



AGENDA

ECONOMIC DEVELOPMENT AUTHORITY OF THE COUNTY OF BEDFORD, VA
Bedford County Administration – Ground Floor Training Room
122 E Main Street
Bedford, VA 24523
June 1, 2023
5:30 p.m.

- (1) CALL TO ORDER**
- (2) APPROVAL OF AGENDA**
- (3) APPROVAL OF MEETING MINUTES – May 4, 2023**
- (4) FY22 AUDIT PRESENTATION, Brown Edwards**
- (5) REPORTS**
 - A. Economic Development Director's Report
 - B. Business Programs Report
 - C. Monthly Financial Report
 - D. Monthly Accounts Payable Report – (see May bills that have been paid)

EDA	
EDA Mileage – May meeting	\$51.80
Bedford Center	
Town of Bedford Power – CVCC	\$2,801.31
Peaksview Landscaping	\$483.34
BRWA – CVCC	\$148.79
New London	
Southside Electric	\$609.62
Peaksview Landscaping	\$1,494.17
Washington Street	
Peaksview Landscaping	\$121.67
TOTAL:	\$5,710.70

(6) BUDGET

- A. Approval of FY24 EDA Budget
- B. Board of Supervisors budget update

(7) TOWN OF BEDFORD

(8) BEDFORD CENTER FOR BUSINESS

(9) MONTVALE CENTER FOR COMMERCE

(10) NEW LONDON BUSINESS AND TECHNOLOGY CENTER

(11) WASHINGTON STREET PROPERTY

- A. Request for action regarding parking lot paving project

(12) OTHER BUSINESS

- A. EDA Lease Overview

(13) CLOSED SESSION

Closed Session pursuant to Section 2.2-3711 (A) (5), Discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community. (Related to existing business expansion in Forest)



MINUTES

ECONOMIC DEVELOPMENT AUTHORITY OF THE COUNTY OF BEDFORD, VA
Bedford County Administration – Ground Floor Training Room
122 E Main Street
Bedford, VA 24523
May 4, 2023
5:30 p.m.

Economic Development Authority:

Present: Vicki Gardner (District 2); Wyatt Walton (District 3); Kristy Milton (District 5); Jimmy Robertson (District 6); Jim Messier (District 7)

Absent: David Wells (District 1); Matthew Braud (District 4)

Staff Present: Pam Bailey – Economic Development Director; Holley Scheffel – Business Programs Coordinator; Robert Hiss – County Administrator; Patrick Skelley-County Attorney; Doug Coffman – General Properties Mgr.; Trish Luger –Administrative Assistant

Guests: Mickey Johnson

(1) CALL TO ORDER

Chairman Robertson called the meeting to order at 5:32 p.m.

(2) APPROVAL OF AGENDA

Chairman Robertson called for a motion to approve the agenda as presented.

Mr. Messier moved, seconded by Mr. Walton to approve the May 4, 2023, agenda.

Adopted Unanimously

(3) APPROVAL OF MEETING MINUTES – April 6, 2023

Chairman Robertson asked for a motion to approve the April meeting minutes. Mr.

Messier moved, seconded by Ms. Gardner to approve the April 6, 2023, minutes.

Adopted Unanimously

(4) REPORTS

A. Economic Development Director's Report

The performance agreement was received from the state for the due diligence in New London Tech Center and was reviewed by Mr. Skelley. Legal has approved the Wiley/Wilson construction contract and completion is expected 10/1/23.

Ms. Bailey is currently working on a brochure and rack card for employers to share with new or potential employees. This will showcase living and working in Bedford, as well as the environment and the community.

A GO Virginia meeting will be attended next week to discuss creative partnerships in rural communities. Priority projects will be identified for community collaboration.

The 2023 Consultants Forum will be attended May 15-17. Leading site selectors from all over the country will lead sessions in best practices as well as meet with attendees.

B. Business Programs Report

Today was a successful signing day at Susie G. Gibson with BCPS and the office of economic development. A video project is also underway highlighting the CTE programs offered at BCPS.

Nineteen students visited the BWRA, Town of Bedford Power, and the Town's solar farm on April 19 as part of a Bedford ONE industry tour.

Trevor Hoss, CTE Supervisor stated that Dr. Bergin wants to apply for the Virginia School Boards Association Excellence in Work Force Readiness Award, with the Bedford ONE program in mind. The school board will vote on it May 11, just before the application due date of May 15.

Bedford ONE 2022/2023 statistics: Met goal #3 under the EDA strategic plan to assist and develop a skilled workforce.

Students: 192 (all 3 BC schools were represented on each trip)

Businesses: 13 (includes multiple sites)

The Business Appreciation Event will be held Wednesday, May 10 from 5-7 p.m. at Apocalypse Cidery and Winery in Forest with Maverick Seafood catering.

C. Monthly Financial Report

Nanotouch will pay CAM fees once building is sold. CVCC paid rent last June for this fiscal year.

D. Monthly Accounts Payable Report – (see April bills that have been paid)

EDA	
EDA Mileage – April meeting	\$111.79
Bedford Center	
Town of Bedford Power – CVCC	\$3,219.40
Peakview Landscaping	\$483.34
BRWA – CVCC	\$146.37
New London	
Southside Electric	\$609.82

Peaksview Landscaping	\$1,494.17
Washington Street	
Peaksview Landscaping	\$121.67
TOTAL:	\$6,186.56

(5) SELF INSURANCE PROPOSAL

A. Review and approval of VAcorp self-insurance proposal.

Ms. Bailey reported that the plan remains unchanged and that a minimum increase is indicated in the budget. Ms. Bailey will follow up about valuations and if replacement costs are to be adjusted.

(6) BUDGET

A. Approval of FY24 EDA Budget

Depending on the self-insurance answers, the budget will be updated. The Chairman also asked for the YTD number be updated on the provided budget spreadsheet to make it easier to read vs. the report from Munis.

(7) TOWN OF BEDFORD

No update to report

(8) BEDFORD CENTER FOR BUSINESS

No update to report.

(9) MONTVALE CENTER FOR COMMERCE

The Accupoint survey was reviewed.

(10) NEW LONDON BUSINESS AND TECHNOLOGY CENTER

A. Review appraisals for lots 2, 4, 8 and 11.

With the recent assessment and appraisals, it was determined that the per acre price is between \$35,000-\$40,000.

Chairman Robertson commented on hardwood timber on Lot 11. Bobby Nichols from Huddleston has quoted \$26,300. Mr. Nichols would also select cut the trees at the lots across the street to make the lots more presentable. Chairman Robertson will provide additional quotes at the June meeting.

Ms. Milton explained the unit rule. If quoting between \$35k-\$40k an acre, for the \$40k you would be using lots 2, 8 and 11, because they are smaller, which indicates a higher per acre value. The larger 24 acres lot should start at \$35k.

(11) WASHINGTON STREET PROPERTY

A. Request for action regarding parking lot paving project

Mr. Coffman will request bids be due back May 30 with a discussion at the June meeting.

B. Elba roof project

A state health inspector visited Elba's. Over the produce room is a concrete roof that has been problematic for some time. The roof has been fixed, patched, and coated without success. The solution is to lift the cooler and conditioning units from the roof and apply rubber membrane. Mr. Coffman will get pricing for this work.

(12) OTHER BUSINESS

A. Request for water tower funds related to Source4's expansion

Chairman Robertson asked for a motion to deny the funds request. Moved by Mr. Messier, seconded by Ms. Milton.

Adopted Unanimously

B. Review request to amend the covenants in Forest Professional Park

Chairman Robertson asked for a motion to keep the covenants as-is. Ms. Gardner moved, seconded by Mr. Messier

Adopted Unanimously

C. KMR Aviation Services – Extension of payback

Chairman Robertson asked for a motion to allow six months extension to pay installments. Mr. Walton moved, seconded by Ms. Gardner.

Adopted Unanimously

A motion was made by Mr. Walton, seconded by Mr. Messier, to enter a closed session. Ms. Milton recused herself from closed session due to a conflict.

(13) CLOSED SESSION

Closed Session pursuant to Section 2.2-3711 (A) (5), Discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community. (Related to prospects for New London and Bedford)

A motion was made by Mr. Walton, seconded by Mr. Messier, to come out of closed session.

Adjournment 7:16 pm

REQUIRED COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

To the Board of Directors
Bedford County Economic Development Authority
Bedford, Virginia

We have audited the financial statements of the Bedford County Economic Development Authority (the “Authority”) for the year ended June 30, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated September 29, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Authority are described in Note 1 to the financial statements. As described in Note 13 to the financial statements, the Authority adopted a new accounting standard for 2022: GASB Statement No. 87, *Leases*. There was no cumulative effect of the accounting change to the beginning of the year balances. We noted no transactions entered into by the Authority during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- The estimated useful lives of capital assets are based on management’s knowledge and judgment, which is based on history.
- The carrying value of inventories is equal to or less than fair value, which is based on management’s knowledge of current selling prices.

We evaluated the key factors and assumptions used to develop these estimates in determining that the estimates are reasonable in relation to the financial statements taken as a whole.

Significant Audit Findings (Continued)

Qualitative Aspects of Accounting Practices (Continued)

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements include those related to:

- The disclosures about significant accounting policies in Note 1 to the financial statements.
- The disclosure in Note 11 to the financial statements regarding performance grants.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no such misstatements noted.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated May 22, 2023, a copy of which is attached.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Authority's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Authority's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We were not engaged to report on the directory of principal officials, which accompanies the financial statements, but is not required supplementary information. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the use of the Board of Directors and management of the Authority and is not intended to be, and should not be, used by anyone other than these specified parties.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Lynchburg, Virginia
May 22, 2023



COUNTY OF BEDFORD, VIRGINIA

COUNTY ADMINISTRATION BUILDING
122 EAST MAIN STREET, SUITE 202
BEDFORD, VIRGINIA 24523

BOARD OF DIRECTORS

JIMMY ROBERTSON
CHAIRMAN
WYATT WALTON
VICE CHAIRMAN

MATTHEW J. BRAUD
VICKI GARNER
JIM MESSIER
KRISTY MILTON
DAVID WELLS

ECONOMIC DEVELOPMENT AUTHORITY

May 22, 2023

Brown, Edwards & Company, L.L.P.
Certified Public Accountants
828 Main Street, Suite 1401
Lynchburg, VA 24504

This representation letter is provided in connection with your audit of the financial statements of the Bedford County Economic Development Authority (the "Authority"), which comprises the financial position of the Authority as of June 30, 2022, and the changes in financial position and cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of May 22, 2023, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated September 29, 2022, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility 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.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.



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ECONOMIC DEVELOPMENT AUTHORITY

- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
- 8) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 9) Guarantees, whether written or oral, under which the Authority is contingently liable, if any, have been properly recorded or disclosed.
- 10) We have provided the planning communication letter to all members of those charged with governance as requested.

