

**INDUSTRIAL DEVELOPMENT AUTHORITY
OF PRINCE EDWARD COUNTY, VIRGINIA
(A Component Unit of the County of Prince Edward, Virginia)
FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2022**

**INDUSTRIAL DEVELOPMENT AUTHORITY OF
PRINCE EDWARD COUNTY, VIRGINIA
FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2022**

BOARD OF DIRECTORS

Bradley L. Watson, Chairman
Mike Montgomery, Vice-Chairman
Robert Atkinson
Quincy Hardy
Edgar Jones
Joyce Yeatts
Tim Tharpe

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INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF DIRECTORS
INDUSTRIAL DEVELOPMENT AUTHORITY OF PRINCE EDWARD COUNTY, VIRGINIA
FARMVILLE, VIRGINIA

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of the business-type activities of Industrial Development Authority of Prince Edward County, Virginia, as of and for the year ended June 30, 2022, 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 Industrial Development Authority of Prince Edward County, Virginia, as of June 30, 2022, 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 Prince Edward 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 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.

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 Prince Edward 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, Governmental 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 Prince Edward 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 Prince Edward 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.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated May 23, 2022, on our consideration of Industrial Development Authority of Prince Edward 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 Prince Edward 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 Prince Edward County, Virginia’s internal control over financial reporting and compliance.

Robinson, Farmer, Cox, Associates
Charlottesville, Virginia
May 23, 2023

- Basic Financial Statements -

INDUSTRIAL DEVELOPMENT AUTHORITY OF PRINCE EDWARD COUNTY, VIRGINIA
(A Component Unit of the County of Prince Edward, Virginia)

Statement of Net Position
June 30, 2022

ASSETS

Current assets:	
Cash and cash equivalents	\$ 699,893
Loans receivable	219,858
Due from County of Prince Edward	21,556
Inventory held for resale - Industrial assets	<u>2,558,215</u>
Total current assets	<u>\$ 3,499,522</u>
Noncurrent assets:	
Loans receivable	\$ 304,213
Capital assets:	
Land	<u>16,803</u>
Total noncurrent assets	<u>\$ 321,016</u>
Total assets	<u><u>\$ 3,820,538</u></u>

NET POSITION

Net position:	
Unrestricted	<u>\$ 3,820,538</u>
Total net position	<u><u>\$ 3,820,538</u></u>

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

INDUSTRIAL DEVELOPMENT AUTHORITY OF PRINCE EDWARD COUNTY, VIRGINIA
(A Component Unit of the County of Prince Edward, Virginia)

Statement of Revenues, Expenses and Change in Net Position
For the Year Ended June 30, 2022

Operating revenues:	
Administrative fees and costs	\$ 5,000
Sale of assets held for resale	(24,500)
	<hr/>
Total operating revenues	\$ (19,500)
	<hr/>
Operating expenses:	
Contractual and professional services	312,394
Special projects	32,687
Contributions to industries and tax incentives	73,108
	<hr/>
Total operating expenses	\$ 418,189
	<hr/>
Operating income (loss)	\$ (437,689)
	<hr/>
Nonoperating revenues (expenses):	
Contributions from Prince Edward County	\$ 73,108
Interest income	19,463
	<hr/>
Total nonoperating revenues (expenses)	\$ 92,571
	<hr/>
Change in net position	\$ (345,118)
	<hr/>
Net position at beginning of period, as restated	4,165,656
	<hr/>
Net position at end of period	\$ 3,820,538
	<hr/> <hr/>

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

INDUSTRIAL DEVELOPMENT AUTHORITY OF PRINCE EDWARD COUNTY, VIRGINIA
(A Component Unit of the County of Prince Edward, Virginia)

