

AT A MEETING OF THE NEW RIVER RESOURCE AUTHORITY  
HELD ON WEDNESDAY, NOVEMBER 16, 2022, AT NOON,  
NRRRA ADMINISTRATION BUILDING,  
DUBLIN, VIRGINIA:

PRESENT: Mr. Barry Helms, Chairman  
Mr. Paul Baker, Vice-Chair  
Mr. Robert Asbury, Member  
Mr. Dirk Compton, Member  
Mr. Steve Fijalkowski, Member  
Mr. Tye Kirkner, Member  
Mr. Tom Starnes, Member  
Mr. Jared Linkous, Alternate

ABSENT: Mr. Jonathan Sweet, Member

STAFF: Mr. Joseph Levine, NRRRA Executive Director  
Ms. Marjorie Atkins, NRRRA Recording Secretary  
Mr. David Rupe, NRRRA Administrative & Compliance Manager  
Mr. Howard Estes, NRRRA Legal Counsel  
Ms. Sherry Johnson, NRRRA Administrative Assistant  
Ms. Monica Furrow, NRRRA Administrative Assistant

GUESTS: Mr. Andrew Monk, Thompson & Litton  
Mr. Scott Wickham, Robinson Farmer & Cox

Chairman Helms called the meeting to order.

The motion to approve the November 16, 2022, Agenda with two additions (V. B. 3. Patrick County and V. B. 4. Board Dinner) was made by Mr. Baker. The motion was seconded by Mr. Fijalkowski and approved by a recorded roll call vote of the Authority as follows:

Mr. Asbury	<u>yes</u>	Mr. Kirkner	<u>yes</u>
Mr. Baker	<u>yes</u>	Mr. Starnes	<u>yes</u>
Mr. Compton	<u>yes</u>	Mr. Linkous	<u>yes</u>
Mr. Fijalkowski	<u>yes</u>	Mr. Helms	<u>yes</u>

The motion to approve the minutes of the October 26, 2022, Board Meeting, as presented, was made by Mr. Baker. The motion was seconded by Mr. Asbury and approved by a recorded roll call vote of the Authority as follows:

Mr. Asbury	<u>yes</u>	Mr. Kirkner	<u>yes</u>
Mr. Baker	<u>yes</u>	Mr. Starnes	<u>yes</u>
Mr. Compton	<u>yes</u>	Mr. Linkous	<u>abstain</u>
Mr. Fijalkowski	<u>yes</u>	Mr. Helms	<u>yes</u>

No Old Business was presented for the agenda.

New Business and Administrative Items included Items of Consent.

The Check List for the month of October 2022 was included in the Agenda.

The motion to approve the Check List for the month of October 2022 was made by Mr. Baker. The motion was seconded by Mr. Fijalkowski and approved by a recorded roll call vote of the Authority as follows:

Mr. Asbury	<u>yes</u>	Mr. Kirkner	<u>yes</u>
Mr. Baker	<u>yes</u>	Mr. Starnes	<u>yes</u>
Mr. Compton	<u>yes</u>	Mr. Linkous	<u>yes</u>
Mr. Fijalkowski	<u>yes</u>	Mr. Helms	<u>yes</u>

The draft Financial Statement for October 2022 was presented.

The motion to approve the draft Financial Statement for October, as presented was made by Mr. Starnes. The motion was seconded by Mr. Baker and approved by a recorded roll call vote of the Authority as follows:

Mr. Asbury	<u>yes</u>	Mr. Kirkner	<u>yes</u>
Mr. Baker	<u>yes</u>	Mr. Starnes	<u>yes</u>
Mr. Compton	<u>yes</u>	Mr. Linkous	<u>yes</u>
Mr. Fijalkowski	<u>yes</u>	Mr. Helms	<u>yes</u>