Information Provided

- 11) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the Authority from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 12) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 13) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 14) We have no knowledge of any fraud or suspected fraud that affects the Authority and involves:
 - Management,
 - Employees who have significant roles in internal control,
 - Others where the fraud could have a material effect on the financial statements.
- 15) We have no knowledge of any allegations of fraud or suspected fraud affecting the Authority's financial statements communicated by employees, former employees, regulators, or others.
- 16) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing financial statements.
- 17) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.



COUNTY OF BEDFORD, VIRGINIA

COUNTY ADMINISTRATION BUILDING
122 EAST MAIN STREET, SUITE 202
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ECONOMIC DEVELOPMENT AUTHORITY

- 18) We have disclosed to you the identity of the Authority's related parties and all the related party relationships and transactions of which we are aware.

Government—specific

- 19) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 20) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 21) The Authority has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
- 22) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and legal and contractual provisions for reporting specific activities in separate funds.
- 23) We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
- 24) We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- 25) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
- 26) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 27) The Authority has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 28) The Authority has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 29) Components of net position (net investment in capital assets; restricted; and unrestricted) are properly classified and, if applicable, approved.
- 30) Investments, derivative instruments, and land and other real estate held by endowments are properly valued.



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ECONOMIC DEVELOPMENT AUTHORITY

- 31) Provisions for uncollectible receivables have been properly identified and recorded.
- 32) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 33) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 34) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- 35) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.
- 36) Capital assets have been evaluated for impairment as a result of significant and unexpected decline in service utility.
- 37) We have not completed the process of evaluating the impact that will result from adopting new Governmental Accounting Standards Board Statements (GASBS) that are not yet effective, as discussed in the notes to financial statements. The Authority is therefore unable to disclose the impact that adopting these Statements will have on its financial position and the results of its operations when the Statements are adopted.
- 38) We have appropriately disclosed the Authority's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 39) Expenditures of federal awards were below the \$750,000 threshold in the audit period, and we were not required to have an audit in accordance with the Uniform Guidance.
- 40) We reaffirm the representations made to you in our letter dated September 9, 2022 regarding your audit for the fiscal year ended 2021.

Signed:


Bedford County Economic Development Director

Signed:


Director of Finance

**BEDFORD COUNTY ECONOMIC
DEVELOPMENT AUTHORITY**

FINANCIAL REPORT
(A Component Unit of the County of Bedford, Virginia)

June 30, 2022

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BEDFORD COUNTY ECONOMIC DEVELOPMENT AUTHORITY

DIRECTORY OF PRINCIPAL OFFICIALS

BOARD OF DIRECTORS

James T. Robertson, Jr., Chairman
Wyatt H. Walton, III, Vice Chairman
Rhonnie Smith
Victoria Gardner
Matthew J. Braud
Jim T. Messier
Kristy W. Milton

OFFICIALS

Kim J. Snow, Treasurer
Pam Bailey, Secretary
Patrick J. Skelley, II, Attorney

INDEPENDENT AUDITOR'S REPORT

To the Honorable Members of the Board of Directors
Bedford County Economic Development Authority
Bedford, Virginia

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Bedford County Economic Development Authority (the "Authority"), a component unit of the County of Bedford, Virginia, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which 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 net position of the Authority, as of June 30, 2022, and the changes in net 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are required to be independent of the Authority 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.

Change in Accounting Principal

As described in Note 13 to the financial statements, in 2022, the Authority adopted new accounting guidance, GASB Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Report on the Audit of the Financial Statements (Continued)

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Report on the Audit of the Financial Statements (Continued)

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 22, 2023 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority'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 the Authority's internal control over financial reporting and compliance.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Lynchburg, Virginia
May 22, 2023

BEDFORD COUNTY ECONOMIC DEVELOPMENT AUTHORITY

STATEMENT OF NET POSITION

June 30, 2022

ASSETS

CURRENT ASSETS

Cash and cash equivalents (Note 2)	\$ 1,826,527
Notes receivables (Note 3)	13,035
Inventory (Note 4)	8,413,397
Lease receivable (Note 11)	181,988
Restricted assets:	
Cash and cash equivalents (Note 2)	16,382
Total current assets	<u>10,451,329</u>

NONCURRENT ASSETS

Receivables (Note 3)	723,798
Lease receivable (Note 11)	4,418,447
Capital assets: (Note 5)	
Nondepreciable	612,790
Depreciable, net	4,981,426
Total noncurrent assets	<u>10,736,461</u>
Total assets	<u>21,187,790</u>

LIABILITIES

CURRENT LIABILITIES

Accounts payable	9,721
Unearned revenue	144,846
Notes payable (Note 7)	115,687
Total current liabilities	<u>270,254</u>

NONCURRENT LIABILITIES

Performance grants payable (Note 11)	520,225
Notes payable (Note 7)	2,400,912
Total noncurrent liabilities	<u>2,921,137</u>
Total liabilities	<u>3,191,391</u>

DEFERRED INFLOW OF RESOURCES

Lease-related deferred inflows (Note 11)	4,543,208
Total deferred inflow of resources	<u>4,543,208</u>

NET POSITION

Invested in capital assets, net of related debt	3,722,618
Restricted	16,382
Unrestricted	9,714,191
Total net position	<u>\$ 13,453,191</u>

BEDFORD COUNTY ECONOMIC DEVELOPMENT AUTHORITY

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
Year Ended June 30, 2022

Operating revenues

Operating lease revenue	\$ 406,412
Other	207,728
	<hr/>
Total operating revenues	614,140
	<hr/>

Operating expenses

General and administrative	226,390
Incentive and performance grants	25,000
Leased property operating expense	71,377
Park maintenance	5,236
Depreciation	465,566
	<hr/>
Total operating expenses	793,569
	<hr/>
Operating loss	(179,429)
	<hr/>

Nonoperating revenues (expenses)

Interest income	186,350
Interest expense	(73,249)
Subsidies from the County of Bedford	163,055
	<hr/>
Nonoperating revenues (expenses)	276,156
	<hr/>
Increase in net position	96,727

Net position, beginning of year	<hr/> 13,356,464
Net position, end of year	<hr/> \$ 13,453,191
	<hr/>

BEDFORD COUNTY ECONOMIC DEVELOPMENT AUTHORITY

STATEMENT OF CASH FLOWS
Year Ended June 30, 2022

OPERATING ACTIVITIES

Lease revenue	\$ 546,429
Other cash receipts	168,018
Payments to suppliers	<u>(802,521)</u>
Net cash used in operating activities	<u>(88,074)</u>

NONCAPITAL FINANCING ACTIVITIES

Proceeds from notes payable	1,328,009
Principal paid on notes payable	(20,774)
Interest paid on notes payable	(73,249)
Subsidies from the County of Bedford	<u>163,055</u>
Net cash provided by noncapital financing activities	<u>1,397,041</u>

CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition and construction of capital assets	<u>(939,493)</u>
Net cash provided by capital and related financing activities	<u>(939,493)</u>

INVESTING ACTIVITIES

Interest received	<u>4,088</u>
Net increase in cash and cash equivalents	373,562

Cash and cash equivalents, beginning of year

1,469,347

Cash and cash equivalents, end of year

\$ 1,842,909

RECONCILIATION TO STATEMENT OF NET POSITION

Cash and cash equivalents	\$ 1,826,527
Cash and cash equivalents, restricted	<u>16,382</u>
	<u><u>\$ 1,842,909</u></u>

(Continued)

The Notes to Financial Statements are
an integral part of this statement.

BEDFORD COUNTY ECONOMIC DEVELOPMENT AUTHORITY

STATEMENT OF CASH FLOWS
Year Ended June 30, 2022

RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES		
Operating loss	\$	(179,429)
Adjustments to reconcile operating gain to net cash used in operating activities		
Depreciation		465,566
(Increase) decrease in assets		
Receivables		111,656
Leases		125,035
Increase (decrease) in liabilities		
Accounts payable and other liabilities		(444,517)
Burnbridge Road escrow		(39,710)
Performance grants payable		(129,225)
Deferred revenue		2,550
		<hr/>
Net cash used in operating activities	\$	<u><u>(88,074)</u></u>

BEDFORD COUNTY ECONOMIC DEVELOPMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 1. Summary of Significant Accounting Policies

Reporting entity:

The Bedford County Economic Development Authority (the “Authority”) was created as a governmental subdivision of the Commonwealth of Virginia by ordinance of the Board of Supervisors of Bedford County on October 12, 1970, 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. It is authorized to acquire, own, lease, and dispose of properties to the extent that such activities may promote industry and develop trade by encouraging enterprises to locate and remain in Virginia.

In addition, the Authority is authorized to issue revenue bonds for the purpose of obtaining and constructing facilities. Liability under the bonds may be retained by the Authority or it may be assumed by the enterprises for whom facilities are constructed. 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.

The Authority is classified as a discretely presented component unit of the County of Bedford because its members are appointed by the Board of Supervisors, and the County provides significant funding to the Authority. Thus, the County is financially accountable for the Authority.

Measurement focus and basis of accounting:

The Authority’s financial statements consist of a single enterprise fund and are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The Authority distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing grant and incentive services and producing and delivering goods in connection with the Authority’s principal ongoing operations. The principal operating revenues of the Authority generally result from leases and proceeds of land and buildings held for resale. All revenue and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Authority’s policy to use restricted resources first, and then unrestricted resources as they are needed.

Cash and cash equivalents:

The Authority’s cash and cash equivalents are defined as cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Notes receivable:

Notes receivable consist of amounts owed to the Authority from sales of property and sales-type leases.

(Continued)

BEDFORD COUNTY ECONOMIC DEVELOPMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 1. Summary of Significant Accounting Policies (Continued)

Inventory:

The cost of land (including acquisition costs) is allocated to subdivided areas for the purpose of accumulating costs to match with sales revenues. Where practical, land improvement costs are charged to the appropriate subdivided area on a specific identification basis. Other improvement, carrying, and amenity costs are allocated based on acreage. Building costs are accumulated and matched to sales revenues.

Capital assets:

Capital assets purchased or constructed are stated at historical cost. Donated property is recorded at acquisition value at the date of donation. Depreciation for capital assets has been provided over the following estimated useful lives under the straight-line method:

Buildings and improvements	15-30 years
Equipment	3-15 years

Unearned revenues:

Unearned revenues consist of lease prepayments that have been received but not earned at year end.

Deferred inflow of resources:

In addition to liabilities, the statements that present financial position reports a separate section for deferred inflow of resources. This item represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Authority has the following item that qualifies for reporting in this category:

- Lease-related amounts are recognized at the inception of leases in which the Authority is the lessor. The deferred inflow of resources is recorded in an amount equal to the corresponding leases receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease.

Net position:

Net position is the difference between assets and liabilities. Net position invested in capital assets represent capital assets, less accumulated depreciation. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through state statute.

(Continued)

BEDFORD COUNTY ECONOMIC DEVELOPMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 1. Summary of Significant Accounting Policies (Continued)

Leases:

Key estimates and judgements include how the Authority determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The Authority uses an estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable periods of the lease. Lease receipts are included in the measurement of the lease receivable and is composed of fixed payments.