Statement of Cash Flows
For the Year Ended June 30, 2022

Cash flows from operating activities:	
Receipts from industrial clients and others	\$ (19,500)
Payment for purchase of inventory held for resale	(399,000)
Payments to suppliers and service providers	(345,081)
Payments to industries	(73,108)
Net cash provided by (used for) operating activities	<u>\$ (836,689)</u>
Cash flows from capital and related financing activities:	
Contribution from Prince Edward County	<u>\$ 184,235</u>
Net cash provided by (used for) noncapital financing activities	<u>\$ 184,235</u>
Cash flows from investing activities:	
Purchase of capital assets	\$ (16,803)
Loan repayments received	531,984
Interest income	19,463
Net cash provided by (used for) investing activities	<u>\$ 534,644</u>
Increase (decrease) in cash and cash equivalents	\$ (117,810)
Cash and cash equivalents at beginning of period	<u>817,703</u>
Cash and cash equivalents at end of period	<u><u>\$ 699,893</u></u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:	
Operating income (loss)	<u>\$ (437,689)</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:	
Purchase of inventory held for resale	<u>\$ (399,000)</u>
Net cash provided by (used for) operating activities	<u><u>\$ (836,689)</u></u>

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

INDUSTRIAL DEVELOPMENT AUTHORITY OF PRINCE EDWARD COUNTY, VIRGINIA
(A Component Unit of the County of Prince Edward, Virginia)

Notes to Financial Statements
June 30, 2022

NOTE 1 - ORGANIZATION AND DESCRIPTION OF THE ENTITY AND ITS ACTIVITIES:

The Industrial Development Authority of Prince Edward County, Virginia (the “Authority”) was created as a governmental subdivision of the Commonwealth of Virginia by ordinance of the Board of Supervisors of Prince Edward County on October 21, 1971, pursuant to the provisions of the Industrial Development and Revenue Bond Act (Chapter 33, Section 15.2-4900), et seq., of the Code of Virginia (1950), as amended. The Authority is governed by seven directors appointed by the Board of Supervisors of Prince Edward County. It is authorized to acquire, own, lease and dispose of properties to the end that such activities may promote industry and develop trade inducing enterprises to locate and remain in Virginia.

In addition, the Authority is authorized to issue revenue bonds for the purpose of obtaining and constructing facilities. Liability under the bonds may be retained by the Authority or it may be assumed by the enterprise for whom 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 or sale of the facilities constructed and may be secured by a deed of trust on those facilities.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. Financial Reporting Entity:

The basic criterion for including organizations within the reporting entity is financial accountability. Financial accountability includes the appointment of a voting majority of the organization’s governing body and the ability of the primary government to impose its will on the organization as if there is a financial benefit/burden relationship. In addition, an organization who is fiscally dependent on the primary government should be included in the reporting entity. Accordingly, the Authority is considered a component unit of the County and is included as a discrete presentation in the County’s financial report.

B. Basic Financial Statements:

Enterprise Fund Financial Statements

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

- Enterprise fund financial statements
 - Statement of Net Position
 - Statement of Revenues, Expenses and Change in Net Position
 - Statement of Cash Flows
 - Notes to Financial Statements

Management’s Discussion and Analysis - The financial statements are accompanied by a narrative introduction and analytical overview of the government’s financial activities in the form of “Management’s Discussion and Analysis” (MD&A). The Authority has not presented the MD&A.

INDUSTRIAL DEVELOPMENT AUTHORITY OF PRINCE EDWARD COUNTY, VIRGINIA
(A Component Unit of the County of Prince Edward, Virginia)

Notes to Financial Statements
June 30, 2022 (continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

C. Basis of Accounting:

The Industrial Development Authority of Prince Edward County, Virginia operates as an enterprise fund and its accounts are maintained on the accrual basis of accounting. Under this method, revenues are recognized when earned, and expenses are recorded as liabilities when incurred, without regard to receipt or payment of cash. The Authority accrues revenue for services rendered but not yet billed at the end of the fiscal year.

