



Agenda  
February 27, 2025  
6:00 p.m.— Pulaski County Innovation Center, Fairlawn, VA

- I. **CALL TO ORDER**
- II. **CONSENT AGENDA**
  - A. Approval of Minutes for January
  - B. [Approval of Treasurer's Report for December and January](#)
- III. **COMMONWEALTH INTERGOVERNMENTAL REVIEW PROCESS**
  - A. Projects Signed-off by the staff  
None
  - B. Regular Project Review  
None
- IV. **PUBLIC ADDRESS**
- V. **CHAIR'S REPORT**
- VI. [EXECUTIVE DIRECTOR'S REPORT](#)
- VII. **REVIEW OF MUTUAL CONCERNS AND COMMISSIONERS' REPORTS**
- VIII. **OLD BUSINESS**
- IX. **NEW BUSINESS**
  - A. [Partnership for Progress Program Overview](#)  
Emily Gibson, Director of Local Government and Community Relations at Virginia Tech  
Commission Discussion
  - B. [Housing Education Campaign and Housing Program Update](#)  
Jennifer Wilsie, Director of Housing  
Commission Discussion
  - C. [FY24 Audit Report](#)  
Kevin Byrd, Executive Director  
Commission Action
  - D. Next Meeting: March 27<sup>th</sup>

All meeting materials posted on the Commission website [www.nrvrc.org](http://www.nrvrc.org)

*The New River Valley Regional Commission provides area wide planning for the physical, social, and economic elements of the district; encourages and assists local governments in planning for their future; provides a means of coordinating federal, state, and local efforts to resolve area problems; provides a forum for review of mutual concerns; and implements services upon request of member local governments.*



6580 Valley Center Drive | Suite 124 | Radford, VA 24141 | 540-639-9313

[NRVRC.ORG](http://NRVRC.ORG)

## MEMORANDUM

**To: NRVRC Board Members**

**From: Jessica Barrett, Finance Director**

**Date: February 19, 2025**

**Re: December 2024 Financial Statements**

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The December 2024 Agencywide Revenue and Expenditure Report and Balance Sheet are enclosed for your review. Financial reports are reviewed by the Executive Committee prior to inclusion in the meeting packet.

The Agencywide Revenue and Expense report compares actual year to date receipts and expenses to the FY24-25 budget adopted by the Commission at the June 27, 2024 meeting. The financial operations of the agency are somewhat fluid and projects, added and modified throughout the year, along with the high volume of Workforce program activities, impact the adopted budget. To provide clarity, Commission and Workforce Development Board activities are separated on the agencywide report.

As of month-end December 2024 (50% of the fiscal year), Commission year to date revenues are 39% and expenses are 35% of adopted budget. The two largest budget expense lines, Salary and Fringe, are in line with budget at 46% and 50%, respectively.

Looking at the balance sheet, Accounts Receivable is \$1,100,902. Of this total, Workforce receivables are \$288,678 (26%) and current. The Executive Committee reviews all aged receivables over 60 days and no receivables are deemed uncollectible. Net Projects (\$179,200) represent in process projects that have not been invoiced and posted to receivables.

### Counties

Floyd | Giles  
Montgomery | Pulaski

### City

Radford

### Towns

Blacksburg | Christiansburg | Dublin  
Floyd | Narrows | Pearisburg  
Pembroke | Pulaski | Rich Creek

### Higher Education

Virginia Tech | Radford University  
New River Community College

**New River Valley Regional Commission**  
**Balance Sheet**  
**12/31/2024**

<u>Assets:</u>	Prior Month	Current Month
Operating Account	135,757	119,225
First Bank & Trust - Bland/Montgomery Broadband	1,268,865	1,120,434
First Bank & Trust - Pulaski County Broadband	2,073,952	1,728,146
First Bank & Trust - Office Building Financing	914,287	1,278,969
First Bank & Trust - Regional Housing Fund	211,683	374,710
First Bank & Trust - Money Market	117,335	117,726
US Bank - Bond Proceeds	0	53,148
Accounts Receivable	976,731	1,100,902
Utility Deposits	0	2,707
Loans Receivable - Revolving Loan Fund	34,591	34,025
Restricted Cash - Revolving Loan Fund	73,461	74,142
Commission Vehicles	32,365	32,365
Office Building	0	2,013,762
Total Assets:	5,839,027	8,050,260
<u>Liabilities:</u>		
Accounts Payable	299,777	402,688
Accrued Annual Leave	120,159	120,159
Accrued Unemployment	34,200	34,270
Expense Reimbursement	5,010	3,249
Funds Held for Others	64,068	0
Funds on Hand - Montgomery County Broadband	1,177,235	1,025,160
Funds on Hand - Pulaski County Broadband	2,000,000	1,647,986
Funds on Hand - Regional Housing Fund	270,114	374,710
Loan Payable	0	1,945,000
Bond Premium	0	169,220
Total Liabilities:	3,970,562	5,722,441
<u>Projects:</u>		
(Equity Accounts)		
Net Projects	(282,123)	(179,200)
Current Year Unrestricted	204,914	165,757
Office Building Project	908,275	1,312,768
Unrestricted Net Assets	913,441	913,441
Restricted Net Assets - Revolving Loan Fund	107,467	107,467
Total Projects (Equity)	1,851,974	2,320,233
Total Liabilities and Projects	5,822,536	8,042,674
Net Difference to be Reconciled	16,491	7,586
Total Adjustments to Post*	8,016	7,586
Unreconciled Balance (after adjustment)	0	0

\*YTD adjustment to Accrued Leave. Final adjustment posted to general ledger at fiscal year end closeout.