Mr. Scott Wickham with Robinson Farmer Cox presented the annual audit for New River Resource Authority for Fiscal Year 2021/2022. Mr. Wickham noted that Page 11 was the Statement of Net Position (or balance sheet). Mr. Wickham discussed the differences in accounting standards and engineering standards regarding the liability of Financial Assurance. Mr. Wickham noted the net pension liability regarding the Virginia Retirement System (VRS) unfunded liability which decreased from \$638,207 last year to \$193,249 for FY 2021/22. Mr. Wickham presented a handout of "Audit Presentation November 16, 2022" to the Board. A copy of the handout is included with these minutes. Two recommendations were included with the audit (1) Board members should completely fill out the financial disclosure forms and (2) Month to month reconciliation of payroll and deductions. Mr. Wickham stated that the audit process went very well, and that staff responded in a timely manner to all requests for information.

The motion to accept for informational purposes the FY 2021/2022 Annual Audit from Robinson Farmer Cox was made by Mr. Asbury. The motion was seconded by Mr. Baker and approved by a recorded roll call vote of the Authority as follows:

Mr. Asbury	<u>yes</u>	Mr. Kirkner	<u>yes</u>
Mr. Baker	<u>yes</u>	Mr. Starnes	<u>yes</u>
Mr. Compton	<u>yes</u>	Mr. Linkous	<u>yes</u>
Mr. Fijalkowski	<u>yes</u>	Mr. Helms	<u>yes</u>

Mr. Helms thanked the staff for working well with the auditors and for keeping good records.

A draft schedule of 2023 NRRRA Board meetings was included in the agenda.

Wednesday	January 25, 2023
Wednesday	February 22, 2023
Wednesday	March 22, 2023
Wednesday	April 26, 2023

	2
Wednesday	May 24, 2023
Wednesday	June 7, 2023
Wednesday	July 26, 2023
Wednesday	August 23, 2023
Wednesday	September 27, 2023
Wednesday	October 25, 2023
Wednesday	November 15, 2023
Wednesday	December 6, 2023

The motion to adopt the 2023 Board Meeting schedule as presented was made by Mr. Starnes. The motion was seconded by Mr. Compton and approved by a recorded roll call vote of the Authority as follows:

Mr. Asbury	<u>yes</u>	Mr. Kirkner	<u>yes</u>
Mr. Baker	<u>yes</u>	Mr. Starnes	<u>yes</u>
Mr. Compton	<u>yes</u>	Mr. Linkous	<u>yes</u>
Mr. Fijalkowski	<u>yes</u>	Mr. Helms	<u>yes</u>

On November 16, 2022, Mr. Levine received a request from Patrick County for NRRRA's consideration of the following:

1. An expansion of the Authority's customer service area to include Patrick County; and
2. An emergency agreement (with potential for future customer agreement) to assist Patrick County with disposal needs.

Mr. Levine recommended the Board approval with a process like the request from Smyth County.

The motion for NRRRA to proceed with Patrick County's request with the same process as Smyth County and to send the request to member jurisdiction approval was made by Mr. Starnes. The motion was seconded by Mr. Compton and approved by a recorded roll call vote of the Authority as follows:

Mr. Asbury	<u>yes</u>	Mr. Kirkner	<u>yes</u>
Mr. Baker	<u>yes</u>	Mr. Starnes	<u>yes</u>
Mr. Compton	<u>yes</u>	Mr. Linkous	<u>yes</u>
Mr. Fijalkowski	<u>yes</u>	Mr. Helms	<u>yes</u>

An annual Board dinner will be scheduled for a date between February 10 and 17, 2023 with a location to be determined.