The 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. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Pass-Through Financing Leases and Installment Sales:

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

The Authority has assigned all rights to the payments to the trustees, agents or the holders of the bonds, and the lessees or purchasers have assumed responsibility for all operating costs such as utilities, repairs and property taxes. In such cases, the Authority neither receives nor disburses funds. Although title to these properties may rest with the Authority, bargain purchase options or other provisions eliminate any equity interest that would otherwise be retained in the lease transactions. Deeds of trust secure outstanding bond obligations and title will pass to the lessee or purchaser at such time as the bonds are fully paid. Although the Authority provides a conduit to execute such transactions, it does not retain either the benefits or asset ownership or the liability for bond liquidation.

Accordingly, the Authority does not recognize associated assets, liabilities, rental income or interest expense in its financial statements.

E. Cash and Cash Equivalents:

The Authority's cash and cash equivalents consist of cash on hand, demand deposits, certificates of deposit and short-term investments with original maturities of three months or less from the date of acquisition.

F. Inventory Held for Resale:

The Authority's inventory held for resale consists of industrial assets. The inventory is reported at the lower of cost or fair market value.

INDUSTRIAL DEVELOPMENT AUTHORITY OF PRINCE EDWARD COUNTY, VIRGINIA
(A Component Unit of the County of Prince Edward, Virginia)

Notes to Financial Statements
June 30, 2022 (continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

G. Capital Assets:

The Authority's capital assets consist of land with a value of \$16,803. The land is reported at the lower of cost or fair market value. Land is not depreciated. As the Authority constructs or acquires capital assets each period they are capitalized and recorded at historical cost. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation.

H. Use of Estimates:

The preparation of the financial statement in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect certain reported amounts, and disclosures. Accordingly, actual results could differ from these estimates.

I. 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 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.

J. Net Position Flow Assumption:

Sometimes the Authority will fund outlays for a particular purpose from both restricted (e.g., restricted bond) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted net position, 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.

K. 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. The separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The Authority does not have any deferred outflows of resources as of June 30, 2022.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Authority does not have any deferred inflows of resources as of June 30, 2022.

INDUSTRIAL DEVELOPMENT AUTHORITY OF PRINCE EDWARD COUNTY, VIRGINIA
(A Component Unit of the County of Prince Edward, Virginia)

Notes to Financial Statements
June 30, 2022 (continued)

NOTE 3 - DEPOSITS AND INVESTMENTS:

Deposits:

Deposits with banks are covered by the Federal Deposit Insurance Corporation (FDIC) and collateralized in accordance with the Virginia Security for Public Deposits Act (the "Act") Section 2.2-4400 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 and Poor's; or F1 by Fitch Ratings, Inc. (Section 2.2-4502), banker's acceptances, repurchase agreements, and the State Treasurer's Local Government Investment Pool (LGIP).

NOTE 4 - CONTINGENCIES AND EVENTS OF DEFAULT:

All obligations under the revenue bonds issued to date are secured by lease and purchase proceeds and the underlying properties and the Authority retains no liability on pass-through leases and installment sales.

NOTE 5 - CONDUIT DEBT OBLIGATIONS:

<u>Issued on behalf of</u>	<u>Date Issued</u>	<u>Amount Issued</u>	<u>Interest Rate</u>	<u>Maturity</u>	<u>Outstanding</u>
Ferrum College	October 2016	9,617,646	3.60%	Semi-annually through 8/1/2047	6,626,423
Hampden-Sydney College	December 2018	15,975,901	5.00%	Semi-annually through 9/1/2048	15,365,522
Hampden-Sydney College	June 2022	42,375,000	4.50%	Semi-annually through 9/1/2057	42,935,268
Total Revenue Bonds Outstanding					<u>\$ 64,927,213</u>

INDUSTRIAL DEVELOPMENT AUTHORITY OF PRINCE EDWARD COUNTY, VIRGINIA
(A Component Unit of the County of Prince Edward, Virginia)

Notes to Financial Statements
June 30, 2022 (continued)

NOTE 6 - LOANS RECEIVABLE:

On December 7, 2011, the Authority loaned The Manor Golf Club LLC \$50,000 to support the operations and management of the Manor Golf Course. The portion still outstanding at June 30, 2022 is \$35,000. The loan agreement provides for interest at 12%.