**New River Valley Regional Commission  
Revenue and Expenditures -December 2024**

FY24-25 Budget		(50% of FY)			
		December 2024	YTD	Under/Over	% Budget
<b>NRVRC Anticipated Revenues</b>					
	Budget				
ARC Annual Admin Grant	89,160	0	44,580	44,580	50.00%
ARC RemTel Painters School Road Broadband	0	0	(60)	60	0.00%
ARC POWER Water Trail Implementation	35,000	0	0	35,000	0.00%
ARC LDD READY Appalachia	35,319	21,393	27,775	7,544	78.64%
ARC Passenger Rail Station Development	20,000	0	0	20,000	0.00%
ARC Broadband Bland	449,764	0	0	449,764	0.00%
VATI/ARC Digital Opportunity Grant	75,000	0	0	75,000	0.00%
Local Assessment	241,429	0	241,429	0	100.00%
Office Project Member Contributions	0	400,908	1,307,527	(1,307,527)	0.00%
DHCD - Administrative Grant	114,971	0	57,485	57,486	50.00%
DHCD VATI 2022	31,462,712	6,727,875	10,866,581	20,596,131	34.54%
DRPT RIDE Solutions NRV	93,884	12,510	32,388	61,496	34.50%
EDA	70,000	17,500	35,000	35,000	50.00%
EDA Tech Hub	168,000	111,591	127,113	40,887	75.66%
Go Virginia Scale Up	6,550	62,581	62,581	(56,031)	955.43%
Workforce Fiscal Agent	75,000	18,750	37,500	37,500	50.00%
Workforce Power Fiscal Agent	15,000	0	15,000	0	100.00%
Workforce YouthBuild Fiscal Agent	12,500	0	12,500	0	100.00%
Workforce Ready SWVA Fiscal agent	5,500	0	5,500	0	100.00%
Workforce WORC Fiscal agent	25,000	12,500	25,000	0	100.00%
Workforce WIOA Soft Skills Fiscal Agent	1,500	0	1,500	0	100.00%
Workforce WIOA Supplemental Fiscal Agent	1,500	0	1,500	0	100.00%
Workforce WIOA Technical Skills Fiscal Agent	2,000	0	2,000	0	100.00%
Workforce Trades Gap Fiscal Agent	25,000	12,500	25,000	0	100.00%
Workforce YouthBuild Build Your Career Fiscal Age	20,000	12,500	25,000	(5,000)	125.00%
VDOT	58,000	16,645	32,517	25,483	56.06%
Floyd County	79,000	18,334	42,230	36,770	53.46%
Floyd Town	15,000	4,574	9,495	5,505	63.30%
Giles County	27,000	3,414	3,414	23,586	12.65%
Giles County Broadband	30,000	0	0	30,000	0.00%
Narrows Town	37,500	6,560	11,445	26,055	30.52%
Pearisburg Town	10,000	11,972	16,047	(6,047)	160.47%
Montgomery County VATI 2021	2,000	0	508	1,492	25.39%
Montgomery County VATI 2022	2,660,859	152,075	859,345	1,801,514	32.30%
Montgomery County Opiod Abatement	720,000	48,624	259,404	460,596	36.03%
Blacksburg Town	18,000	4,500	9,000	9,000	50.00%
Christiansburg Town	42,157	5,816	14,127	28,030	33.51%
Pulaski County	10,000	2,514	4,331	5,669	43.31%
Pulaski County VATI	966,429	352,014	352,014	614,415	36.42%
Pulaski Town	30,000	0	0	30,000	0.00%
Radford City	21,299	5,483	13,711	7,588	64.38%
MM Interest	4,500	391	2,598	1,902	57.74%
Interest Income - VATI	150,000	16,688	85,113	64,887	56.74%
Miscellaneous Income	0	369	898	(898)	0.00%
Virginia's First	16,080	0	7,500	8,580	46.64%
NRV MPO	108,216	13,410	28,261	79,955	26.12%
Pembroke	5,016	730	730	4,287	14.55%
Dept of Environmental Quality	65,750	3,130	8,232	57,518	12.52%
VHDA	54,375	22,688	32,797	21,578	60.32%
Southwest Virginia SWMA	11,500	0	7,900	3,600	68.70%
Virginia Recycling Association	15,000	0	7,500	7,500	50.00%
VDH New River Health District	125,000	0	99,524	25,476	79.62%
RVARC	0	0	2,806	(2,806)	0.00%
Regional Housing Fund	0	19,043	19,043	(19,043)	0.00%
NRV Passenger Rail Authority	76,500	26,967	53,877	22,623	70.43%
New River Conservancy	45,000	0	0	45,000	0.00%
Regional Housing Trust Fund	50,000	0	0	50,000	0.00%
Revolving Loan - Interest	1,400	115	720	680	51.42%
<b>Sub Total Revenues</b>	<b>38,500,370</b>	<b>8,146,664</b>	<b>14,937,989</b>	<b>23,562,382</b>	<b>38.80%</b>
<b>Expenses</b>					
Salaries	1,757,236	125,832	804,262	952,974	45.77%
Fringe Benefits	495,526	40,977	249,511	246,015	50.35%
Travel	46,239	921	13,978	32,261	30.23%
Office Space	69,000	5,727	34,365	34,635	49.80%
Communications	21,000	1,726	11,915	9,085	56.74%
Office Supplies	126,278	13,731	46,853	79,425	37.10%
Postage	1,300	74	957	343	73.65%
Printing	8,000	1,951	7,920	80	99.00%
Copier Usage/Maintenance	1,400	217	831	569	59.33%
Outreach/Media Adv	18,001	0	17,501	500	97.22%
Equipment Rent/Copier	3,000	223	1,340	1,660	44.68%
Fleet Vehicles	1,600	230	878	722	54.88%
Dues/Publications	19,955	825	14,092	5,863	70.62%
Training/Staff Development	49,500	6,451	26,850	22,650	54.24%
Insurance	5,000	1,245	3,851	1,149	77.02%
Meeting Costs	24,150	540	12,043	12,107	49.87%
Capital Outlay	50,000	(37,500)	0	50,000	0.00%
Contractual Services	35,740,330	7,365,375	12,219,785	23,520,545	34.19%
Professional Services Audit/Legal	56,150	27,701	48,148	8,002	85.75%
Miscellaneous/Fees	6,705	304	1,657	5,049	24.71%
Reimbursed Expenses	0	25	98	(98)	0.00%
Bond Issuance Costs	0	121,831	121,831	(121,831)	0.00%
<b>Sub Total Expenses</b>	<b>38,500,370</b>	<b>7,678,405</b>	<b>13,638,664</b>	<b>24,983,537</b>	<b>35.42%</b>
<b>NRVRC Balance</b>	<b>0</b>	<b>468,259</b>	<b>1,299,325</b>		

**New River/Mount Rogers Workforce Development Board**  
**Revenue and Expenditures - December 2024**

(50% of FY)

NR/MR WDB Anticipated Revenues		December 2024	YTD	Under/Over	% Budget
Workforce Development Area	4,294,437	209,803	1,245,044	3,049,393	28.99%
<b>Sub Total Revenues</b>		<b>209,803</b>	<b>1,245,044</b>	<b>3,049,393</b>	
<b>Expenses</b>					
Salaries	766,620	76,669	461,253	305,367	60.17%
Fringe Benefits	275,983	25,997	149,840	126,143	54.29%
Travel	45,000	3,395	23,946	21,054	53.21%
Office Space	26,000	5,871	25,861	139	99.47%
Communications	16,000	3,688	14,988	1,012	93.68%
Office Supplies	34,000	3,789	13,861	20,139	40.77%
Postage	250	0	6	244	2.45%
Printing	2,000	0	0	2,000	0.00%
Copier Usage/Maintenance	5,500	0	165	5,335	3.00%
Outreach/Media Adv	88,000	0	8,037	79,963	9.13%
Equipment Rent/Copier	1,700	104	691	1,009	40.65%
Dues/Publications	8,000	0	0	8,000	0.00%
Training/Staff Development	12,000	0	17,601	(5,601)	146.68%
Insurance	5,000	0	3,789	1,211	75.78%
Meeting Costs	61,000	1,950	8,583	52,417	14.07%
Contractual Services	2,898,794	88,339	516,363	2,382,431	17.81%
Professional Services Audit/Legal	12,200	0	59	12,141	0.48%
Miscellaneous/Fees	36,390	0	0	36,390	0.00%
Reimbursed Expenses	0	0	0	0	0.00%
<b>Sub Total Expenses</b>	<b>4,294,437</b>	<b>209,803</b>	<b>1,245,044</b>	<b>3,049,393</b>	<b>28.99%</b>
<b>NR/MR WDB Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>		

