

AT A MEETING OF THE NEW RIVER RESOURCE AUTHORITY  
AUDIT COMMITTEE

HELD ON WEDNESDAY, NOVEMBER 12, 2025, AT 10:00 A.M.,  
NRRA ADMINISTRATION BUILDING,  
DUBLIN, VIRGINIA:

PRESENT: Mr. Robert Asbury, Member  
Mr. Mike Mooney, Member

ABSENT: Mr. Steve Fijalkowski, Chairman

STAFF: Mr. Joseph Levine, NRRA Executive Director  
Ms. Monica Furrow, NRRA Assistant Secretary  
Mr. Howard Estes, NRRA Legal Counsel  
Mr. Brandon Atkins  
Mr. Nate Hurst  
Mr. Isaac Slade Wall

GUESTS: Mr. Scott Wickham, Robinson Farmer Cox  
Mr. Adam Murray, Thompson and Litton

**I. Roll Call:**

Mr. Mike Mooney called the meeting to order.

**II. Approval of November 12, 2025 Agenda:**

The November 12, 2025 agenda was approved as presented.

**III. Administrative Items**

**A. Audit Presentation**

Mr. Scott Wickham presented the FY 24/25 audit. A copy of the presentation is included with these minutes.

**Page 2:** the Independent Auditor's Report, Mr. Wickham noted that the Authority got an unmodified, clean opinion. The Authority adopted GASB 101 accounting principles.

**Page 5:** shows the Management Discussion and Analysis; this provides information on the Authority as a whole.

**Page 11:** shows the Statement of Net Position for the Authority, at the bottom of page 11, the Net Position shows the net worth of the Authority.

**Page 12:** shows the Income Statement; the Authority had a significant impact on depreciation. The \$530,740 loss is due to the gas expansion project.

**Page 13:** Shows the Statement of Cash Flows.

**Page 29:** Shows changes in net pension liability; the Sensitivity Analysis shows the discount rate is 6.75 percent, showing the Authority has \$785,605 in Net Pension Liability.

**Page 52:** Shows a ten-year trend of Revenues, Expenses, and Changes in Net Position since 2016.

**Pages 53 and 54:** Shows a report on Compliance matters, there were no items noted in the report.

Mr. Wickham referenced the "Audit Presentation" dated November 12, 2025. A copy of the presentation is included in the minutes.

**Page 1:** The Audit Presentation shows a five-year trend of Revenues, Expenses and Net Operating Income.

**Pages 2 and 3:** Show the Letter of Governance. Pages four and five show the Independent Accountants' Report; there was testing done with the VRS plan. There were no errors shown in the report.

**Pages 6, 7, and 8:** Show a summary of upcoming GASB standards. There should be no significant impact on the Authority.

The motion to present the Audit Report to the Authority Board was made by Mr. Asbury. The motion was seconded by Mr. Mooney and approved by the two Audit Committee members.

**IV Adjourn:**

The motion to adjourn the meeting was made by Mr. Asbury. The motion was seconded by Mr. Mooney and agreed by the members of the Audit Committee.

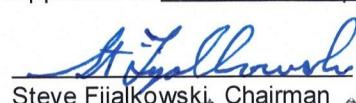
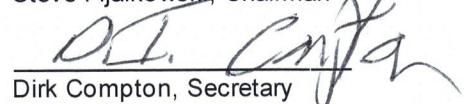
With no further business, the meeting adjourned at 10:34 a.m.

Respectfully Submitted,



Monica Furrow,  
Assistant Secretary

Approved at November 12, 2025 Board Meeting.

  
Steve Fijalkowski, Chairman  
Dirk Compton, Secretary

# New River Resource Authority

## Audit Presentation

November 12, 2025

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Robinson, Farmer, Cox Associates, Certified Public Accountants, LLC

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**NEW RIVER RESOURCE AUTHORITY**

**AUDIT PRESENTATION**

**FISCAL YEAR ENDED JUNE 30, 2025**

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**New River Resource Authority**  
**Brief Analysis - November 12, 2025**

	2021	2022	2023	2024	2025	Annualized Growth Rates
Cash	\$ 12,404,324	\$ 10,796,721	\$ 8,521,119	\$ 9,257,933	\$ 10,142,304	-4.91%
Investments	2,057,522	1,956,774	2,360,726	2,477,804	2,587,426	5.90%
<b>Total</b>	<b>\$ 14,461,846</b>	<b>\$ 12,753,495</b>	<b>\$ 10,881,845</b>	<b>\$ 11,735,737</b>	<b>\$ 12,729,730</b>	<b>-3.14%</b>
Unrestricted Net Position	\$ 14,820,971	\$ 11,265,167	\$ 12,906,096	\$ 13,602,989	\$ 14,488,891	-0.56%
Operating Revenues	\$ 7,086,184	\$ 6,519,476	\$ 6,614,837	\$ 5,572,512	\$ 6,851,178	-0.84%
Operating Expenses	5,424,406	5,869,852	5,803,876	7,674,123	8,446,019	11.71%
Net Operating Income	1,661,778	649,624	810,961	(2,101,611)	(1,594,841)	