The Authority monitors changes in circumstances that would require a remeasurement of its leases, and will remeasure if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Asset impairment:

The Authority reviews long-lived assets, including land inventory and capital assets, for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. There was no impairment during the current year.

Estimates:

Management uses estimates and assumptions in preparing its financial statements. Actual results could differ from those estimates.

Performance grants payable:

Performance grants payable are recorded when, in management's opinion, failure by the grantee to meet the performance criteria is unlikely. Refunds of performance grants are reflected as revenues when collection is determined to be likely.

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.

(Continued)

BEDFORD COUNTY ECONOMIC DEVELOPMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 2. Deposits and Investments (Continued)

Investments:

Statutes authorize the Authority 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 and certain corporate notes, banker’s acceptances, repurchase agreements, and the State Treasurer’s Local Government Investment Pool (LGIP). As of June 30, 2022 there were no investments.

Note 3. Notes Receivable

Notes receivable consist of various Authority loans to companies. Balances are due over time and are not expected to be collected in full within one year.

Based on the Authority’s analysis of loans at June 30, 2022, no allowance was recorded. Management evaluates the performance and payment history of companies annually in determining the required allowance.

	<u>Ending Receivable</u>	<u>Due Within One Year</u>
Notes Receivable		
Damage Prevention Solutions	\$ 90,225	\$ -
Sales-Type Lease Receivable		
Bedford Brewing LLC	646,608	13,035
Total receivables	<u>\$ 736,833</u>	<u>\$ 13,035</u>

(Continued)

BEDFORD COUNTY ECONOMIC DEVELOPMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 4. Inventory

Inventory consists of the following:

Land held for lease:	
Lake Vista	\$ 42,628
Land held for sale:	
Bedford Center for Business	600,495
Montvale Center for Commerce	950,240
New London Business and Technology Center	6,820,034
Total land held for sale	8,370,769
Total inventory	\$ 8,413,397

Note 5. Capital Assets

Capital asset activity for the year was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not depreciated:				
Land	\$ 454,409	\$ 158,381	\$ -	\$ 612,790
Construction in progress	1,028,345	-	1,028,345	-
Total capital assets, not depreciated	1,482,754	158,381	1,028,345	612,790
Capital assets, depreciated:				
Buildings and improvements	4,417,723	4,439,795	-	8,857,518
Equipment	18,254	-	-	18,254
Total capital assets, depreciated	4,435,977	4,439,795	-	8,875,772
Less accumulated depreciation for:				
Buildings and improvements	3,417,337	465,083	-	3,882,420
Equipment	11,443	483	-	11,926
Total accumulated depreciation	3,428,780	465,566	-	3,894,346
Net capital assets, depreciated	1,007,197	3,974,229	-	4,981,426
Total net capital assets	\$2,489,952	\$ 4,132,610	\$ 1,028,345	\$ 5,594,216

(Continued)

BEDFORD COUNTY ECONOMIC DEVELOPMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 6. Line of Credit

The Authority entered into a \$2,000,000 line of credit in fiscal year 2021 with a local financial institution to cover construction costs to improve existing industrial property for future tenants. The line matured on April 27, 2022, and converted to a note payable. The line had an interest rate of 2.75% at maturity. The balance converted was \$1,879,941. There was no balance on a line of credit at June 30, 2022.

Note 7. Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the year:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due within One Year</u>
Notes payable	\$ 657,432	\$ 1,879,941	\$ 20,774	\$ 2,516,599	\$ 115,687

The annual requirements to amortize long-term debt and related interest are as follows:

<u>Fiscal Year</u>	<u>Notes Payable</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 115,687	\$ 81,665	\$ 197,352
2024	119,013	78,339	197,352
2025	122,874	74,478	197,352
2026	126,646	70,707	197,353
2027-2037	2,032,379	373,233	2,405,612
	<u>\$ 2,516,599</u>	<u>\$ 678,422</u>	<u>\$ 3,195,021</u>

Details of long-term indebtedness are as follows:

<u>Purpose</u>	<u>Date Issued</u>	<u>Interest Rates</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>
Fund Development Projects:				
Virginia Community Capital Bank	2016	4.75%	\$ 700,000	\$ 645,001
Bank of the James	2021	2.75%	1,879,941	1,871,598

(Continued)

BEDFORD COUNTY ECONOMIC DEVELOPMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 8. Sales-Type Leasing Arrangements

The Authority entered into a lease agreement with Bedford Brewing, LLC, which has common ownership with Waukeshaw Development, Inc., in June 2016. In October 2016 the lease was amended, and executed simultaneously with the amendment was a tenant's work letter agreement. The lease agreement provides for periodic rental payments in amounts which are equal to the principal and interest payments due for the Virginia Community Capital Bank Note Payable. Terms of the lease stipulate that Bedford Brewing, LLC will make monthly lease payments in the amount of \$3,652 beginning November 1, 2017. The tenant's work letter agreement addressed the construction of leasehold improvements, specifically a brewery and restaurant on the leased premises.

In October 2016, the Authority also entered into an option to purchase a contract with Way Out West, LLC, which also has common ownership with Bedford Brewing, LLC and Waukeshaw Development, Inc. The option is exercisable after 10 years from November 1, 2017 and may be extended for two one-year periods. The purchase price for the property shall be the unpaid balance, if any, on the Virginia Community Capital Bank Note Payable.

Note 9. Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The Authority is insured through the County's insurance policies. There were no significant reductions in insurance coverage from the prior year, and settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 10. Related Party Transactions

The County provides office space and management services in the form of employees to the Authority at no charge. The Authority provides parking to the County at no charge.

Note 11. Performance Grants Payable and Other Commitments

Performance agreement:

The Authority has awarded performance grants to companies within the County to foster economic development. Disbursements under these grants vary based on the performance requirements and period in which the company has to perform. Outstanding grants payable total \$520,225 as of June 30, 2022.

(Continued)

BEDFORD COUNTY ECONOMIC DEVELOPMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 11. Performance Grants Payable and Other Commitments (Continued)

Performance agreement: (Continued)

In May 2017, the Authority entered into a performance agreement with Liberty University (the “University”), whereby the University acquired Lot 1, approximately 28 acres, of the New London Business and Technology Center for a purchase price of \$800,000. The Authority held a promissory note in the amount of \$800,000 as payment of the full amount of the purchase price. The University agreed to construct the remainder of the circular drive and parking spaces per the Development Master Plan by April 30, 2018 and was granted a credit of \$150,000 toward the outstanding note as of June 30, 2019. Under the original agreement the University would construct a new facility and certain other improvements and relocate its Engineering School to the new facility. The Authority would grant credits based on relocation timeline and revenue generated and paid to County of Bedford, Virginia during a five-year period. In July 2019, a modified agreement was signed as Liberty University would not be relocating the Engineering School to Lot 1; however, the agreement granted Liberty University a \$110,000 credit for completion of nine research labs reducing the outstanding payable to \$540,000. Liberty University paid the outstanding \$540,000 balance to the Authority in July 2019. Also, under the modified agreement, the Authority agreed to pay Liberty University \$4.33 per square foot of finished floor space of new and completed buildings built on Lot 1 up to a maximum of 99,231 square feet (i.e., \$430,000). This applies to construction commenced on or after the effective date of the agreement and completed on or before the date that is five years immediately subsequent to the effective date of the agreement. As of June 30, 2022, the Authority’s outstanding performance grant payable related to this agreement is \$430,000.

In July 2020, the Authority entered into a performance agreement with Damage Prevention Solutions (“DPS”) whereby DPS acquired Lot 3B, approximately 4 acres, of the New London Business and Technology Center for the purchase price of \$189,450. The Authority holds a promissory note in the amount of \$189,450 as payment of the full amount of the purchase price. The Authority has agreed to grant credits to DPS towards the principal sum of \$189,450 based upon DPS’ level of investment and job creation. If DPS invests a minimum of \$650,000 in an approximately 10,000 square foot manufacturing facility in Bedford County within one calendar year from closing, a credit of \$99,225 will be given by the Authority towards the agreed upon sum. If DPS has successfully achieved a minimum of 15 full-time employees based in Bedford County, at the end of the five-year term of the above referenced facility, with average annual salaries of \$35,000 or higher, a final credit of \$99,225 will be given and the promissory note will be satisfied. If DPS abandons the project without completing the construction of new technology facilities, the payment of the remaining balance of the promissory note is required. As of June 30, 2022, the Authority’s outstanding performance grant payable related to this agreement is \$90,225.

(Continued)

BEDFORD COUNTY ECONOMIC DEVELOPMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 11. Performance Grants Payable and Other Commitments (Continued)

Leases:

The Authority, as a lessor, leases buildings to commercial and other governmental entities under leases with varied terms, typically one to five years, with opportunities for annual extensions. The buildings are leased to Belvac Production Machinery, Inc., East Coast Fabricators, Inc., and SWD Grocery, Inc. The total amount of inflows of resources, including lease revenue, interest revenue, and other lease-related inflows, recognized during the fiscal year was \$1,495,754. This total includes variable and other payments not previously included in the measurement of the lease receivable.

<u>Lease</u>	<u>Contract Date</u>	<u>Maturity Date</u>
Belvac Production Machinery, Inc.*	10/1/2021	9/30/2026
East Coast Fabricators, Inc.*	11/1/2020	10/31/2025
SWD Grocery, Inc.*	4/1/2020	3/31/2028

*Contract includes option years that are reflected in maturity date.

Note 12. Conduit Debt Obligations

From time to time, the Authority has been associated with the issuance of Lease Revenue Bonds to provide financial assistance for the acquisition and construction of facilities deemed to be in the public interest. The conduit debt obligations are secured by the property financed and are payable solely from payments received on the underlying loan. The Authority is not obligated in any manner for repayment of the obligations. Accordingly, the obligations are not reported as liabilities in the accompanying financial statements. As of June 30, 2022 the Authority did not have any outstanding conduit debt arrangements.

Note 13. Adoption of New Standard

Effective July 1, 2021, the Authority adopted Government Accounting Standards Board (GASB) Statement No. 87, *Leases*. The following discussion provides the Board's accounting policy regarding lease agreements.

During the year of implementation of GASB 87, leases have been recognized and measured using the facts and circumstances that existed at the beginning of the year of implementation (i.e., as of July 1, 2021). The Authority's leases in place at the implementation date had no prepayments (payments made at or before the commencement of the lease) and contained no incentives, as such, the lease receivable has been recognized and measured at the same amount as the related deferred inflow of resources as of the implementation date (July 1, 2021). Therefore, no restatement of prior year net position was necessary.

(Continued)

BEDFORD COUNTY ECONOMIC DEVELOPMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 14. New Accounting Standards

The Governmental Accounting Standards Board (GASB) has issued the following Statements which are not yet effective. The effective dates below are updated based on **Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*** due to the COVID-19 pandemic

In May 2019, the GASB issued **Statement No. 91, *Conduit Debt Obligations***. This Statement provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021.