Total Agency R&E		December 2024	YTD	
Anticipated Revenue	42,794,807	8,356,466	16,183,033	37.82%
Anticipated Expense	42,794,807	7,888,207	14,883,708	34.78%
<b>Balance</b>		<b>468,259</b>	<b>1,299,325</b>	



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## MEMORANDUM

**To:** NRVRC Board Members

**From:** Jessica Barrett, Finance Director

**Date:** February 19, 2025

**Re:** January 2025 Financial Statements

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The January 2025 Agencywide Revenue and Expenditure Report and Balance Sheet are enclosed for your review. Financial reports are reviewed by the Executive Committee prior to inclusion in the meeting packet.

The Agencywide Revenue and Expense report compares actual year to date receipts and expenses to the FY24-25 budget adopted by the Commission at the June 27, 2024 meeting. The financial operations of the agency are somewhat fluid and projects, added and modified throughout the year, along with the high volume of Workforce program activities, impact the adopted budget. To provide clarity, Commission and Workforce Development Board activities are separated on the agencywide report.

As of month-end January 2025 (58% of the fiscal year), Commission year to date revenues are 45% and expenses are 42% of adopted budget. The two largest budget expense lines, Salary and Fringe, are in line with budget at 53% and 59%, respectively.

Looking at the balance sheet, Accounts Receivable is \$1,105,660. Of this total, Workforce receivables are \$392,505 (35%) and current. The Executive Committee reviews all aged receivables over 60 days and no receivables are deemed uncollectible. Net Projects (\$271,811) represent in process projects that have not been invoiced and posted to receivables.

### Counties

Floyd | Giles  
Montgomery | Pulaski

### City

Radford

### Towns

Blacksburg | Christiansburg | Dublin  
Floyd | Narrows | Pearisburg  
Pembroke | Pulaski | Rich Creek

### Higher Education

Virginia Tech | Radford University  
New River Community College

**New River Valley Regional Commission**  
**Balance Sheet**  
**1/31/2025**

<u>Assets:</u>		Prior Month	Current Month
	Operating Account	119,225	48,371
	First Bank & Trust - Bland/Montgomery Broadband	1,120,434	803,691
	First Bank & Trust - Pulaski County Broadband	1,728,146	1,733,380
	First Bank & Trust - Office Building Financing	1,278,969	1,283,345
	First Bank & Trust - Regional Housing Fund	374,710	424,669
	First Bank & Trust - Money Market	117,726	118,123
	US Bank - Bond Proceeds	53,148	55,902
	Accounts Receivable	1,100,902	1,105,660
	Utility Deposits	2,707	3,307
	Loans Receivable - Revolving Loan Fund	34,025	33,457
	Restricted Cash - Revolving Loan Fund	74,142	74,824
	Commission Vehicles	32,365	32,365
	Office Building	2,013,762	2,013,762
	Total Assets:	8,050,260	7,730,856
<u>Liabilities:</u>			
	Accounts Payable	402,688	405,760
	Accrued Annual Leave	120,159	120,159
	Accrued Unemployment	34,270	36,242
	Expense Reimbursement	3,249	3,573
	Funds on Hand - Montgomery County Broadband	1,025,160	704,538
	Funds on Hand - Pulaski County Broadband	1,647,986	1,647,986
	Funds on Hand - Regional Housing Fund	374,710	424,669
	Loan Payable	1,945,000	1,945,000
	Bond Premium	169,220	169,220
	Total Liabilities:	5,722,441	5,457,146
<u>Projects:</u>			
(Equity Accounts)	Net Projects	(179,200)	(271,811)
	Current Year Unrestricted	165,757	195,209
	Office Building Project	1,312,768	1,317,081
	Unrestricted Net Assets	913,441	913,441
	Restricted Net Assets - Revolving Loan Fund	107,467	107,467
	Total Projects (Equity)	2,320,233	2,261,387
	Total Liabilities and Projects	8,042,674	7,718,533
	Net Difference to be Reconciled	7,586	12,323
	Total Adjustments to Post*	7,586	12,323
	Unreconciled Balance (after adjustment)	0	0

\*YTD adjustment to Accrued Leave. Final adjustment posted to general ledger at fiscal year end closeout.