On June 11, 2015, the Authority loaned the Poplar Hill Community Development Authority \$200,000. The loan is to be repaid to the Authority in annual installments on each February 1st with interest at 3% until paid in full. Annual installments will be equal to 50% of the special levy tax collected by Prince Edward County. An additional \$20,000 was loaned to the Poplar Hill Community Development Authority during FY2019. The balance outstanding at June 30, 2022 was \$60,278.

On December 22, 2016, the Authority loaned CML Recycling, LLC \$125,000. The loan is to be repaid to the Authority in monthly installments on the 1st of each month with interest at 5% until paid in full. The portion still outstanding at June 30, 2022 is \$115,053.

On June 26, 2019, the Authority loaned Paris Ceramics LLC \$200,000 to purchase equipment for a period of 5 years. The loan agreement provides for simple interest at 5%. The loan is due to be paid off by July 1, 2024. The portion still outstanding at June 30, 2022 is \$89,461.

In 2021, the Authority loaned Paris Ceramics LLC \$286,020 to purchase equipment for a period of 5 years. The loan agreement provides for simple interest at 5%. The portion still outstanding at June 30, 2022 is \$241,242.

NOTE 7 - LITIGATION:

At June 30, 2022, there were no matters of litigation involving the Authority which would materially affect the Authority's financial position should any court decisions on pending matters not be favorable to the Authority.

NOTE 8 - RESTATEMENT OF BEGINNING BALANCES:

The Authority restated beginning balances to reflect changes in prior year balances. The changes resulted in the following restatements of net position:

Net Position as reported at June 30, 2021	\$	4,054,529
Prior year transfer from County of Prince Edward		<u>111,127</u>
Net Position as restated at July 1, 2021	\$	<u><u>4,165,656</u></u>

- Compliance -



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

**TO THE BOARD OF DIRECTORS
INDUSTRIAL DEVELOPMENT AUTHORITY OF PRINCE EDWARD COUNTY, VIRGINIA
FARMVILLE, 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 Prince Edward County, Virginia, component unit of Prince Edward County, Virginia as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Industrial Development Authority of Prince Edward County, Virginia's basic financial statements and have issued our report thereon dated September 16, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Industrial Development Authority of Prince Edward 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 Prince Edward County, Virginia's internal control. Accordingly, we do not express an opinion on the effectiveness of Industrial Development Authority of Prince Edward 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. 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 have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Industrial Development Authority of Prince Edward 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*.

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
May 23, 2023

INDUSTRIAL DEVELOPMENT AUTHORITY OF PRINCE EDWARD COUNTY, VIRGINIA

Index of Fiduciary Affidavits
June 30, 2022

Hampden-Sydney College 2005 Issuance
Hampden-Sydney College 2018 Issuance
Hampden-Sydney College 2022 Issuance
Ferrum College 2016 Issuance



HAMPDEN-SYDNEY COLLEGE

AFFIDAVIT

Date: September 20, 2022

Mr. Brad Watson, Chair
Industrial Development Authority of
Prince Edward County
P.O. Box 625
Farmville, Virginia 23901

Dear Mr. Watson,

SUBJECT: INDUSTRIAL DEVELOPMENT AUTHORITY OF PRINCE EDWARD COUNTY,
VIRGINIA REVENUE REFUNDING BONDS OF November 2005 (HAMPDEN-
SYDNEY COLLEGE)

In reference to the above-mentioned project, we certify that, to the best of our knowledge, all duties
required of the Fiduciary under the agreement governing such transactions have been performed. The
total principal outstanding at June 30, 2022, was \$0.00.