In March 2020, the GASB issued **Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements***. This Statement improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

In May 2020, the GASB issued **Statement No. 96, *Subscription-Based Information Technology Arrangements***. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

In April 2022, the GASB issued **Statement No. 99, *Omnibus 2022***. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

In June 2022, the GASB issued **Statement No. 100, *Accounting Changes and Error Corrections***. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

(Continued)

BEDFORD COUNTY ECONOMIC DEVELOPMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 14. New Accounting Standards (Continued)

In June 2022, the GASB issued **Statement No. 101**, *Compensated Absences*. This statement updates the recognition and measurement guidance for compensated absences and amends certain previously required disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2023.

Management has not determined the effects these new GASB Statements may have on prospective financial statements.

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

To the Honorable Members of the Board of Directors
Bedford County Economic Development Authority
Bedford, Virginia

We have audited, 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, the financial statements of the Bedford County Economic Development Authority (the "Authority"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which comprise the Authority's basic financial statements, and have issued our report thereon dated May 22, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority'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 Authority'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 Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Lynchburg, Virginia
May 22, 2023

BEDFORD COUNTY ECONOMIC DEVELOPMENT AUTHORITY

SUMMARY OF COMPLIANCE MATTERS

June 30, 2022

As more fully described in the “Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*,” we performed tests of the Authority’s compliance with certain provisions of the laws, regulations, contracts and grant agreements, and other matters shown below.

STATE COMPLIANCE MATTERS

Code of Virginia:

Cash and Investment Laws
Conflicts of Interest Act
Procurement Laws
Unclaimed Property

LOCAL COMPLIANCE

Authority By-Laws

BALANCE SHEET FOR 2023 13

FUND: 556 ECONOMIC DEVELOPMENT AUTHORITY			NET CHANGE FOR PERIOD	ACCOUNT BALANCE
ASSETS				
556	110010	EQUITY IN GENERAL CHECKING	.00	1,901,867.79
556	120100	BRWA CELL TOWER FUND	.00	30,974.23
556	142100	OTHER RECEIVABLES	.00	16,308.20
556	145700	BEALE NOTES RECEIVABLE	.00	646,607.86
556	145700	DMPRE DAMAGE PREVENTION - NOTES REC	.00	90,225.00
556	145800	LEASE RECEIVABLE	.00	4,600,434.52
556	181000	LAND	.00	612,789.56
556	181100	BLDG & LAND HELD FOR RESALE	.00	8,370,768.53
556	181200	LAND HELD FOR LEASE	.00	42,628.07
556	183000	BUILDINGS & IMPROVEMENTS	.00	8,857,517.45
556	184000	MACHINERY & EQUIPMENT	.00	18,253.99
556	189300	ACC DEPR-BUILDINGS & IMPROV	.00	-3,882,418.76
556	189400	ACC DEPR-MACHINERY & EQUIP	.00	-11,926.89
TOTAL ASSETS			.00	21,294,029.55
LIABILITIES				
556	220300	ACCOUNTS PAYABLE	.00	-9,720.51
556	220350	P-CARD PAYABLE	.00	-582.43
556	220600	PERFORMANCE GRANTS PAYABLE	.00	-520,225.00
556	281000	LOT7 SHELL BUILDING - NOTES PAYABLE	.00	-1,871,598.06
556	281000	VCC NOTES PAYABLE	.00	-645,001.23
556	293000	DEFERRED REVENUE UNEARNED	.00	-161,154.20
556	298140	DIR-LEASES	.00	-4,543,208.21
TOTAL LIABILITIES			.00	-7,751,489.64
FUND BALANCE				
556	330000	FUND BALANCE-UNASSIGNED	.00	-13,453,189.92
556	340000	REVENUE CONTROL	.00	-409,604.91
556	350000	EXPENDITURE CONTROL	.00	320,254.92
556	393000	BUDGETARY FD BAL-UNASSIGNED	.00	-16,711.71
556	393530	BUDGETARY FBAL RESRVD 4 ENC	.00	-5,000.00
556	394000	ESTIMATED REVENUE CONTROL	.00	770,538.36
556	395000	APPROPRIATION CONTROL	.00	-753,826.65
556	395500	ENCUMBRANCES CONTROL	.00	5,000.00
TOTAL FUND BALANCE			.00	-13,542,539.91
TOTAL LIABILITIES + FUND BALANCE			.00	-21,294,029.55

** END OF REPORT - Generated by Pam Bailey **

YEAR-TO-DATE BUDGET REPORT

FOR 2023 12

ACCOUNTS FOR:	ORIGINAL	TRANFRS/	REVISED				AVAILABLE	PCT
556 ECONOMIC DEVELOPMENT AUTHORITY	APPROP	ADJSTMTS	BUDGET	YTD ACTUAL	ENCUMBRANCES	BUDGET	USE/COL	
561500 EDA INTEREST EARNINGS								
561500 415101 INTEREST ON BANK	0	0	0	-2,417.65	.00	2,417.65	100.0%	
561500 415210 BRWA CELL TOWER I	0	0	0	-14,591.61	.00	14,591.61	100.0%	
TOTAL EDA INTEREST EARNINGS	0	0	0	-17,009.26	.00	17,009.26	100.0%	
561800 EDA MISC REVENUE								
561800 418901 MISCELLANEOUS REV	0	0	0	-897.48	.00	897.48	100.0%	
TOTAL EDA MISC REVENUE	0	0	0	-897.48	.00	897.48	100.0%	
561900 EDA RECOVERED COSTS								
561900 419010 BLVAC RECOVERED CO	-1,448	0	-1,448	-1,447.59	.00	.00	100.0%	
561900 419010 DMPRE RECOVERED CO	-390	0	-390	-390.41	.00	.00	100.0%	
561900 419010 LU RECOVERED COSTS	-2,597	0	-2,597	-2,596.58	.00	-.42	100.0%*	
561900 419010 NANO RECOVERED COS	-393	0	-393	.00	.00	-393.00	.0%*	
561900 419010 SMPLM SMPLM -RECOV	-1,061	0	-1,061	-1,060.89	.00	-.11	100.0%*	
TOTAL EDA RECOVERED COSTS	-5,889	0	-5,889	-5,495.47	.00	-393.53	93.3%	
564100 EDA OTHER FINANCING SOURCES								
564100 441110 TRANSFER FROM GEN	-163,055	0	-163,055	.00	.00	-163,055.00	.0%*	
TOTAL EDA OTHER FINANCING SOURCES	-163,055	0	-163,055	.00	.00	-163,055.00	.0%	
565600 EDA ADMINISTRATION								
565600 531110 ACCOUNTING & AUDI	8,000	0	8,000	7,100.00	.00	900.00	88.8%	
565600 531120 ADVERTISING SERVI	6,500	0	6,500	4,621.30	.00	1,878.70	71.1%	
565600 531130 ATTORNEY AND LEGA	2,500	0	2,500	.00	.00	2,500.00	.0%	

YEAR-TO-DATE BUDGET REPORT

FOR 2023 12

ACCOUNTS FOR:	ORIGINAL	TRANFRS/	REVISED			AVAILABLE	PCT
556 ECONOMIC DEVELOPMENT AUTHORITY	APPROP	ADJSTMTS	BUDGET	YTD ACTUAL	ENCUMBRANCES	BUDGET	USE/COL
565600 531220 SAL ADMIN SALARY -	21,864	0	21,864	4,429.02	.00	17,435.39	20.3%
565600 531410 BUILDING REPAIR &	150,000	0	150,000	.00	.00	150,000.00	.0%
565600 531410 CVCC BUILDING REPA	0	0	0	3,440.50	.00	-3,440.50	100.0%*
565600 531420 GROUNDS REPAIR &	0	0	0	390.00	.00	-390.00	100.0%*
565600 531510 POSTAGE AND FREIG	120	0	120	.00	.00	120.00	.0%
565600 531730 CONFERENCE & EDUC	1,500	0	1,500	597.40	.00	902.60	39.8%
565600 531750 EMPLOYEE RECOGNIT	100	0	100	.00	.00	100.00	.0%
565600 531820 TRAVEL MILEAGE	1,200	0	1,200	1,077.36	.00	122.64	89.8%
565600 541270 CONTRIBUTIONS TO	2,500	0	2,500	.00	.00	2,500.00	.0%
565600 551210 GENERAL LIABILITY	653	0	653	.00	.00	653.00	.0%
565600 551220 AUTOMOBILE LIABIL	150	0	150	.00	.00	150.00	.0%
565600 551230 PROPERTY INSURANC	9,935	0	9,935	.00	.00	9,935.00	.0%
565600 551240 BOILER AND MACHIN	1,170	0	1,170	.00	.00	1,170.00	.0%
565600 551250 OTHER FINANCIAL I	675	0	675	.00	.00	675.00	.0%
565600 551260 PUBLIC OFFICIALS	182	0	182	.00	.00	182.00	.0%
565600 551290 CYBER RISK INSURA	100	0	100	.00	.00	100.00	.0%
565600 561140 FOOD & MEALS NON-	2,300	0	2,300	1,713.83	.00	586.17	74.5%
565600 561140 BDONE BDONE-FOOD M	1,200	0	1,200	1,686.35	.00	-486.35	140.5%*
565600 561140 BSAPP BSAPP-FOOD M	2,500	0	2,500	495.33	.00	2,004.67	19.8%
565600 581680 CVCC CVCC-OTHER MI	0	0	0	1,500.00	.00	-1,500.00	100.0%*
TOTAL EDA ADMINISTRATION	213,149	0	213,149	27,051.09	.00	186,098.32	12.7%
565610 EDA PERFORMANCE INCENTIVES							
565610 541530 PERFORMANCE INCEN	120,000	0	120,000	.00	.00	120,000.00	.0%
TOTAL EDA PERFORMANCE INCENTIVES	120,000	0	120,000	.00	.00	120,000.00	.0%
565615 EDA BEDFORD CTR FOR BUSINESS							
565615 531410 BUILDING REPAIR &	3,200	0	3,200	.00	.00	3,200.00	.0%
565615 531410 CVCC CVCC-BLDG REP	0	0	0	5,439.72	.00	-5,439.72	100.0%*
565615 531420 GROUNDS REPAIR &	8,900	0	8,900	6,241.74	.00	2,658.26	70.1%
565615 531420 CVCC GROUNDS REPAI	0	0	0	350.00	.00	-350.00	100.0%*
565615 531430 CVCC CVCC - EQUIP	6,500	0	6,500	7,272.39	.00	-772.39	111.9%*
565615 531430 ECOST ECOST - EQUI	2,000	0	2,000	.00	.00	2,000.00	.0%
565615 531510 CVCC POSTAGE AND F	0	0	0	15.00	.00	-15.00	100.0%*
565615 551110 ELECTRICAL SERVIC	0	0	0	13,208.73	.00	-13,208.73	100.0%*
565615 551110 CVCC CVCC-ELECTRIC	40,000	0	40,000	22,797.47	.00	17,202.53	57.0%