**New River Valley Regional Commission  
Revenue and Expenditures - January 2025**

FY24-25 Budget		(58% of FY)			
		January 2025	YTD	Under/Over	% Budget
<b>NRVRC Anticipated Revenues</b>					
	Budget				
ARC Annual Admin Grant	89,160	0	44,580	44,580	50.00%
ARC RemTel Painters School Road Broadband	0	4,375	4,316	(4,316)	0.00%
ARC POWER Water Trail Implementation	35,000	0	0	35,000	0.00%
ARC LDD READY Appalachia	35,319	0	27,775	7,544	78.64%
ARC Passenger Rail Station Development	20,000	0	0	20,000	0.00%
ARC Broadband Bland	449,764	0	0	449,764	0.00%
VATI/ARC Digital Opportunity Grant	75,000	0	0	75,000	0.00%
Local Assessment	241,429	0	241,429	0	100.00%
Office Project Member Contributions	0	0	1,307,527	(1,307,527)	0.00%
DHCD - Administrative Grant	114,971	28,743	86,228	28,743	75.00%
DHCD VATI 2022	31,462,712	1,861,388	12,727,969	18,734,743	40.45%
DRPT RIDE Solutions NRV	93,884	0	32,388	61,496	34.50%
EDA	70,000	0	35,000	35,000	50.00%
EDA Tech Hub	168,000	0	127,113	40,887	75.66%
Go Virginia Scale Up	6,550	0	62,581	(56,031)	955.43%
Workforce Fiscal Agent	75,000	18,750	56,250	18,750	75.00%
Workforce Power Fiscal Agent	15,000	0	15,000	0	100.00%
Workforce YouthBuild Fiscal Agent	12,500	0	12,500	0	100.00%
Workforce Ready SWVA Fiscal agent	5,500	5,000	10,500	(5,000)	190.91%
Workforce WORC Fiscal agent	25,000	0	25,000	0	100.00%
Workforce WIOA Soft Skills Fiscal Agent	1,500	0	1,500	0	100.00%
Workforce WIOA Supplemental Fiscal Agent	1,500	0	1,500	0	100.00%
Workforce WIOA Technical Skills Fiscal Agent	2,000	0	2,000	0	100.00%
Workforce Trades Gap Fiscal Agent	25,000	0	25,000	0	100.00%
Workforce YouthBuild Build Your Career Fiscal Age	20,000	0	25,000	(5,000)	125.00%
VDOT	58,000	0	32,517	25,483	56.06%
Floyd County	79,000	0	42,230	36,770	53.46%
Floyd Town	15,000	0	9,495	5,505	63.30%
Giles County	27,000	0	3,414	23,586	12.65%
Giles County Broadband	30,000	0	0	30,000	0.00%
Narrows Town	37,500	0	11,445	26,055	30.52%
Pearisburg Town	10,000	0	16,047	(6,047)	160.47%
Montgomery County VATI 2021	2,000	0	508	1,492	25.39%
Montgomery County VATI 2022	2,660,859	320,621	1,179,967	1,480,892	44.35%
Montgomery County Opiod Abatement	720,000	56,053	315,458	404,542	43.81%
Blacksburg Town	18,000	0	9,000	9,000	50.00%
Christiansburg Town	42,157	0	14,127	28,030	33.51%
Pulaski County	10,000	0	4,331	5,669	43.31%
Pulaski County VATI	966,429	0	352,014	614,415	36.42%
Pulaski Town	30,000	0	0	30,000	0.00%
Radford City	21,299	0	13,711	7,588	64.38%
MM Interest	4,500	397	2,995	1,505	66.56%
Interest Income - VATI	150,000	16,180	101,293	48,707	67.53%
Miscellaneous Income	0	150	1,048	(1,048)	0.00%
Virginia's First	16,080	0	7,500	8,580	46.64%
NRV MPO	108,216	0	28,261	79,955	26.12%
Pembroke	5,016	0	730	4,287	14.55%
Dept of Environmental Quality	65,750	0	8,232	57,518	12.52%
VHDA	54,375	0	32,797	21,578	60.32%
Southwest Virginia SWMA	11,500	3,500	11,400	100	99.13%
Virginia Recycling Association	15,000	3,750	11,250	3,750	75.00%
VDH New River Health District	125,000	0	99,524	25,476	79.62%
Pemtrel	0	5,250	5,250	(5,250)	0.00%
RVARC	0	0	2,806	(2,806)	0.00%
Regional Housing Fund	0	0	19,043	(19,043)	0.00%
NRV Passenger Rail Authority	76,500	0	53,877	22,623	70.43%
New River Conservancy	45,000	0	0	45,000	0.00%
Regional Housing Trust Fund	50,000	0	0	50,000	0.00%
Revolving Loan - Interest	1,400	113	833	567	59.52%
<b>Sub Total Revenues</b>	<b>38,500,370</b>	<b>2,324,271</b>	<b>17,262,260</b>	<b>21,238,111</b>	<b>44.84%</b>
<b>Expenses</b>					
Salaries	1,757,236	134,751	939,013	818,223	53.44%
Fringe Benefits	495,526	43,363	292,874	202,652	59.10%
Travel	46,239	1,180	15,158	31,081	32.78%
Office Space	69,000	5,727	40,092	28,908	58.10%
Utilities	0	1,396	1,396	(1,396)	0.00%
Communications	21,000	1,638	13,553	7,447	64.54%
Office Supplies	126,278	860	47,713	78,565	37.78%
Postage	1,300	141	1,099	202	84.50%
Printing	8,000	0	7,920	80	99.00%
Copier Usage/Maintenance	1,400	0	831	569	59.33%
Outreach/Media Adv	18,001	0	17,501	500	97.22%
Equipment Rent/Copier	3,000	223	1,564	1,436	52.12%
Fleet Vehicles	1,600	52	931	669	58.16%
Dues/Publications	19,955	915	15,007	4,948	75.20%
Training/Staff Development	49,500	0	26,850	22,650	54.24%
Insurance	5,000	0	3,851	1,149	77.02%
Meeting Costs	24,150	1,608	13,651	10,499	56.53%
Capital Outlay	50,000	0	0	50,000	0.00%
Contractual Services	35,740,330	2,190,996	14,410,781	21,329,549	40.32%
Professional Services Audit/Legal	56,150	63	48,211	7,939	85.86%
Miscellaneous/Fees	6,705	227	1,884	4,821	28.10%
Reimbursed Expenses	0	(25)	73	(73)	0.00%
Bond Issuance Costs	0	0	121,831	(121,831)	0.00%
<b>Sub Total Expenses</b>	<b>38,500,370</b>	<b>2,383,117</b>	<b>16,021,781</b>	<b>22,600,420</b>	<b>41.61%</b>
<b>NRVRC Balance</b>	<b>0</b>	<b>(58,846)</b>	<b>1,240,479</b>		



**New River/Mount Rogers Workforce Development Board**  
**Revenue and Expenditures - January 2025**

(58% of FY)

NR/MR WDB Anticipated Revenues		January 2025	YTD	Under/Over	% Budget
Workforce Development Area	4,294,437	219,736	1,464,779	2,829,658	34.11%
<b>Sub Total Revenues</b>		<b>219,736</b>	<b>1,464,779</b>	<b>2,829,658</b>	
<b>Expenses</b>					
Salaries	766,620	76,922	538,175	228,445	70.20%
Fringe Benefits	275,983	26,082	175,923	100,060	63.74%
Travel	45,000	3,303	27,249	17,751	60.55%
Office Space	26,000	10,039	35,901	(9,901)	138.08%
Communications	16,000	2,074	17,063	(1,063)	106.64%
Office Supplies	34,000	1,801	15,662	18,338	46.07%
Postage	250	0	6	244	2.45%
Printing	2,000	0	0	2,000	0.00%
Copier Usage/Maintenance	5,500	0	165	5,335	3.00%
Outreach/Media Adv	88,000	1,523	9,561	78,439	10.86%
Equipment Rent/Copier	1,700	241	932	768	54.82%
Dues/Publications	8,000	1,570	1,570	6,430	19.63%
Training/Staff Development	12,000	2,400	20,001	(8,001)	166.68%
Insurance	5,000	0	3,789	1,211	75.78%
Meeting Costs	61,000	101	8,684	52,316	14.24%
Contractual Services	2,898,794	93,678	610,041	2,288,753	21.04%
Professional Services Audit/Legal	12,200	0	59	12,141	0.48%
Miscellaneous/Fees	36,390	0	0	36,390	0.00%
Reimbursed Expenses	0	0	0	0	0.00%
<b>Sub Total Expenses</b>	<b>4,294,437</b>	<b>219,736</b>	<b>1,464,779</b>	<b>2,829,658</b>	<b>34.11%</b>
<b>NR/MR WDB Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>		