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Communication with Those Charged with Governance

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To the Board of Directors  
New River Resource Authority  
Dublin, Virginia

We have audited the financial statements of the business-type activities of New River Resource Authority for the year ended June 30, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and the *Specifications for Audits of Authorities, Boards, and Commissions* 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 May 12, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

*Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by New River Resource Authority are described in Note 1 to the financial statements. As described in Note 14 to the financial statements, New River Resource Authority changed accounting policies by adopting Statement of Governmental Accounting Standards (GASB Statement) No. 101, *Compensated Absences*. Implementation did not require restatement. We noted no transactions entered into by the entity 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 Authority's financial statements were:

Management's estimate of the depreciation expense is based on the straight-line method and historical data. We evaluated the methods, assumptions, and data used to develop the depreciation expense in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the compensated absences liability is based on the historical leave usage. We evaluated the methods, assumptions, and data used to develop the liability in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimates of the net pension liability, net OPEB asset, net OPEB liability, related deferred outflows of resources, and related deferred inflows of resources are based on the entry age actuarial cost method. We evaluated the methods, assumptions, and data used to develop the assets and liabilities in determining that they are reasonable in relation to the financial statements taken as a whole.

Management's estimate of the liability for landfill closure and post-closure monitoring is based on established guidelines and experience. We evaluated the methods, assumptions, and data used to develop this estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

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. Management has recorded the proposed audit adjustments, none of which were material.

### *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 auditors' 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 October 8, 2025.

### *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 entity's financial statements or a determination of the type of auditors' 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 entity's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

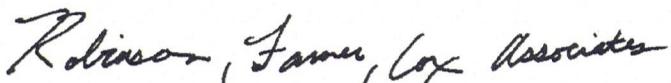
### Other Matters

We applied certain limited procedures to management's discussion and analysis and the schedules related to pension and OPEB funding, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were not engaged to report on other statistical information, which accompanies the financial statements but is not RSI. 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 and management of New River Resource Authority and is not intended to be, and should not be, used by anyone other than these specified parties.



Blacksburg, Virginia  
October 8, 2025



## ROBINSON, FARMER, COX ASSOCIATES, PLLC

Certified Public Accountants

### Independent Accountants' Report

**Auditor of Public Accounts**  
P.O. Box 1295  
Richmond, VA 23218

We have examined management of New River Resource Authority's assertion that the census data reported to the Virginia Retirement System by New River Resource Authority during the year ended June 30, 2025, were complete and accurate based on the criteria set forth by the Virginia Retirement System and the Board of Trustees' plan provisions as mandated in §51.1-136 of the Code of Virginia. New River Resource Authority's management is responsible for its assertion. Our responsibility is to express an opinion on management's assertion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about management's assertion. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent of the New River Resource Authority and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, management's assertion that the census data reported to the Virginia Retirement System by the New River Resource Authority during the year ended June 30, 2025, were complete and accurate based on the criteria set forth by the Virginia Retirement System and the Board of Trustees' plan provisions as mandated in §51.1-136 of the Code of Virginia, is fairly stated, in all material respects.

This report is intended solely for the information and use of the Auditor of Public Accounts of the Commonwealth of Virginia, the Virginia Retirement System, and the New River Resource Authority's management and is not intended to be and should not be used by anyone other than these specified parties.

*Robinson, Farmer, Cox Associates*

Blacksburg, Virginia  
October 8, 2025

cc: New River Resource Authority

## Appendix A

We identified one control environment during this review for which New River Resource Authority was responsible.

The following table reflects the population size and sample size for each procedure performed over the control environment for which New River Resource Authority was responsible:

Required Audit Procedure	Population Size	Sample Size (1)	Risks and Other Considerations Used to Determine Sample Size
Review of Census Data Elements *	29	4	No risk identified - see note below for documentation of sample size
Review of Eligibility of Newly Enrolled Members Reported to the VRS **	3	3	No risk identified - tested 100% of the population based on cost/benefit analysis
Review of Monthly myVRS Navigator Contribution Confirmation Reconciliations ***	N/A	N/A	Not tested under alternate testing
Review of myVRS Navigator System Access ****	N/A	N/A	Not tested under alternate testing

\*Asterisks in above table: Refer to corresponding number of asterisks in the Audit Specifications for the applicable audit procedures.