The motion to have an annual dinner in February was made by Mr. Baker. The motion was seconded by Mr. Fijalkowski and approved by a recorded roll call vote of the Authority as follows:

Mr. Asbury	<u>yes</u>	Mr. Kirkner	<u>yes</u>
Mr. Baker	<u>yes</u>	Mr. Starnes	<u>yes</u>
Mr. Compton	<u>yes</u>	Mr. Linkous	<u>yes</u>
Mr. Fijalkowski	<u>yes</u>	Mr. Helms	<u>yes</u>

Mr. Levine presented the Executive Director's Report. Revenue was 11.1% above projections; expenses were 5.4% below projections. 17,478.22 tons of waste was managed in October. The landfill software "Wasteworks" upgrade on November 3, 2022, was successful. Mr. Levine noted that new regulations received in letter form on November 15, 2022, which included PFAS and other items that had been previously discussed as being "in the future" are now a reality. Mr. Levine recommended that the December 7, 2022, Board meeting be replaced with a Budget Committee meeting.

The motion to hold a Budget Committee meeting in place of the regularly scheduled Board meeting on December 7, 2022, was made by Mr. Baker. The motion was seconded by Mr. Starnes and approved by a recorded roll call vote of the Authority as follows:

Mr. Asbury	<u>yes</u>	Mr. Kirkner	<u>yes</u>
Mr. Baker	<u>yes</u>	Mr. Starnes	<u>yes</u>
Mr. Compton	<u>yes</u>	Mr. Linkous	<u>yes</u>
Mr. Fijalkowski	<u>yes</u>	Mr. Helms	<u>yes</u>

The Budget Committee will meet at 10:00 am on Wednesday, December 7, 2022.

Mr. Levine presented the Engineering Section of the Agenda.

Ingles Mountain – no report.

NRSWMF – Mr. Monk reported that Area D and partial closure applications were still under review by DEQ. Storm water testing had been completed and results were good.

West Fork – WSSI completed field work and is working on preparing report.

The Chairman invited Public Comments.

No comments were presented.

Mr. Starnes expressed his appreciation to the staff and Board for the framed Resolution and picture. Mr. Starnes also noted that Mr. Levine would be available to discuss new regulations with the member boards and councils.

The meeting was adjourned by consensus.

The meeting adjourned at 12:34 pm.

The next scheduled meeting of the Authority is scheduled for Wednesday, January 25, 2023, 12:00, NOON at 7100 Cloyd's Mountain Road.

Respectfully Submitted,



Marjorie W. Atkins  
NRRRA Recording Secretary

Approved at 1/25/23 Board Meeting.



Barry Helms, Chair

# New River Resource Authority

## Audit Presentation

November 16, 2022

---

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

---

**Blacksburg Office**

108 Southpark Drive

Blacksburg, Virginia 24060

Phone: 540-552-7322

Fax: 540-382-0507

Contact: Scott Wickham, CPA, CFE

Email: [swickham@rfca.com](mailto:swickham@rfca.com)



CPAs | CONSULTANTS



NEW RIVER RESOURCE AUTHORITY

AUDIT PRESENTATION

FISCAL YEAR ENDED JUNE 30, 2022

---

<b>FINANCIALS</b>	<b>Page</b>
Summary Trend Information.....	1

---

<b>COMMUNICATIONS</b>	<b>Page</b>
Required Communication with Those Charged with Governance.....	2-3
Audit Recommendations .....	4
Required VRS Attestation Report .....	5-6
Upcoming GASB Standards .....	7





New River Resource Authority  
 Brief Analysis - November 16, 2022

	2019	2020	2021	2022	Annualized Growth Rates
Cash	\$ 12,803,904	\$ 14,105,128	\$ 12,404,324	\$ 10,796,721	-5.53%
Investments	2,036,686	2,065,382	2,057,522	1,956,774	-1.33%
Total	\$ 14,840,590	\$ 16,170,510	\$ 14,461,846	\$ 12,753,495	-4.93%
Unrestricted Net Position	\$ 15,816,693	\$ 15,971,490	\$ 14,820,971	\$ 11,265,167	-10.70%
Operating Revenues	\$ 5,412,597	\$ 5,069,301	\$ 7,086,184	\$ 6,519,476	6.40%
Operating Expenses	3,422,065	5,445,540	5,424,406	5,869,852	19.71%
Net Operating Income	1,990,532	(376,239)	1,661,778	649,624	