Total Agency R&E		January 2025	YTD	
Anticipated Revenue	42,794,807	2,544,007	18,727,039	43.76%
Anticipated Expense	42,794,807	2,602,853	17,486,560	40.86%
<b>Balance</b>		<b>(58,846)</b>	<b>1,240,479</b>	



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N R V R C . O R G

**February 20, 2025**

## **Executive Director's Report**

### **Economic Development:**

- The NRV Recovery Ecosystem is working toward the FY26 grant proposal to the Virginia Opioid Abatement Authority. On 2/21 the project technical teams will present their projects for the regional application to the local governments for review and consideration. The proposal is due to OAA by April 1<sup>st</sup>.
- Broadband: The NRVRC is providing grant writing support for a federal BEAD application in Giles County being submitted by PemTel. The Montgomery/Bland County VATI projects are navigating challenging winter weather in their construction phase. It has required extensive coordination with AEP given focus to areas with power interruptions. Regular construction should be back underway soon. All Points Broadband in Pulaski County is finalizing make-ready with AEP and Verizon-owned poles. More work remains on securing a large enough area of make-ready being complete that enables construction crews to begin work.
- The Virginia AM2 Tech Hub is providing staff support for a GO Virginia grant that will enable the expansion of GO TECH (Great Opportunities in Technology and Engineering Careers) in the New River Valley. The GO TECH program is focused on middle school students gaining exposure to careers and applied skill development that leads to workforce interest and readiness. This project is a direct outcome of the Tech Hub strategy development grant. More about GO TECH can be found at this [link](#).
- The next Regional Economic Strategy committee meeting is scheduled for 2/28 at 10:00am. The committee will review the updated SWOT analysis and begin working on adjustments to the Resilience section.
- Congratulations to the Town of Floyd for securing a Community Development Block Grant for planning at the recently acquired Donkenny property that is intended to be a mixed-use redevelopment project in town.

### **Transportation:**

- The Virginia Passenger Rail Authority (VPRA) will hold a groundbreaking event for the New River Valley project in Cambria on March 20<sup>th</sup> at 1:00pm. Invitations will go to board members and all local, state, federal elected officials. The Station Authority meets on 2/27 and will have a kick-off meeting with the architecture/engineering team on the building design. The Station Authority engineers have been working closely with the VPRA engineering team on project overlap aspects such as utility connections.

### **Housing:**

- This month's board meeting will have a housing focus to include sharing the recently developed housing education videos, an overview of housing accomplishments through the HOME Consortium and other housing programs in the region, along with the second round of Planning District Commission housing grant program through Virginia Housing.

- The Claremont School project in Pulaski held a very successful ground/glass breaking event in January. It truly reflected the public, private, nonprofit partnership underway to execute the project.
- Congratulations to Floyd County Scattered Site Housing project for receiving a second round of Community Development Block Grant funds. Jennifer Wilsie has supported the implementation of round one and grant writing for round two in partnership with the community.

#### **Natural Resources:**

- Water Supply Planning kick-off meetings are being conducted next week. New River 1 (Montgomery, Pulaski, Giles, City of Radford) is being held 2/25 at 10:00am at the Montgomery County Government Center and New River 2 (Floyd County, plus adjoining non-NRV counties) is being held on 2/26 at 10:00am in Galax. The NRVRC will be providing staff support in the delivery of the updated Water Supply Plans.
- Friends of Southwest Virginia is still working through the best use of the Outdoor Recreation Impact funding they received through ARC following Hurricane Helene. The initial concept to secure drone footage of the New River debris and develop community-specific debris removal strategies was being re-worked since the VA Dept. of Emergency Management has some information and funds for debris removal in proximity to critical infrastructure and boat launches. The ARC funds will likely have a more broad scope that helps assess recreation impacts sustained by local governments. More information is forthcoming.

#### **Regional:**

- The Regional Commission continues to support communities impacted by Hurricane Helene. The Commonwealth anticipates announcing a Community Development Block Grant opportunity for communities impacted by the storm. Successful projects for this program are most likely to be water and waste water system repairs/improvements, and potentially back-up power sources for public infrastructure. Once the program is announced information will be distributed.
- This month's board meeting there will be a presentation on the Partnership for Progress project by Emily Gibson with Virginia Tech. Everyone in the NRV is encouraged to complete the project survey at this [link](https://www.partnershipforprogress.org). More information can be found on the project website [www.partnershipforprogress.org](https://www.partnershipforprogress.org)

#### **Commission:**

- The Regional Commission will hold an Open House on 3/6 4:00-6:00 at the new office location for board members to come and visit the space before construction gets underway.
- The architecture/engineering team will provided 65% design drawings in January. Minor modifications were sent back, so hopefully the bid-ready documents will be available shortly.
- The Regional Commission submitted a grant application to the Appalachian Regional Commission for a new program entitled, Grants to Grow, through their READY program. The proposal would help address several items as the agency has experienced considerable growth recently. The proposal contained furniture/IT equipment for the three meeting rooms at the new office; finance software conversion; staff and board leadership training; and the development of an agency strategic plan. The proposal was for \$375,000 from ARC and \$168,750 in matching funds from NRVRC based on the office construction project. Grant announcements are not anticipated for several months.



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N R V R C . O R G

## MEMORANDUM

**To:** NRVRC Commissioners

**From:** Kevin Byrd, Executive Director

**Date:** February 20, 2025

**Re:** Partnership for Progress Program Overview

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At the February Regional Commission meeting Emily Gibson, Director of Local Government & Community Relations at Virginia Tech, will join us to provide an overview on the Partnership for Progress initiative. Hopefully, you have seen some of the local media coverage and recent outreach around the community survey for this work. The news releases about the [origin of the work](#) and the [launch in the Fall](#) are great resources to showcase the beginning of the process.

[Partnership for Progress](#) is a shared effort between the Towns of Blacksburg and Christiansburg, Montgomery County, the New River Valley Regional Commission, and Virginia Tech. This collaborative effort aims to create a visionary, actionable roadmap for the future. It will focus on the shared challenges and opportunities in our region with the goal of using what is learned to increase collaboration between the partners and enhance quality of life. The work is both proactive and organic in nature. There are not pre-determined outcomes, only a shared desire for exploring opportunities moving forward.

