></b>	<b>\$ <u>206,745</u></b>	<b>\$ <u>930,089</u></b>
<b>INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS</b>	<b>\$ <u>(365,053)</u></b>	<b>\$ <u>(23,134)</u></b>	<b>\$ <u>(388,187)</u></b>
<b>CAPITAL CONTRIBUTIONS</b>			
Virginia state grant	\$ <u>64,453</u>	\$ <u>149,396</u>	\$ <u>213,849</u>
Increase (decrease) in net position	\$ (300,600)	\$ 126,262	\$ (174,338)
Net position, beginning of year	<u>4,253,397</u>	<u>48,622</u>	<u>4,302,019</u>
Net position, end of year	<b>\$ <u><u>3,952,797</u></u></b>	<b>\$ <u><u>174,884</u></u></b>	<b>\$ <u><u>4,127,681</u></u></b>

**INDUSTRIAL DEVELOPMENT AUTHORITY OF LOUISA COUNTY, VIRGINIA**

Combining Statement of Cash Flows  
For the Year Ended June 30, 2024

	<u>IDA</u>	<u>Airport</u>	<u>Eliminations</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
County appropriations and operating grants	\$ 32,562	\$ 197,584	\$ -	\$ 230,146
Receipts from customers and users	112,312	367,116	-	479,428
Payments to employees	-	(187,052)	-	(187,052)
Payments to suppliers	<u>(882,108)</u>	<u>(439,660)</u>	-	<u>(1,321,768)</u>
<b>Net Cash Provided by (Used for) Operating Activities</b>	<b>\$ (737,234)</b>	<b>\$ (62,012)</b>	<b>\$ -</b>	<b>\$ (799,246)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
State nonoperating contributions	\$ 64,453	\$ 149,396	\$ -	\$ 213,849
Grant for loan interest	352,656	-	-	352,656
Grant payments	(120,541)	-	-	(120,541)
Payments on VRA loan	(356,042)	-	-	(356,042)
Interest and fiscal charges	-	(9,874)	-	(9,874)
Acquisition and construction of hangar	(297,747)	-	-	(297,747)
Acquisition of equipment	<u>(2,314)</u>	-	-	<u>(2,314)</u>
<b>Net Cash Provided by (Used for) Capital and Related Financing Activities</b>	<b>\$ (359,535)</b>	<b>\$ 139,522</b>	<b>\$ -</b>	<b>\$ (220,013)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest Received	<u>\$ 474,857</u>	<u>\$ 2,845</u>	<u>\$ -</u>	<u>\$ 477,702</u>
<b>Net Cash Provided by (Used for) Investing Activities</b>	<b>\$ 474,857</b>	<b>\$ 2,845</b>	<b>\$ -</b>	<b>\$ 477,702</b>
Net Increase (Decrease) in Net Position In Cash and Cash Equivalents, beginning of year	\$ (621,912)	\$ 80,355	\$ -	\$ (541,557)
Cash and Cash Equivalents, beginning of year	<u>923,435</u>	<u>25,124</u>	<u>-</u>	<u>948,559</u>
Cash and Cash Equivalents, end of year	<u><u>\$ 301,523</u></u>	<u><u>\$ 105,479</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 407,002</u></u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ (1,088,397)	\$ (229,879)	\$ -	\$ (1,318,276)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	318,601	-	-	318,601
Changes in operating assets and liabilities:				
(Increase) Decrease in Accounts Receivable	-	(43,318)	-	(43,318)
(Increase) Decrease in Prepaid Expense	-	19,445	-	19,445
(Increase) Decrease in Fuel Inventory	-	14,129	-	14,129
(Increase) Decrease in Due from Airport	16,190	-	(16,190)	-
Increase (Decrease) in Accounts Payable and Accrued Expenses	-	(11,134)	-	(11,134)
Increase (Decrease) in Compensated Absences	-	(20,176)	-	(20,176)
Increase (Decrease) in Tenant Prepaid	-	11,337	-	11,337
Increase (Decrease) in Due to IDA	-	(16,190)	16,190	-
<b>Net Cash Provided by (Used for) Operating Activities</b>	<b>\$ (753,606)</b>	<b>\$ (275,786)</b>	<b>\$ -</b>	<b>\$ (1,029,392)</b>

## **Compliance**



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

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**To the Honorable Members of  
Industrial Development Authority of Louisa County, Virginia  
Louisa, Virginia**

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Authorities, Boards, and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the business-type activities of Industrial Development Authority of Louisa County, Virginia as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Industrial Development Authority of Louisa County, Virginia's basic financial statements and have issued our report thereon dated September 11, 2025.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Industrial Development Authority of Louisa County, Virginia's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Industrial Development Authority of Louisa County, Virginia's internal control. Accordingly, we do not express an opinion on the effectiveness of Industrial Development Authority of Louisa 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 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses as item 2024-001, that we consider to be a material weakness.

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Industrial Development Authority of Louisa County, Virginia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

## Authority's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Authority's response to the findings identified in our audit and described in the accompanying schedule of findings and responses. The Authority's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

## Purpose of this Report

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

*Robinson, Farmer, Cox Associates*

Charlottesville, Virginia

September 11, 2025

**INDUSTRIAL DEVELOPMENT AUTHORITY OF LOUISA COUNTY, VIRGINIA**

Schedule of Findings and Responses  
For the Year Ended June 30, 2024

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**SECTION I – SUMMARY OF AUDITORS RESULTS**

**Financial Statements**

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	Yes
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	No

**SECTION II - FINANCIAL STATEMENT FINDINGS**

**2024-001 Material Weakness – Material Audit Adjustments Proposed by Auditor**

Criteria: Management is responsible for developing and maintaining an effective system of internal controls over financial closing and reporting that provides reasonable assurance for the reliability of the reported financial information. Identification of material adjustments to the financial statements not detected by the Authority's system of internal controls indicates that a material weakness may exist.

Condition: The financial statements did not include necessary adjustments to ensure such statements were in accordance with Generally Accepted Accounting Principles (GAAP).

Cause: The Authority did not have proper controls in place to detect and correct errors in the financial reporting process.

Effect: There is a reasonable possibility that a material misstatement of the financial statements will not be prevented or detected and corrected by the Authority's system of internal controls over financial reporting.

Recommendation:

We recommend the Authority should review the auditor's proposed audit adjustments for 2024 and develop a plan to ensure the financial statements are materially correct in accordance with Generally Accepted Accounting Principles.

Management Response:

We concur with the recommendation. Going forward, the Board will increase oversight of the Authority's operations to try and mitigate any potential errors in the financial reporting process. Beginning on July 1, 2024, the financial reporting process for the Authority will be assumed by the County of Louisa, Virginia.

**INDUSTRIAL DEVELOPMENT AUTHORITY OF LOUISA COUNTY, VIRGINIA**

Schedule of Findings and Responses (Continued)  
For the Year Ended June 30, 2024

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**2023-001 Material Weakness – Material Audit Adjustments Proposed by Auditor**

Condition:

The financial statements did not include necessary adjustments to ensure such statements were in accordance with Generally Accepted Accounting Principles (GAAP).

Recommendation:

We recommend the Authority should review the auditor's proposed audit adjustments for 2023 and develop a plan to ensure the financial statements are materially correct in accordance with Generally Accepted Accounting Principles.

Current Status:

Audit finding repeated in current year.