YEAR-TO-DATE BUDGET REPORT

FOR 2023 12

ACCOUNTS FOR:	ORIGINAL	TRANFRS/	REVISED				AVAILABLE	PCT
556 ECONOMIC DEVELOPMENT AUTHORITY	APPROP	ADJSTMTS	BUDGET	YTD ACTUAL	ENCUMBRANCES	BUDGET	USE/COL	
565615 551130 CVCC CVCC-WATER &	2,000	0	2,000	1,588.97	.00	411.03	79.4%	
565615 551170 OTHER SERVICE CHA	0	0	0	399.89	.00	-399.89	100.0%*	
565615 561510 CVCC CVCC-BUILDING	0	0	0	40.42	.00	-40.42	100.0%*	
TOTAL EDA BEDFORD CTR FOR BUSINESS	62,600	0	62,600	57,354.33	.00	5,245.67	91.6%	
56561515 RENT								
56561515 415201 CVCC PROPERTY RE	-142,296	0	-142,296	.00	.00	-142,296.00	.0%	
56561515 415201 ECOST PROPERTY R	-121,280	0	-121,280	-101,066.70	.00	-20,213.30	83.3%*	
56561515 415201 MBC PROPERTY REN	-3,600	0	-3,600	-3,900.00	.00	300.00	108.3%	
TOTAL RENT	-267,176	0	-267,176	-104,966.70	.00	-162,209.30	39.3%	
565621 EDA BEDFORD BREWERY								
565621 591130 VCC VCC-DEBT PRINC	13,035	0	13,035	9,201.14	.00	3,834.15	70.6%	
565621 591140 VCC VCC-DEBT INTER	30,783	0	30,783	23,662.63	.00	7,120.44	76.9%	
TOTAL EDA BEDFORD BREWERY	43,818	0	43,818	32,863.77	.00	10,954.59	75.0%	
56562115 RENT								
56562115 415201 BREW PROPERTY RE	-43,818	0	-43,818	-36,515.30	.00	-7,303.06	83.3%*	
TOTAL RENT	-43,818	0	-43,818	-36,515.30	.00	-7,303.06	83.3%	
565655 EDA MONTVALE CTR FOR COMMERCE								
565655 531210 A & E SERVICES	0	0	0	.00	5,000.00	-5,000.00	100.0%*	
565655 531420 GROUNDS REPAIR &	1,125	0	1,125	1,170.00	.00	-45.00	104.0%*	
TOTAL EDA MONTVALE CTR FOR COMMERCE	1,125	0	1,125	1,170.00	5,000.00	-5,045.00	548.4%	
565680 EDA WASHINGTON STREET								
565680 531220 SKILLED SERVICES	0	0	0	150.00	.00	-150.00	100.0%*	

YEAR-TO-DATE BUDGET REPORT

FOR 2023 12

ACCOUNTS FOR:	ORIGINAL	TRANFRS/	REVISED			AVAILABLE	PCT
556 ECONOMIC DEVELOPMENT AUTHORITY	APPROP	ADJSTMTS	BUDGET	YTD ACTUAL	ENCUMBRANCES	BUDGET	USE/COL
565680 531410 BUILDING REPAIR &	10,000	0	10,000	350.00	.00	9,650.00	3.5%
565680 531420 GROUNDS REPAIR &	101,500	0	101,500	1,338.37	.00	100,161.63	1.3%
565680 541610 REAL PROPERTY TAX	0	0	0	166.46	.00	-166.46	100.0%*
565680 561510 BUILDING MATERIAL	0	0	0	52.98	.00	-52.98	100.0%*
565680 561510 VISTA VISTA-BUILD	0	0	0	385.82	.00	-385.82	100.0%*
TOTAL EDA WASHINGTON STREET	111,500	0	111,500	2,443.63	.00	109,056.37	2.2%
56568015 WASHINGTON STREET RENT							
56568015 415201 PROPERTY RENTAL	0	0	0	-28,050.00	.00	28,050.00	100.0%
56568015 415201 VISTA PROPERTY R	-30,600	0	-30,600	.00	.00	-30,600.00	.0%*
TOTAL WASHINGTON STREET RENT	-30,600	0	-30,600	-28,050.00	.00	-2,550.00	91.7%
565685 EDA NEW LONDON							
565685 531120 ADVERTISING SERVI	0	0	0	17.99	.00	-17.99	100.0%*
565685 531210 A & E SERVICES	20,000	0	20,000	2,010.00	.00	17,990.00	10.1%
565685 531220 SKILLED SERVICES	0	0	0	2,750.00	.00	-2,750.00	100.0%*
565685 531410 BUILDING REPAIR &	0	0	0	2,326.00	.00	-2,326.00	100.0%*
565685 531420 GROUNDS REPAIR &	20,000	0	20,000	17,765.87	.00	2,234.13	88.8%
565685 531430 BLVAC EQUIPMENT RE	0	0	0	550.00	.00	-550.00	100.0%*
565685 551110 ELECTRICAL SERVIC	7,100	0	7,100	6,695.26	.00	404.74	94.3%
565685 551170 OTHER SERVICE CHA	0	0	0	51.76	.00	-51.76	100.0%*
565685 561570 SIGNAGE	1,000	0	1,000	.00	.00	1,000.00	.0%
565685 582160 MEADE MEADE-ROADS	0	0	0	26,465.83	.00	-26,465.83	100.0%*
565685 591130 LOT7 SHELL BLDG -	153,534	0	153,534	95,494.23	.00	58,039.65	62.2%
565685 591140 LOT7 SHELL BLDG -	0	0	0	45,245.16	.00	-45,245.16	100.0%*
TOTAL EDA NEW LONDON	201,634	0	201,634	199,372.10	.00	2,261.78	98.9%
56568515 RENT							
56568515 415201 BLVAC PROPERTY R	-260,000	0	-260,000	-216,670.70	.00	-43,329.30	83.3%*
TOTAL RENT	-260,000	0	-260,000	-216,670.70	.00	-43,329.30	83.3%
TOTAL ECONOMIC DEVELOPMENT AUTHORITY	-16,712	0	-16,712	-89,349.99	5,000.00	67,638.28	504.7%
TOTAL REVENUES	-770,538	0	-770,538	-409,604.91	.00	-360,933.45	
TOTAL EXPENSES	753,827	0	753,827	320,254.92	5,000.00	428,571.73	

YEAR-TO-DATE BUDGET REPORT

FOR 2023 12							
	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USE/COL
GRAND TOTAL	-16,712	0	-16,712	-89,349.99	5,000.00	67,638.28	504.7%
** END OF REPORT - Generated by Pam Bailey **							

General and Administrative	YTD (as of 5/12/23)	BUDGET	BUDGET			
Revenues	FY 22-23	FY 22-23	FY 23-24	Notes		
Contribution from County	\$ 43,055.00	\$ 43,055.00	\$ 43,055.00		564100-441110	
Interest Earnings	\$ -	\$ -	\$ -		561500-415101	
		\$ -	\$ -			
Totals	\$ 43,055.00	\$ 43,055.00	\$ 43,055.00			
Expenditures						
Administrative Assistant	\$ -	\$ 21,864.41	\$ 23,000.00		565600-531220-SAL	
Auditing Services	\$ 7,100.00	\$ 8,000.00	\$ 8,000.00		565600-531110	
Advertising Services	\$ 4,639.29	\$ 6,500.00	\$ 6,500.00	web maintenance & ads	565600-531120	
Attorney Services	\$ -	\$ 2,500.00	\$ 2,500.00		565600-531130	
Postage and Freight	\$ -	\$ 120.00	\$ 120.00	mailings to prospects/bus.	565600-531510	
Printing Services	\$ -	\$ -	\$ 500.00	name plates/badges/etc.	565600-561120	
Conference & Educations Svcs	\$ 597.40	\$ 1,500.00	\$ 1,500.00	VEDA, fees for training	565600-531730	
Business/EDA Recognition	\$ -	\$ 100.00	\$ 100.00	Outgoing EDA/staff recognition	565600-531750	
Travel Mileage	\$ 1,025.56	\$ 1,200.00	\$ 1,500.00	EDA official bus./ meetings	565600-531820	
Food & Meals - Non-travel	\$ 1,713.83	\$ 2,300.00	\$ 2,300.00	EDA meetings/planning	565600-561140	
Bedford One	\$ 1,686.35	\$ 1,200.00	\$ 3,000.00	Student food	565600-561140-BDONE	
Business Appreciation	\$ 2,480.73	\$ 2,500.00	\$ 2,500.00	Thank you gifts, event, etc.	565600-561140-BSAPP	
General Liability Insurance	\$ 332.00	\$ 653.00	\$ 332.00		565600-551210	
Surety Bonds	\$ 675.00	\$ 675.00	\$ 675.00		565600-551250	
Cyber Risk Insurance	\$ 100.00	\$ 100.00	\$ 100.00		565600-551290	
Public Officials Liability	\$ 182.00	\$ 182.00	\$ 182.00		565600-551260	
Automobile Liability	\$ 150.00	\$ 150.00	\$ 150.00		565600-551220	
Property Insurance	\$ 10,270.00	\$ 9,935.00	\$ 10,270.00	Elba, CVCC and Shell bldg.	565600-551230	
Equipment Breakdown	\$ 1,264.00	\$ 1,170.00	\$ 1,264.00	Boiler and Machinery	565600 -551240	
Excess Liability (automobile & general)	\$ 322.00	\$ 322.00	\$ 322.00		565600-551210	
Rate Credit	\$ (252.00)		\$ (252.00)			
Building Repair & Maintenance Fund	\$ -	\$ 150,000.00	\$ 120,000.00	Emergency maintenance items	565600-531410	
Totals	\$ 32,286.16	\$ 210,971.41	\$ 184,563.00			
Net Totals	\$ 10,768.84	\$ (167,916.41)	\$ (141,508.00)			

Permanenced Based Incentives	YTD (as of 5/12/23)	BUDGET	BUDGET			
Revenues	FY 22-23	FY 22-23	FY 23-24			
Contribution from County	\$ 120,000.00	\$ 120,000.00	\$ 120,000.00		564100-441110	
Totals	\$ 120,000.00	\$ 120,000.00	\$ 120,000.00			
Expenditures						
	\$ -	\$120,000.00	\$120,000.00			
					565610-541530	
Totals	\$ -	\$ 120,000.00	\$ 120,000.00			
Net Totals	\$ 120,000.00	\$ -	\$ -			
Bedford Brewery	YTD (as of 5/12/23)	BUDGET	BUDGET			
Revenues	FY 22-23	FY 22-23	FY 23-24			
Bedford Brewing lease	\$ 36,515.30	\$43,818.36	\$43,818.36	Rental income	56562115-415201-BREW	
Totals	\$ 36,515.30	\$43,818.36	\$43,818.36			
Expenditures						
VCC Principal	\$ 9,201.14	\$ 13,035.29	\$ 13,035.29		565621-591130-VCC	
VCC Interest	\$ 23,662.63	\$ 30,783.07	\$ 30,783.07		565621-591140-VCC	
Totals	\$ 32,863.77	\$ 43,818.36	\$ 43,818.36	Loan payments		
Net Total	\$ 3,651.53	\$ -	\$ -			