The Partnership for Progress community survey is open until the end of February, and you are encouraged to take it and share it with your networks. Here is the direct URL to access the survey: <https://www.surveymonkey.com/r/RQ7M68X>



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[NRVRC.ORG](http://NRVRC.ORG)

## MEMORANDUM

**To:** NRV Regional Commission Board  
**From:** Jennifer Wilsie, Director of Housing  
**Date:** February 20, 2025  
**Re:** Housing Education Campaign and Regional Housing Initiatives Updates

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The Regional Commission participates in multiple affordable housing initiatives across the region, underscoring the complexity of the work and the need for strong collaboration among local governments, nonprofits, developers, and the private sector. The ability to effectively share this work among partners is also critical. A brief overview of current initiatives is detailed below.

### Housing Education Campaign

After the release of the Regional + Local Housing Study in 2021, the final report recommended seven regional strategies, several of which the Regional Commission has been able to advance over the last four years. The regional Housing Trust Fund has been the most public-facing component of this work, which has already awarded \$1.8M in project awards and has raised \$380,000 in local funds. As a complement to the creation of the regional housing trust fund, a housing education campaign was identified as a high priority goal.

At the end of 2024, the Regional Commission completed a pilot series of four short, informative **housing videos**, meant to clarify some commonly misunderstood or lesser known facts about affordable housing. Virginia Housing provided funding for these videos, which were all written, filmed, and edited in-house by Regional Commission staff. The goal is for the videos to be shared broadly with local government and non-profit partners who may be engaging in housing conversations with audiences unfamiliar with affordable housing. The Regional Commission hopes that the videos will also spark conversation among regional partners about other video topics that may be critical to their work.

### Additional Funding Opportunities

#### *Regional Housing Development Grant*

Funding from Virginia Housing's PDC Housing Development grant provided the initial seed money for the regional housing trust fund, and Virginia Housing has now reprised this program as a competitive grant. Using the governance structure created by the NRV Housing Trust Fund, the Regional Commission will be pursuing a \$1.5M application to support three housing development projects in the region.

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### Strengthening the Region through Collaboration

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#### Counties

Floyd | Giles  
Montgomery | Pulaski  
**City**  
Radford

#### Towns

Blacksburg | Christiansburg | Dublin  
Floyd | Narrows | Pearisburg  
Pembroke | Pulaski  
Rich Creek

#### Higher Education

Virginia Tech  
Radford University  
New River Community College

### *Workforce Housing Investment Program*

Announced by Governor Youngkin at the 2024 Virginia Governors Housing Conference, Virginia Housing has created a new grant program that ties funding for **workforce housing** (defined in this case as households earning between 80-120% of the area median income) to job announcements. Communities that can document a qualifying job announcement are eligible for funding for new housing development projects within a 30-minute drive of the employer.

A more detailed overview of both programs is attached.

### **HOME Consortium Annual Report**

Since 2007, the Regional Commission has partnered with the Town of Blacksburg to provide administrative oversight to the **New River Valley HOME Consortium**, funded by an annual allocation from HUD. These funds support the development of affordable housing projects across the region. Each year, the HOME Consortium prepares a summary report of projects in process or completed; for 2024, the report was expanded to include an overview of the work of the NRV Housing Trust Fund, the Home Trust (community land trust), and identify common regulatory and financial barriers affordable housing developers experience. **The report will be used to communicate the value of affordable housing work to both local and federal elected officials.**

The full 2024 HOME Consortium Annual Report is attached.



# 20 24

## IMPACT REPORT

New River Valley Home Consortium



# New River Valley HOME Consortium

The New River Valley HOME Consortium advances housing affordability in the New River Valley (NRV) by investing in the production and preservation of homes (rental and ownership) affordable to households earning up to 80 percent of the area median income (AMI).

Formed in 2007, the Consortium receives annual allocations from the federal HOME Investment Partnerships Program (HOME) that it administers on behalf of member jurisdictions: the counties of Floyd, Giles, Montgomery, and Pulaski, the City of Radford, and the towns of Blacksburg, Christiansburg, Glen Lyn, Pembroke, Pearisburg, Narrows, Rich Creek, Dublin, Pulaski, and Floyd.

While HOME funds are allocated to member jurisdictions annually on a rotating basis, the Consortium serves as an ongoing forum for regional collaboration in support of housing production and affordability. Since its inception in 2007, the Consortium has

- Enabled the construction or preservation of **478 homes** (rental and ownership) for households earning up to 80 percent AMI
- Leveraged over **\$81.5 million in local, regional, state, and private investments** in NRV affordable housing with less than \$9.6 million in Federal HOME funding
- Created, broadened, and strengthened partnerships among member jurisdictions and with key State and Federal agencies and nonprofit and for-profit organizations supporting the production and operation of affordable housing
- Supported **458 NRV jobs**
- Generated **\$29 million in local income**





# Why HOME Works

HOME is the only federal grant program focused solely on providing local communities with flexible financing to address their most pressing housing needs.

## LOCAL CONTROL AND REGULATORY FLEXIBILITY

Local jurisdictions direct HOME funds to address their unique housing needs, including enabling homeownership, increasing production of low-cost rental housing, and rehabilitating older units affordable to moderate- and low-income households.

## IMPACTFUL THROUGHOUT THE NEW RIVER VALLEY AND VIRGINIA

HOME has a proven track record in Virginia's rural, suburban, and urban communities alike. NRV towns, counties, and the City of Radford all benefit from HOME investments.

## BRIDGE FOR PROJECT FINANCE GAPS

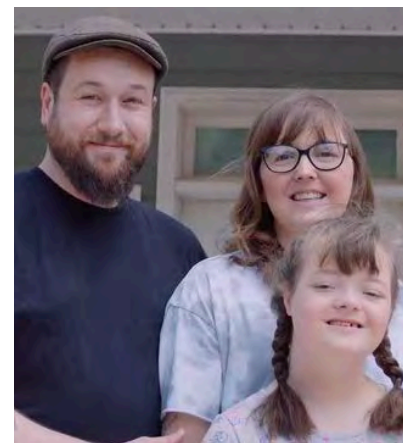
Particularly since the pandemic, HOME has been a vital tool, enabling the viability of projects facing rapid increases in labor and material costs. HOME is a critical source of gap financing for the Low-Income Housing Tax Credit, supporting the construction of 844 LIHTC units in Virginia since 2017. In rural areas, HOME supports the construction and preservation of US Department of Agriculture (USDA) and Federal Home Loan Bank (FHLB) funded units, as well.

## FINANCIAL LEVERAGE

Every \$1 of HOME leverages more than \$4.59 in additional investments nationally. In Virginia, the leverage rate is even more impressive, with \$8.48 in additional investment generated for every \$1 of HOME funding.