(1) Sample sizes are based on a 5% tolerable rate and approximately a 75% confidence level for populations over 250. Sample sizes for populations under 250 are based on a percentage of the population which is not less than 10%. Prior history, staff knowledge of VRS requirements, etc. was factored into determining sample size.

# Accounting Update – Summary of Upcoming Pronouncements by the Governmental Accounting Standards Board (GASB)<sup>1</sup>

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## GASB STATEMENT NO. 103 – Financial Reporting Model Improvements

The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues.

### Management's Discussion and Analysis

This Statement continues the requirement that the basic financial statements be preceded by management's discussion and analysis (MD&A), which is presented as required supplementary information (RSI). MD&A provides an objective and easily readable analysis of the government's financial activities based on currently known facts, decisions, or conditions and presents comparisons between the current year and the prior year. This Statement requires that the information presented in MD&A be limited to the related topics discussed in five sections: (1) Overview of the Financial Statements, (2) Financial Summary, (3) Detailed Analyses, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions, or Conditions. Furthermore, this Statement stresses that the detailed analyses should explain why balances and results of operations changed rather than simply presenting the amounts or percentages by which they changed. This Statement emphasizes that the analysis provided in MD&A should avoid unnecessary duplication by not repeating explanations that may be relevant to multiple sections and that "boilerplate" discussions should be avoided by presenting only the most relevant information, focused on the primary government. In addition, this Statement continues the requirement that information included in MD&A distinguish between that of the primary government and its discretely presented component units.

### Unusual or Infrequent Items

This Statement describes unusual or infrequent items as transactions and other events that are either unusual in nature or infrequent in occurrence. Furthermore, governments are required to display the inflows and outflows related to each unusual or infrequent item separately as the last presented flow(s) of resources prior to the net change in resource flows in the government-wide, governmental fund, and proprietary fund statements of resource flows.

### Presentation of the Proprietary Fund Statement of Revenues, Expenses, and Changes in Fund Net Position

This Statement requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses.

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<sup>1</sup> Source of information – Governmental Accounting Standards Board. Readers may obtain complete copies of these standards at: <http://www.gasb.org/>

Operating revenues and expenses are defined as revenues and expenses other than nonoperating revenues and expenses. Nonoperating revenues and expenses are defined as (1) subsidies received and provided, (2) contributions to permanent and term endowments, (3) revenues and expenses related to financing, (4) resources from the disposal of capital assets and inventory, and (5) investment income and expenses.

In addition to the subtotals currently required in a proprietary fund statement of revenues, expenses, and changes in fund net position, this Statement requires that a subtotal for *operating income (loss) and noncapital subsidies* be presented before reporting other nonoperating revenues and expenses. Subsidies are defined as (1) resources received from another party or fund (a) for which the proprietary fund does not provide goods and services to the other party or fund and (b) that directly or indirectly keep the proprietary fund's current or future fees and charges lower than they would be otherwise, (2) resources provided to another party or fund (a) for which the other party or fund does not provide goods and services to the proprietary fund and (b) that are recoverable through the proprietary fund's current or future pricing policies, and (3) all other transfers.

#### Major Component Unit Information

This Statement requires governments to present each major component unit separately in the reporting entity's statement of net position and statement of activities if it does not reduce the readability of the statements. If the readability of those statements would be reduced, combining statements of major component units should be presented after the fund financial statements.

#### Budgetary Comparison Information

This Statement requires governments to present budgetary comparison information using a single method of communication—RSI. Governments also are required to present (1) variances between original and final budget amounts and (2) variances between final budget and actual amounts. An explanation of significant variances is required to be presented in notes to RSI.

#### Effective Date and Transition

The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.

### GASB STATEMENT NO. 104 – Disclosure of Certain Capital Assets

State and local governments are required to provide detailed information about capital assets in notes to financial statements. Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, requires certain information regarding capital assets to be presented by major class. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets.

This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology*

*Arrangements*, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class.

This Statement also requires additional disclosures for capital assets held for sale. A capital asset is a capital asset held for sale if (a) the government has decided to pursue the sale of the capital asset and (b) it is probable that the sale will be finalized within one year of the financial statement date. Governments should consider relevant factors to evaluate the likelihood of the capital asset being sold within the established time frame. This Statement requires that capital assets held for sale be evaluated each reporting period. Governments should disclose (1) the ending balance of capital assets held for sale, with separate disclosure for historical cost and accumulated depreciation by major class of asset, and (2) the carrying amount of debt for which the capital assets held for sale are pledged as collateral for each major class of asset.

#### **Effective Date**

The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.