Bedford Center for Business	YTD (as of 5/12/23)	BUDGET	BUDGET			
Revenues	FY 22-23	FY 22-23	FY 23-24			
CVCC lease	\$ 142,296.00	\$ 142,296.00	\$ 142,296.00	Rental income	56561515-415201-CVCC	
East Coast Fabricators lease	\$ 101,066.70	\$ 121,280.00	\$ 121,280.00	Rental income	56561515-415201-ECOST	
Mid-Atlantic Broadband lease	\$ 3,900.00	\$ 3,600.00	\$ 3,600.00	Rental income	56561515-415201-MBC	
Totals	\$ 247,262.70	\$ 267,176.00	\$ 267,176.00			
Expenditures						
Electric	\$ 36,006.20	\$ 40,000.00	\$ 40,000.00	CVCC electric	565615-551110-CVCC	
Water & Sewer	\$ 1,588.97	\$ 2,000.00	\$ 2,000.00	CVCC water and sewer	565615-551130-CVCC	
Building Repair & Maintenance	\$ 9,320.53	\$ 3,200.00	\$ 9,500.00	Security, sprinkler, exterminating services	565615-531410	
Grounds Maintenance Service	\$ 6,148.40	\$ 8,900.00	\$ 8,900.00	Peaksview landscaping	565615-531420	
Equipment Repair - CVCC	\$ 9,122.39	\$ 6,500.00	\$ 9,200.00	HVAC service + plumbing	565615-531430 - CVCC	
Equipment Repair - East Coast		\$ 2,000.00	\$ 2,000.00	HVAC service	565615-531430 - Ecost	
Totals	\$ 62,186.49	\$ 62,600.00	\$ 71,600.00			
Net Totals	\$ 185,076.21	\$ 204,576.00	\$ 195,576.00			
Montvale Center for Commerce	YTD (as of 5/12/23)	BUDGET	BUDGET			
Revenues	FY 22-23	FY 22-23	FY 23-24			
Totals	\$ -	\$ -	\$ -			
Expenditures						
Advertising/Marketing	\$ -	\$ -	\$ -		565655-531120	
Grounds Maintenance Service	\$ 1,560.00	\$ 1,125.00	\$ 1,600.00	Mowing/bushhogging	565655-531420	
Totals	\$ 1,560.00	\$ 1,125.00	\$ 1,600.00			
Net Total	\$ (1,560.00)	\$ (1,125.00)	\$ (1,600.00)			

New London Business and Tech	YTD (as of 5/12/23)	BUDGET	BUDGET				
Revenues	FY 22-23	FY 22-23	FY 23-24				
VEDP - VBRSP grant			\$ 63,750.00		56568515-415201-BLVAC		
Belvac Lease payments	\$ 216,670.70	\$ 260,000.00	\$ 260,000.00	Rental income	56568515-415201-BLVAC		
Recovered Costs CAM fees	\$ -						
Simplimatic fees:	\$ 1,061.00	\$ 1,061.00	\$ 1,061.00		561900-419010-SMPLM		
Liberty University fees:	\$ 2,597.00	\$ 2,597.00	\$ 2,597.00		561900-419010-LU		
Lot 3A fees:	\$ -	\$ 393.00	\$ 393.00		561900-419010-NANO		
Belvac fees	\$ 1,447.59	\$ 1,447.59	\$ 1,447.59				
Damage Prevention fees	\$ 390.41	\$ 390.41	\$ 390.41				
Totals	\$ 222,166.70	\$ 265,889.00	\$ 329,639.00				
Expenditures							
A & E	\$ 2,760.00	\$ 20,000.00	\$ 127,500.00	Engineering services	565685-531210		
Grounds Maintenance Service	\$ 16,271.70	\$ 20,000.00	\$ 20,000.00	Peaksview landscaping	565685-531420		
Building Repair & Maintenance	\$ 2,876.00	\$ -	\$ 3,102.00	Johnson Controls/plumbing			
Electrical Service	\$ 6,085.64	\$ 7,100.00	\$ 7,100.00	SEC charges	565685-551110		
Water & Sewer	\$ -	\$ -	\$ -		565685-551130		
Signage	\$ -	\$ 1,000.00	\$ -	real estate signs	565685-561570		
Bank of James Interest	\$ 41,151.71				565685-591140-LOT7		
Bank of James Principal	\$ 86,793.19				565685-591130-LOT7		
Bank of the James Loan		\$ 153,533.88	\$ 153,533.88		565685-591130-LOT7		
Totals	\$ 155,938.24	\$ 201,633.88	\$ 311,235.88				
Net Totals	\$ 66,228.46	\$ 64,255.12	\$ 18,403.12				

Washington Street Property	YTD (as of 5/12/23)	BUDGET	BUDGET			
Revenues	FY 22-23	FY 22-23	FY 23-24			
Elba Butcher Shoppe	\$ 20,400.00	\$ 30,600.00	\$ 30,600.00	Rental income	56568015-415201	
Totals	\$ 20,400.00	\$ 30,600.00	\$ 30,600.00			
Expenditures						
Grounds Maintenance Service	\$ 1,095.03	\$ 1,500.00	\$ 1,500.00	landscaping	565680-531420	
Building repair and maintenance	\$ 734.12	\$ 10,000.00	\$ 7,500.00	HVAC/roof repair/plumbing	565680-531410	
Parking lot paving, etc.	\$ 150.00	\$ 100,000.00	\$ 250,000.00		565680-531410	
Totals	\$ 1,979.15	\$ 111,500.00	\$ 259,000.00			
Net Totals	\$ 18,420.85	\$ (80,900.00)	\$ (228,400.00)			
Grand Totals		BUDGET	BUDGET			
	FY 22-23	FY 22-23	FY 23-24			
Revenue	\$ 569,399.70	\$ 770,538.36	\$ 834,288.36			
Expenditure	\$ 286,813.81	\$ 751,648.65	\$ 991,817.24			
Revenue over/(under) expenditures	\$ 282,585.89	\$ 18,889.71	\$ (157,528.88)			

BEDFORD COUNTY EDA

ITEM # 6B: County Budget Update

DATE: June 1, 2023

At the May 22, 2023, the Board of Supervisors approved the FY24 Budget with the exception of appropriating funds for a few organizations including the Small Business Development Center (SBDC) and the Lynchburg Regional Business Alliance (LRBA). The Supervisors are also reviewing the budget requests from the SML Chamber, Bedford Chamber, and Sedalia Center. The Board is holding a worksession on June 26 at 5 p.m. and is giving each organization the opportunity to review their agency's FY24 budget request to Bedford County. They have been asked to speak about their budget request, what these funds specifically support, how it adds value to the local economy and businesses, services received in return to the community and/or County government, any ROI measurements, etc.

As you know, the LRBA and SBDC organizations have a direct impact on the economic development ecosystem, and county staff works very close with them. If not funded, then significant operational changes are necessary to fill the void and meet the EDA's strategic goals.

The SBDC is requesting \$17,100 and their funding request is attached.

The Lynchburg Regional Business Alliance is requesting \$99,831 and their funding request is attached. LRBA's budget request is based on a per capita formula.

As deemed appropriate, I am asking if the EDA wants to provide a letter in favor of the Board of Supervisors fully funding these organizations in FY24.

December 20, 2022

Re: Alliance Contribution for Regional Economic Development

Dear Robert,

Thank you for being a valuable economic development partner this year. We take your commitment very seriously and look forward to our continued synergy.

It is that time of year when we begin talking about your annual contribution to the regional economic development partnership. The contribution rate (\$1.25 per capita) for FY2024 will remain unchanged from this year's contribution. The contribution rate has remained unchanged for 15 years. This year's contribution will be adjusted to correspond with the latest population estimates prepared by the Weldon Cooper Center. The contribution requests will be billed in July 2023.

Your contribution will be restricted to Regional Economic Development Operations focused on increasing jobs by attracting and retaining companies to our region. Only partners paid in full have premium regional opportunities and access.

Your contribution for FY24:

	FY23 Contribution	2021 Provisional Population Estimate	Contributions Rate Per Capita	FY24 Contribution
Bedford County	\$98,730	79,865	\$1.25	\$99,831

In the following tables, we have outlined the activity directly related to the Alliance's regional economic development marketing activities. The list gives an overview of the activity, as well as associated cost and/or value that this activity affords you based on your investment in regional economic development. A rising tide lifts all ships and collectively we can provide more opportunity for all localities within the Lynchburg Region. I welcome any opportunity to answer questions and hope that after you've read the following memo, you'll see the value and all that we've done to champion for your economic growth.

MARKETING:

National Advertising

Multiple ads featured in national publications such as Business View Magazine, Site Selection Magazine, and marketing materials including digital ads.

Inside Lynchburg Region

A regional publication that provides the economic development partners a section promoting their economic developers and economic development assets. The publication is both for internal and external use.

Regional Map

Includes county industrial sites.

\$8,550

\$3,500

\$1,400

Website

Maintain the YesLynchburgRegion.org website with updated tools for workforce and education, direct contact to County staff, improved property search options (includes available Bedford County sites and buildings).

\$9,040

Content Support

Access to all LRBA photos, videos, as well staff support as needed for marketing materials specific to Bedford County.

\$5,000

Industry Conventions/Exhibits/Spotlights

- Hosted over 250 Economic Development professionals from the Commonwealth for three days highlighting the region's assets.
- Exhibited at Liberty University's CEO Summit to build relationships and provide regional data to C-Level decision makers.
- Attended seven Site Selector Events distributing regional information. Regional data and your municipal data, sites and buildings was provided.
- The Lynchburg Region was featured in the Site Selection Magazine 2022 Virginia Issue including regional highlights of workforce programs.
- The Alliance expanded regional video library highlighting regional assets to attract new business and gain social media attention including drones of regional industrial parks and available buildings.
- Executed and facilitated the region's next five-year economic development strategy creating a vision for the region's workforce, site inventory, quality of place, and business attraction strategy.
- Participated in state coordinated marketing missions both virtually and in-person to gain leads on key industry sectors.

\$5,000

\$5,000

\$30,000

\$15,000

\$13,000

\$60,000

\$15,000

Marketing Value:

\$170,490

SUPPORT:***Analytics***

- JobsEQ Subscription – provides data on current wages, employment trends, & educational attainment. Used frequently by regional employers and economic development offices.
- Implan Subscription – provides economic impact data for projects to show the value of industry (new and existing). Used frequently for prospective projects.
- Provided project support through data obtainment and submission of RFI's for Projects Eastbound, Bass, Labor Day, Rose, and Hydro.
- Coordinated Secretary of Commerce and VEDP managers tour for regional economic development team to learn about assets of the region.
- Coordinated utility partner appreciation event with County staff participating.
- Regional economic analysis work (ODU/Chmura).

\$2,981
annually

\$4,788
annually

\$5,000

\$6,500

\$5,000

\$7,000

Support Value:

\$31,249

2022 Marketing + Support =

\$201,739

Activities not assigned a dollar value, but critical to regional economic development and our partnership include:

- A regional business retention and expansion program to ensure existing businesses have the contacts and resources to continue growth.
- Coordination of Montvale TAG and assistance with marketing of former pipeline sites
- Having the Alliance team members as an extension of staff to assist with project management, marketing support, data obtainment, and grant requests.
- Facilitating key introductions to site consultants, brokers, national media contacts, and community groups to assist with initiatives in workforce, childcare, and economic development.