## IMPRESSIVE NATIONAL TRACK RECORD

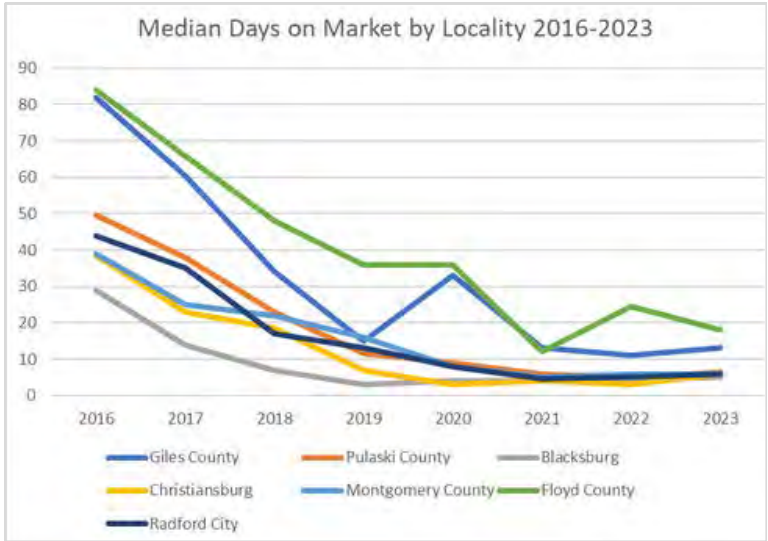
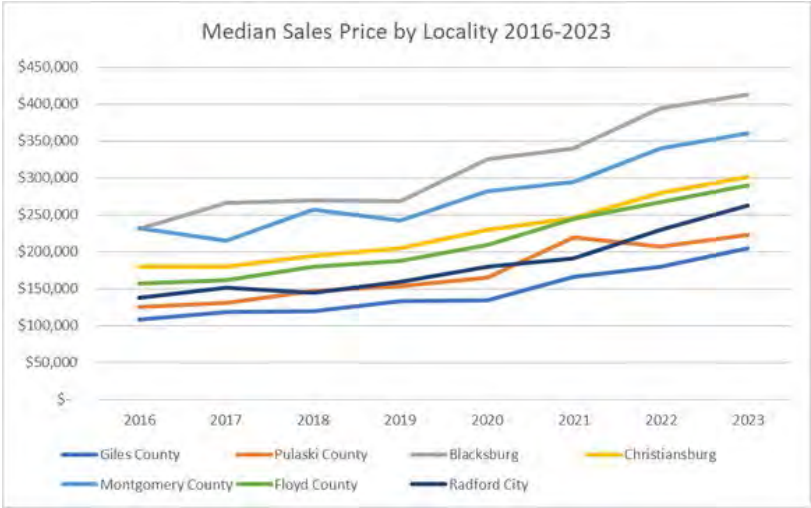
Since 1992, HOME has invested \$38.9 billion to help build and preserve more than 1.37 million affordable homes and provide direct rental assistance to over 387,000 families while supporting roughly 2.1 million jobs and generating \$135 billion in local economic impact.



# NRV Housing Conditions

Tracking housing trends helps to better understand the housing market's impact on the community and identify areas of need.

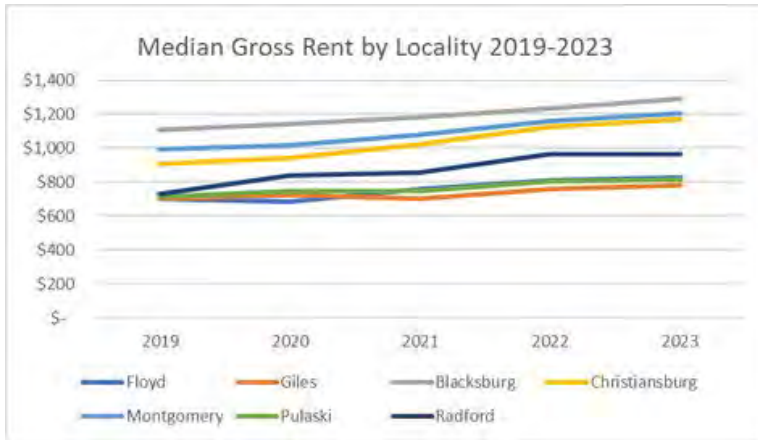
Region-wide, the median Sales Price has risen 61% from 2016-2023



Region-wide, median Days on Market has dropped 86% from 2016-2023



# NRV Housing Conditions cont'd



Region-wide, median Gross Rent has risen  
23% from 2019-2023

According to 2023 ACS data, the median gross rent for the NRV was \$1,100 and the median monthly homeowner cost was \$1,450.

If a household spends no more than 30% of its income on housing costs, there are many workers in the region who do not earn enough to live here without being cost burdened.



Can't afford to rent or buy	<\$1,100
Can rent but cannot buy	>\$1,100 but <\$1,450
Can rent or buy	>\$1,450





# 01

## COMPLETED PROJECTS

### Floyd

#### *Newtown Townhomes*

Total Project Cost: \$1.67 Million

NRV HOME Investment: \$ 567,000

Project Location: Floyd County

#### PROJECT OVERVIEW

Habitat for Humanity of the New River Valley (HFHNRV) completed seven new townhomes on Newtown Road in Floyd in April. These homes are the first townhomes in the County and a result of strong community support. The Townhomes are highly energy efficient (EarthCraft certified), and two units are fully accessible to individuals with physical disabilities. Each townhome is approximately 1,500 square feet with three bedrooms and two and a half bathrooms. These homes provide covered front and back porches and designated parking behind the units. The site is located just outside town limits on a 0.9-acre lot served by Floyd water and sewer.

#### PROJECT INVESTMENT

HFHNRV combined the following public and private sources to fund the Floyd project.

- NRV HOME - \$567,000
- VA HOME - \$636,341
- HFHNRV fundraising - \$249,416
- HFHNRV in-kind donations - \$219,900

#### PROJECT IMPACT

After a series of Covid-related delays and hardships, the project was completed in April 2024. All seven homes have been sold to households earning no more than 60 percent of the area median income, \$47,850 for a family of four in Floyd. These homes will remain affordable for a minimum of 99 years, during which they may be resold only to low-income households at below-market prices determined by formula. Habitat retains a right of first refusal to purchase the home throughout the period of affordability.



# Radford

## Leggett Apartments

### PROJECT OVERVIEW

Taylor Hollow Construction (THC) is providing much-needed affordable rental housing in downtown Radford. THC converted the historic Leggett Building into eleven mixed-income apartments. Seven apartments are HOME units, affordable to lower income households, while the remaining four are leased at market-rates. All are located on the upper floor of the building and have elevator access, making them accessible to senior residents and others with mobility challenges. The first floor is designated for commercial use.