Sincerely,

Signature Cheryl C. Hill

Typed Name: Cheryl C Hill

Title: Controller

Bank: Truist

State of Virginia

City/County of Prince Edward

I, Brandy R. Puckett, a notary public for the City/County mentioned above, hereby
certify that the person whose name is signed above has executed this instrument and acknowledged his/her
signature before me this 20th day of September, 2022.

Brandy R. Puckett

Commission Expires: 11/30/2024

Commonwealth Of Virginia
Brandy R. Puckett - Notary Public
Commission No: 7876902
Commission Expires 11/30/2024



HAMPDEN-SYDNEY COLLEGE

AFFIDAVIT

Date: September 20, 2022

Mr. Brad Watson, Chair
Industrial Development Authority of
Prince Edward County
P.O. Box 625
Farmville, Virginia 23901

Dear Mr. Watson,

SUBJECT: INDUSTRIAL DEVELOPMENT AUTHORITY OF PRINCE EDWARD COUNTY,
December 2018 (HAMPDEN-SYDNEY COLLEGE)

In reference to the above-mentioned project, we certify that, to the best of our knowledge, all duties
required of the Fiduciary under the agreement governing such transactions have been performed. The
total principal outstanding at June 30, 2022, was \$15,365,522.

Sincerely,

Signature Cheryl C. Hill

Typed Name: Cheryl C Hill

Title: Controller

Bank: U S Bank

State of Virginia

City/County of Prince Edward

I, Brandy R. Puckett, a notary public for the City/County mentioned above, hereby
certify that the person whose name is signed above has executed this instrument and acknowledged his/her
signature before me this 20th day of September, 2022.

Brandy R. Puckett

Commission Expires: 11/30/2024

Commonwealth Of Virginia
Brandy R. Puckett - Notary Public
Commission No: 7676902
My Commission Expires 11/30/2024



HAMPDEN-SYDNEY COLLEGE

AFFIDAVIT

Date: September 20, 2022

Mr. Brad Watson, Chair
Industrial Development Authority of
Prince Edward County
P.O. Box 625
Farmville, Virginia 23901

Dear Mr. Watson,

SUBJECT: INDUSTRIAL DEVELOPMENT AUTHORITY OF PRINCE EDWARD COUNTY,
VIRGINIA EDUCATIONAL FACILITIES REVENUE AND REFUNDING BONDS
(HAMPDEN-SYDNEY COLLEGE PROJECT), SERIES 2022

In reference to the above-mentioned project, we certify that, to the best of our knowledge, all duties
required of the Fiduciary under the agreement governing such transactions have been performed. The
total principal outstanding at June 30, 2022, was \$42,935,268.

Sincerely,

Signature Cheryl C. Hill

Typed Name: Cheryl C Hill

Title: Controller

Bank: U S Bank

State of Virginia

City/County of Prince Edward

I, Brandy R. Puckett, a notary public for the City/County mentioned above, hereby
certify that the person whose name is signed above has executed this instrument and acknowledged his/her
signature before me this 20th day of September, 2022.

Brandy R. Puckett

Commission Expires: 11/30/2024

Commonwealth Of Virginia
Brandy R. Puckett - Notary Public
Commission No: 7676902
My Commission Expires 11/30/2024



Carter Bank & Trust

141 Westover Drive
Danville, Virginia 24541

May 24, 2023

Mr. Douglas P. Stanley
County Administrator
County of Prince Edward, Virginia
P. O. Box 382
Farmville, Virginia 23901

Re: Ferrum College IDA of Prince Edward County beginning December 1, 2016 for
Refinancing IDA of Franklin County and Floyd County Bonds

Dear Mr. Stanley,

Please be advised that the above mentioned note dated October 6, 2016 in the total amount of \$9,617,646.00 had a principal balance at June 30, 2022 in the amount of \$6,626,423.08. Ferrum College made regular payments of principal and interest, with no default, during the fiscal year that began July 1, 2021 and ended June 30, 2022.

Should there be any questions, or requests for additional information about this account, please do not hesitate to let me know.

Sincerely,

John G. Wales
Vice President
434-483-2274