Additional Regional Marketing Opportunities and Engagement:

Alliance Board of Directors: Municipal partners have a seat on the Board of Directors which provides communications and connectivity to regional leadership.

Regional Economic Development Team: The Regional Economic Development Team (RED Team) is composed of all the local economic developers from the participating municipalities. For those that don't have an economic developer, the municipal manager assumes the seat. The RED Team meets monthly to discuss prospects, marketing and economic development opportunities and issues. This Regional Economic Development Team plays a pivotal role in marketing, product, and lead generation decisions. The RED Team also participates in marketing missions, meetings, and initiatives.

The Alliance has leveraged your municipal contribution for a combined total of \$201,739 in regional marketing and support.

Municipal participation allows the Alliance to pool and leverage municipal dollars with private sector contributions which increase our regional opportunities. Because of your contribution we have funds for an aggressive regional economic development strategy that includes business attraction, business retention, and workforce initiatives and gets us closer to our peer regions in terms of dollars spent regionally on marketing.

Together...

- We are leveraging leads for you. Without these leads, our local partners don't know what the market is demanding and so, don't know what types of sites or buildings they should develop.
- We are leveraging funding streams for site analysis and site development such as sponsorships and grants.
- We are creating visibility and connectivity to state and national partners.
- We are generating awareness with national and international decision makers putting our regional assets on their radar.

And because of your commitment, your community is at the table engaged to generate awareness, discussion, and jobs.

In Partnership,



Megan A. Lucas, CEO and Chief Economic Development Officer
Lynchburg Regional Business Alliance



LYNCHBURG REGIONAL BUSINESS ALLIANCE

— Chamber & Economic Development —

Where Creativity and Commerce Connect

300 Lucado Place | Lynchburg, VA 24504 | PH: 434.845.5966 | FX: 434.522.9592
Info@LynchburgRegion.org | www.LynchburgRegion.org | www.YesLynchburgRegion.org

May 17, 2023

Mr. Robert Hiss
Bedford County Administrator
122 East Main St, Suite 202
Bedford, VA 24523

Via e-mail: rhiss@bedfordcountyva.gov

Dear Robert,

Thank you for your information request. Bedford County has been an active full partner in regional economic development since 1998 when Region 2000 was created. Upon creation, the municipalities that wanted to participate in regional economic development agreed to \$1.00 per capita to work on regional economic development retention, recruitment and the products necessary. In 2007, the per capita increased to \$1.25 and remains the same today.

The value of an “alliance” is to leverage and multiply dollars to sustain and grow the regional economy and the tax base. Bedford County has engaged in regional economic development decisions and activities since the partnership was created. The Alliance has worked diligently to create a regional economic development program that elevates and expands national and international visibility for our localities by generating awareness and increased visibility as well as multiplying leads to our localities. Our regional work is business development and lead generation for our participating localities. In a Virginia Economic Development Partnership (VEDP) 2020 peer group analysis of the regional economic development organizations (REDO's) in the state, VEDP compared nine REDO's that represent nine medium & mall metros in Virginia. The Lynchburg Regional Business Alliance ranked as an **advanced regional economic organization** based on new business/industry attraction, business/industry expansion, entrepreneurship and talent attraction with room for improvement in entrepreneurship and talent attraction. Since then we've created the Center for Entrepreneurship, hosted internship events, hired a Dir. of Talent and Workforce and completed the Regional Workforce Roadmap to further enhance our impact for your locality.

The Alliance's economic development program of work is directed by two primary funnels: business recruitment and business retention and expansions with the addition of special projects and initiatives.

The **recruitment funnel** includes:

- Marketing Bedford County nationally and internationally which includes the production of advertising, marketing collateral, website, industrial site drone videos, familiarization tours. In FY23, we hosted four national familiarization tours, one international and two corporate. Because you are a fully funded partner, Pam Bailey and Bedford County are always included.
- Creating relationships with corporate site consultants FY 22 & 23 to date include more than 155 meetings.

- Supporting and advancing locality product (sites, buildings, workforce) for companies to consider. Of the 18 RFP's we've had in FY22 & 23, eight of them were completed for a Bedford County industrial site or building. Those RFP's resulted in being short listed for projects which led to three corporate site visits. We currently have two active projects that have short listed a Bedford County building and a Bedford County site. We work with Pam Bailey to provide information and data to the consultants and companies as they work through their process. We continue convening and working all elements of the process to include coordination on the site, and negotiating power, water, sewer, broadband, VDOT resources, etc.
- Participating in industry expos and trade shows to promote localities.
- Targeted marketing missions to major markets to meet with companies that are planning to relocate creating vital marketing material (website, data sheets, industrial park drone videos, regional sector specific videos).
- Hosting familiarization tours & prospect tours in the region.
- Distributing regional products, such as NanoSeptic Travel mats (until their recent shutdown), to site consultants, corporate executives, prospects, state and federal officials that showcases our innovation.
- Prospect recruitment and responding to prospect requests for information. Because of these efforts by our Alliance, we have competed for 107 prospects since 2016, 26 since 2021, 11 in 2022 and 7 to-date in 2023.
- Coordinating/managing corporate site visits to Bedford County, of which we had three in FY 23.

The **retention and expansion funnel** is focused on helping existing companies stay or expand in the region, thus assisting them in adding new jobs and capital investment. This includes:

- engaging in workforce training and development
- assisting with removing barriers to expansion
- finding resources to assist them with building expansions, infrastructure and utility support
- headquarter visits
- business retention visits FY 22 & 23 to date 13 Bedford County companies

Special projects and initiatives include a variety of things from strategies, analytics, target sector analysis, familiarization tours, research, industry support, and more. Examples include the Regional Economic Development Strategy completed every five-years, VEDP Site Visits, corporate site visits, real estate tours, VBRSP support, GoVA initiatives, the Wage and Benefit Analysis, the Cost of Living data analysis, the Target Industry Analysis, and Montvale tank farm support as directed by your team and the soon to be approved comprehensive regional workforce roadmap.

Bedford County is a **partner** with partner benefits in our robust regional economic development program. All regional marketing includes Bedford County. Your economic development assets including your industrial sites, your workforce, your buildings, your existing companies, your stories. Together we leverage your strengths and shared economic development assets like Liberty University, US 460 corridor, Tobacco region status, and many other economic development assets that tie Bedford County and the Lynchburg region together which make the opportunities generated by Lynchburg Regional Business Alliance a great fit.

Pam has always taken advantage of marketing opportunities that others have not, such as participating in trade shows and consultant events. The Alliance pays for the registrations and exhibits that affords Bedford the opportunities to participate in highly visible national trade shows and consultant events that could be cost-prohibitive for one locality to pay for.

Robert, you asked if Bedford County reduced or cancelled its economic development contribution would Bedford County still receive the same level of attention? If Bedford County were to step away as a full partner in regional economic development, all direct and indirect economic development support, services, opportunities, leads and engagement would cease.

The Alliance bylaws state that a partner must be in good standing to participate, and good standing is defined as “paid in full.” This partnership means that all of Bedford County is included in everything we do to generate jobs and capital investment in Bedford County. The County Administrator is on the Board of Directors and the Economic Development Director is on the Regional Economic Development Team. These “seats at the table” mean that Bedford County is participating in economic decisions and direction that drive our regional recruitment and retention and expansion funnels, you have a voice. When we combine Bedford County’s economic development and quality of place assets with the regions shared assets we advance opportunities for jobs and capital investment into the County’s industrial sites and buildings.

If not paid in full, if not an active full partner Bedford would lose regional marketing and economic development services thus reducing the amount of leads and assistance that come to your locality. When we host a familiarization tour whether with VEDP, companies, prospects, when we host site consultants, when we respond to RFPs, when we market and engage Bedford County would not be included. You would not have the collective benefit and reach that we work to share. Only paid in full localities receive concierge services, members of your team, especially Pam, calls for any type of economic development support we are there. Furthermore, when a “paid in full” community has a specific issue or need, we galvanize to engage and assist at the direction of the locality. Case in point is the work we’ve been championing regarding TEVA since 2017 and supporting your work regarding the Montvale Tank Farm, and working on and supporting GoVA applications. Bedford County is vigorously represented by the Alliance and a critical component of the regional economy as defined by the federal government. If you need something more or different, just mention it, as we are always available to support your economic development requests.

The federal government identifies our region as one regional economy, a geographic area where a vast majority of the people live and work an enclosed economy. Virginia created regional economic development organizations/footprints based on that identification. Regional economies have several defining components, the primary component being commuting patterns which for us show that inward migration within the region rather than outward migration for work. For example, the percentage of Bedford County residents that travel within the region to work vs. outside the region to work defines which regional economy you are included. That is why Bedford County is included in the Lynchburg regional economic footprint as opposed to another regional economic footprint.

Robert, because of your partnership with the Alliance, wherever we go, whatever we do, Bedford County goes with us. And vice versa. When we advertise the region, Bedford County is included. When we showcase the region Bedford Co industrial parks and/or companies are shown. When articles are

written, Bedford County is mentioned. When we create industrial site drone videos Bedford County is included. When we create the regional economic development strategy, target industry analysis and the soon to be approved regional workforce roadmap Bedford County leadership is at the table. When there is an economic development opportunity, initiative, or hurdle in Bedford County, we have always been an available and willing partner.

The point of an alliance is to create more leads and capital investment by working together to grow and sustain the regional economy. We value your partnership and all of the assets of Bedford County which elevate our entire region. It would be detrimental to not be able to include the strengths of Bedford County as we work to raise all ships.

With this letter I have tried to provide you with the most relevant high-level information; however, please remember, the Alliance staff is an extension of the Bedford County team we provide support services like RFI completion and management, marketing, familiarization tour organization, coordinating business site visits, stakeholder meetings, data management etc. We answer calls from site consultants asking random questions about your industrial sites and buildings. The support we provide for Bedford County is guided by you and Pam Bailey. If you and the County leadership desire more collaboration, more engagement, more support, more reporting all you have to do is ask. I am available anytime discuss our regional program and/or to answer any questions with you or any member of the Board of Supervisors.

Thank you for your thoughtful consideration to continue this vital partnership.

In Partnership,



Megan A. Lucas, CCE, CEcD, IOM
CEO & Chief Economic Development Officer
Lynchburg Regional Business Alliance

Cc:

Pam Bailey, Director of Economic Development, Bedford County
Paul Denham, President, Southern Air and Alliance Board Chair
Rosana Chaidez, President/CEO, NB Handy President and Alliance Vice Chair
Luke Towles, Senior Vice President, Pinnacle Financial Partners and Alliance Immediate Past Chair

Small Business Development Center – Lynchburg Region
Lynchburg Regional Business Alliance
300 Lucado Place
Lynchburg, VA 24504
434-845-5966 x30



January 6, 2023

Pam:

I'm writing to request consideration to be included in the Economic Development Authority of the Bedford County's budget allocation for \$17,100 for fiscal year 2024. Support to the SBDC – Lynchburg Region facilitates our delivery of small business classes, seminars, and advising to Bedford County businesses. The SBDC – Lynchburg Region's advising services are free of charge and open to the public. Educational services are low cost or free and are open to any small business or person considering opening a small business.