This page left blank intentionally



---

Communication with Those Charged with Governance

---

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, 2022. 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 2, 2022. 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 15 to the financial statements, New River Resource Authority changed accounting policies by adopting Statement of Governmental Accounting Standards (GASB Statement) No. 87, *Leases*. Accordingly, the cumulative effect of the accounting change as of the beginning of the year is reported in Note 15 to the financial statements. 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 key factors and assumptions used to develop the depreciation.

Management's estimates of the net pension liability and net OPEB liabilities are based on the entry age actuarial cost method. We evaluated the key factors and assumptions used to develop the liabilities in determining that it is 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 key factors and assumptions 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 been provided the proposed audit adjustments and has posted same as applicable.

### *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 14, 2022.

### *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*

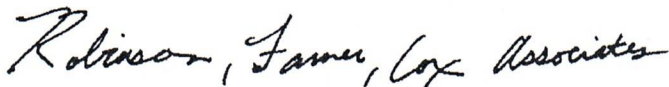
We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the entity's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were 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.

### 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 14, 2022



ROBINSON, FARMER, COX ASSOCIATES, PLLC  
*Certified Public Accountants*

Date: October 14, 2022

Memorandum to: Joseph Levine, Executive Director  
Marjorie Atkins, Office Manager

From: Robinson, Farmer, Cox Associates

Regarding: Audit Recommendations

In planning and performing our audit of the financial statements of the New River Resource Authority for the year ended June 30, 2022, we considered the Authority's internal control structure to plan our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

However, during our audit, we noted certain matters involving internal control structure and other operational matters that are presented for your consideration. Our comments and recommendations, all of which have been discussed with appropriate members of management, are intended to improve the internal control structure or result in other operating efficiencies. We will be pleased to discuss these comments in further detail at your convenience.

**Conflict of Interest Forms:**

During our audit of the Board's conflict of interest forms we noted one form was not completed thoroughly. We recommend the forms be reviewed to ensure all applicable sections are completed and others are clearly marked as "not applicable."

**Payroll Deductions:**

During our audit we noted the Authority has been deducting child support as a pretax deduction for federal and FICA withholding purposes. We recommend the Authority review their deductions and ensure proper taxation of same. Further, we recommend the Authority implement a monthly reconciliation to ensure the amount reported as a liability in QuickBooks agrees to the amounts owed to each vendor.

**BLACKSBURG OFFICE:**  
108 South Park Drive  
Blacksburg, Virginia 24060  
(540) 552-7322

**CONTACT:**  
Scott Wickham, CPA, CFE  
Member  
swickham@rfca.com



**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, 2022, 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, 2022, 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 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  
September 16, 2022

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 *	23	3	No risk identified - see note below for documentation of sample size
Review of Eligibility of Newly Enrolled Members Reported to the VRS **	5	1	No risk identified - see note below for documentation of sample size
Review of Monthly <i>myVRS</i> Navigator Contribution Confirmation Reconciliations ***	N/A	N/A	Not tested under alternate testing
Review of <i>myVRS</i> 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.



## Upcoming Pronouncements:

---

Statement No. 91, *Conduit Debt Obligations*, 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.

Statement No. 94, *Public-Private and Public-Public Partnerships and Availability of Payment Arrangements*, addresses issues related to public-private and public-public partnership arrangements. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.

Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*, (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.

Statement No. 99, *Omnibus 2022*, addresses (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 effective dates differ based on the requirements of the Statement, ranging from April 2022 to for fiscal years beginning after June 15, 2023.

Statement No. 100, *Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62*, provides more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability for accounting changes and error corrections. The requirements of this Statement are effective for fiscal years beginning after June 15, 2023.

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