Funding from the Bedford County is integral to the match funding which must be demonstrated to the United States Small Business Administration (SBA). Bedford County funding is included in the cash match total, along with funding from other regional local governments, as part of the request to the SBA by the SBDC – Lynchburg Region and the Virginia SBDC network at George Mason University. This cash funding is combined with in-kind support from the Lynchburg Regional Business Alliance which services as our host organization and fiduciary manager. Region wide support adds up to approximately \$88,000, a number which is reviewed and certified by the SBA. Thus, the \$17,100 in funding from Bedford County is matched 1:1 by the Federal government, resulting in a total of \$34,200 in funding to support the SBDC's mission of small business support.

In FY 2022, the SBDC advised has twenty-six Bedford County clients (report attached). These businesses account for around 162 employees. Current clients include small service businesses, food manufacturing, creatives, and health care companies. Collectively, these businesses account for more than \$3.4 million in annual sales. In 2022, the SBDC – Lynchburg Region added a new Business Advisor focused on Marketing and Branding and a second advisor focused on Finance and Planning. The SBDC – Lynchburg Region continues to produce outstanding events for our business community. In calendar year 2022, we expanded our popular Start Smart program to include titles Get Your Business Up and Running, Finance Toolbox, First Employee Toolbox, Budget and Taxes Toolbox, and Digital Toolbox.

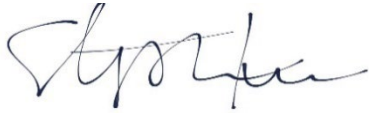
Small Business Development Center goals and outcomes are closely tracked and monitored by our state-wide organization, Virginia SBDC and the U.S. Small Business



Funded in part through a Cooperative Agreement with the U.S. Small Business Administration and GO VIRGINIA, a state-funded initiative administered by the Virginia Department of Housing and Community Development (DHCD) that strengthens and diversifies Virginia's economy and fosters the creation of higher wage jobs in strategic industries. SBDC - Lynchburg Region is hosted by the Lynchburg Region.

Administration. In FY 2024, the SBDC – Lynchburg region seeks to increase our number of clients in Bedford County, leading businesses into our long-term counseling programs such as ICAP and Export Counseling. Regional goals for calendar year 2023 are to serve 100 + clients, assist with 10 new business starts, assist with \$2.5 million dollars in capital formation, create 63 new jobs, and assist with the retention of 76 jobs. Additional goals include to: Integrate the SBDC seamlessly into new entrepreneurial ecosystem initiatives in the Lynchburg Region; Increase number of counseling clients; Grow and expand on small group counseling services; Make meaningful improvements to the Start Smart program and ensure that participants have a clear path to CO.STARTERS or one on one counseling when appropriate; Continue to work with regional organizations to develop funding access to start up funds or gap fund.

Please contact me with any questions,



Stephanie Keener
Executive Director, SBDC – Lynchburg Region

Attachments:

FY 2022 Client Report for Bedford County
FY 2022 SBDC Training Report for Bedford County



Funded in part through a Cooperative Agreement with the U.S. Small Business Administration and GO VIRGINIA, a state-funded initiative administered by the Virginia Department of Housing and Community Development (DHCD) that strengthens and diversifies Virginia's economy and fosters the creation of higher wage jobs in strategic industries. SBDC - Lynchburg Region is hosted by the Lynchburg Region.

Bedford County FY 2022 Clients

The SBDC -Lynchburg Region served a total of 118 clients across the Region.

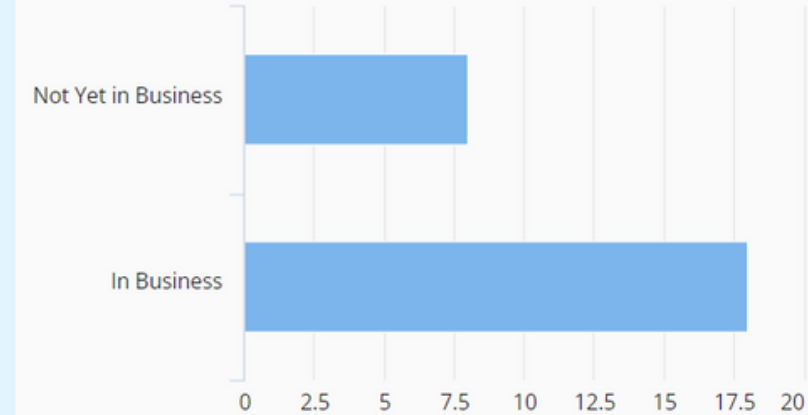


Demographics

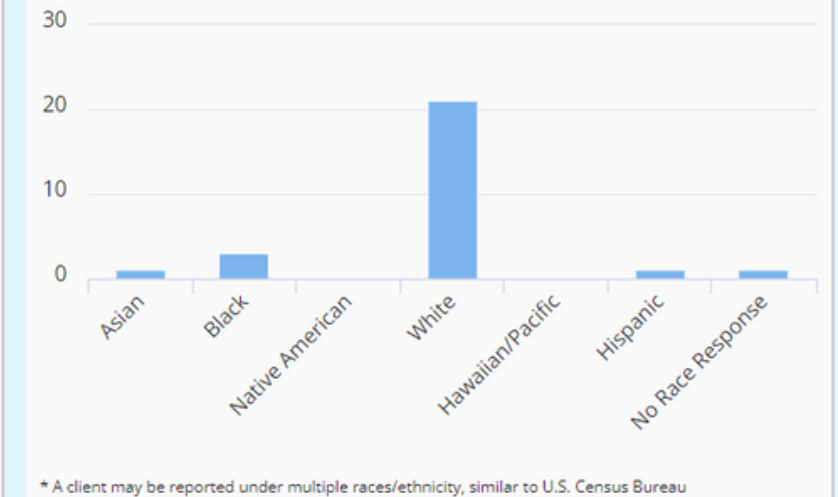
Consulting & Impact

Clients	26
Contact Hours	96.73
Prep/Research Hours	32.25
Total Contact + Prep Hours	128.98
Avg Hours per Client	5.0
Business Starts	1
Jobs Created	19
Capital Formation	\$185.08k
Capital per Client	\$7,118
Sales Growth	\$0.00
Sales Growth per Client	\$0

Business Status



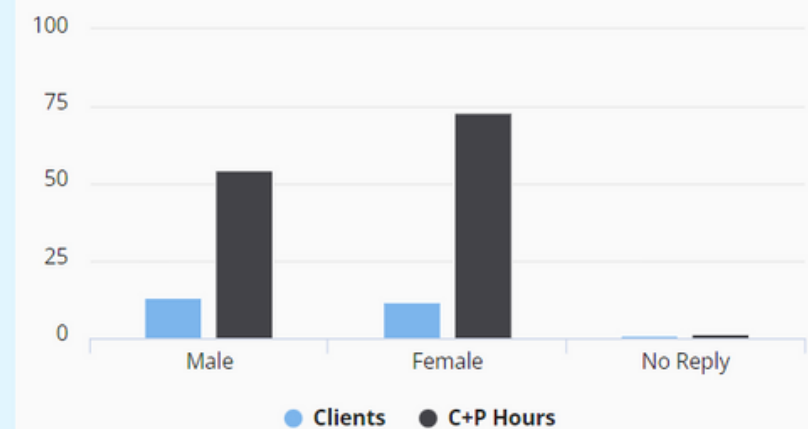
Client Race



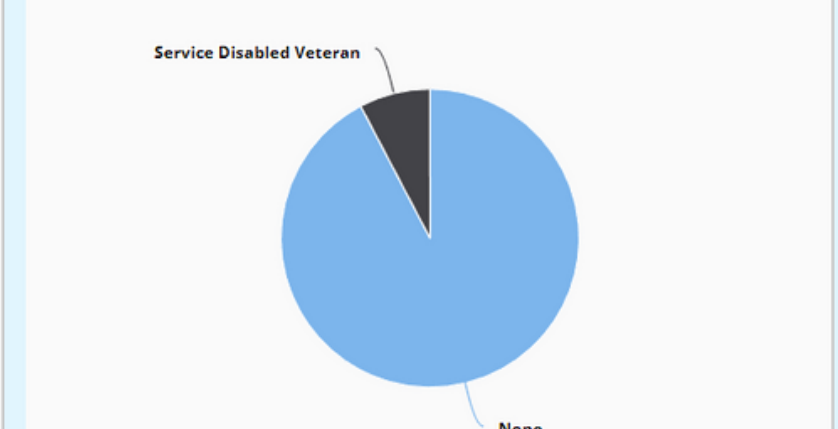
Client Metrics

F/T Employees	129
P/T Employees	33
Total Employees	162
Avg # of Employees per Client	6.2
Online Clients	7
Minority Clients	5
Annual Sales	\$3.04m
Annual Profit & Loss	\$93.00k
Exporters	1
Export Sales	\$0.00

Gender



Veterans



Training Events

In FY 2022, the SBDC - Lynchburg Region served a total of 832 customers at 42 events.

The chart on the right shows attendances only by **Bedford County** residents at Virginia SBDC events across the Commonwealth.



Registered Attendances

Event Center	Event Count	Customers (Distinct)
80 Lynchburg	30	74
900 State Office	22	35
130 Roanoke	15	23
140 Fredericksburg	3	4
110 Mason	3	4
40 Richmond	2	3
20 Central	2	2
150 Richlands	1	1
60 Harrisonburg	1	1
90 Longwood Centrl	1	1
91 Longwood Westrn	1	1
Total	81	149

EDA Lease Overview

Company	Beginning	Ending	Monthly Rent	Notes	
Beale's	6/1/2016	5/31/2048	\$ 3,694.00	Lease term begins 6/1/2017.	
				Lease goes up 10% on 6/1/2027.	
Belvac	2/24/2021	2/23/2026	\$ 21,666.67	5 additional 5 year terms are optional with a 5% increase in rent.	
CVCC	7/1/2020	6/30/2025	\$ 11,858.00		
East Coast	9/4/2020	10/31/2023	\$ 10,106.67	Option to lease for 2 additional years at same rate and terms.	
	10/31/2023	10/31/2024	\$ 10,106.67	Option to lease for 1 additional year at same rate a	
Elba Butcher Shoppe	4/1/2020	5/31/2021	\$ 1,500.00		
	6/1/2021	5/31/2022	\$ 2,000.00		
	6/1/2022	5/31/2023	\$ 2,550.00	Option to renew annually for up to five additional years.	
	6/1/2023	5/31/2024	\$ 2,550.00	Option to renew annually for up to four additional years.	
MBC	7/1/2020	6/30/2025	\$ 300.00		

Revised 5/11/2023

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