All apartments are one and two bedroom units, Earthcraft certified for energy efficiency, and have shared access to laundry facilities. All apartments include new electric, plumbing, and HVAC systems, as well as high-quality finishes consistent with the property's character-defining historic features.

### PROJECT INVESTMENT

THC financed this project using a combination of

- NRV HOME - \$455,000
- Virginia HOME - \$700,000
- Virginia Housing Innovations in Energy Efficiency (HIEE) - \$234,000
- Virginia Housing loan - \$700,000
- Historic Tax Credits - \$721,000
- Private Equity- \$354,000

### PROJECT STATUS

Construction began in Spring of 2022 and is now complete, with all seven HOME units being offered at rents affordable to households earning no more than 60 percent of the area median income.

Total Project Cost: \$3.16 Million  
NRV HOME Investment: \$455,000  
Project Location: City of Radford



Leggett Building in the City of Radford at purchase.



# 02

## PROJECTS UNDER DEVELOPMENT

### Montgomery *Legacy on Main*

Total Project Cost: \$23.28 Million  
NRV HOME Investment: \$402,744  
Project Location: Town of Blacksburg

#### PROJECT OVERVIEW

Located at the corner of Country Club Drive and South Main Street, CHP's Legacy on Main will offer much-needed low-cost rental options near jobs, public transportation, and retail and commercial outlets in Blacksburg, Virginia. The 56-unit building will provide an ideal home for public school teachers, daycare workers, and many Virginia Tech employees who qualify.

The building will feature amenities including two picnic areas, an outdoor plaza, a playground, and a community room. Legacy on Main will provide professional, on-site management and resident services. CHP will reconfigure curbs and sidewalks along Country Club Drive, improving pedestrian safety, and will landscape the property to mitigate neighborhood light and sound pollution.

#### PROJECT INVESTMENT

To achieve this project, CHP has assembled a diverse set of funding sources:

- NRV HOME - \$402,744
- VA HOME - \$900,000
- Blacksburg American Rescue Plan Act (ARPA) - \$650,000
- Congressionally Directed - \$1,250,000
- Low Income Housing Tax Credits (LIHTC) - \$9,657,660
- National Housing Trust Fund - \$800,000
- NeighborWorks - \$500,000
- NRV Housing Trust Fund - \$950,000
- VA HIEE - \$1,609,178
- VA Housing Trust Fund - \$900,000
- VA Housing REACH loan - \$3,592,744
- VA DHCD Tax Credits - \$2,070,000



#### PROJECT STATUS

CHP has received site plan approval and completed the environmental review. ACHP will finalize its HOME agreement in early 2025 and complete the project by the end of 2026.



# Montgomery

## *Stroubles Ridge Neighborhood*

Total Project Cost: \$23 Million  
NRV HOME Investment: \$ 700,000  
Project Location: Town of Blacksburg

### PROJECT OVERVIEW

Community Housing Partners (CHP), with its Stroubles Ridge Neighborhood, is working to address the pressing need for lower cost housing options, particularly for first-time homebuyers and local workers seeking homes they can afford within the Blacksburg town limits. CHP will develop up to 70 units of single-family homes and duplexes. All residences will be built to EarthCraft green building and energy efficiency standards. Phase one includes twenty new three-bedroom/two-bath homes over the next two years, with a focus on serving households earning no more than 80 percent AMI - \$80,300 for a family of four in the NRV.

### PROJECT INVESTMENT

CHP has secured \$9,200,000 for the first phase of Stroubles Ridge which includes the first 20 homes. Funding sources include:

- NRV HOME - \$700,000
- Blacksburg ARPA - \$1,000,000
- Blacksburg Community Development Block Grant (CDBG) - \$2,000,000
- VA Housing Trust Fund - \$1,400,000
- VA HIEE - \$300,000

Revenue from home sales will cover the balance of project costs.



### PROJECT STATUS

CHP is currently working to install neighborhood infrastructure and utilities, and construction will commence in 2025. Properties in Stroubles Ridge will become part of the New River Home Trust (NRHT), a community land trust (CLT) established by CHP in 2022 in partnership with Montgomery County and the Town of Blacksburg. CLTs hold land in perpetuity to maintain the affordability of housing built on the land. Low- and moderate-income buyers purchase CLT homes at below-market prices and sell their homes according to a predetermined formula that enables them to build equity while maintaining prices affordable to lower income households. (For a detailed description of the NRHT, please see page 10.)

# Pulaski

## *Claremont School Apartments*

Total Project Cost: \$15.80 Million  
NRV HOME Investment: \$812,500  
Project Location: Town of Pulaski

### PROJECT OVERVIEW

Landmark Asset Services, a specialist in rehabilitating properties and converting them to residential uses, broke ground in December and has begun revitalizing Claremont Elementary School into 50 units affordable to households with low-to-moderate incomes. The Claremont School Apartments will encompass an historic school building, originally completed in 1952, as well as a newly constructed three-story building. The existing building will include 23 apartments on two floors, while the newly constructed building will include 27 units. Five units will be affordable to households earning no more than 30 percent of area median income (AMI), while 20 units will be affordable to households earning no more than 50% AMI, and 25 units will be affordable to households earning no more than 60% AMI. This project will meet a portion of Pulaski's diverse and extensive housing needs by providing appropriately priced opportunities both to its workforce and to older adults living on fixed incomes.

### PROJECT INVESTMENT

To achieve this project, Landmark has secured funding totaling approximately \$15.8 million from the following sources:

- NRV HOME- \$812,500
- VA HOME - \$700,000
- Federal Home Loan Bank (FHLBank) - \$1,000,000
- NRV Housing Trust Fund - \$850,000
- VA Housing REACH loan - \$1,000,000
- VA and National Housing Trust Funds - \$1,400,000
- VA and Federal Tax credits - \$9,406,829
- Deferred Developer Fees- \$630,000

### PROJECT STATUS

Landmark has begun site work and will complete construction by mid-2026. All apartments will be leased in 2026.





# Pulaski

## *Dublin Middle School Apartments*

### PROJECT OVERVIEW

Landmark Asset Services plans to revitalize the vacant Dublin Middle School, originally built in 1937, into 40 affordable apartments. Additionally, a new building with 40 more apartments will be built within the middle of the current running track. These units will be affordable to households with low-to-moderate incomes.

### PROJECT INVESTMENT

Landmark is working to secure the remaining financing needed to complete this project. Currently Landmark Asset Services has secured \$14.5 million in Low Income Housing Tax Credits. Pulaski County has also agreed to donate the building and a portion of the property to Landmark, and the NRV HOME Consortium plans to dedicate \$400,000 to the project.

### PROJECT STATUS

Landmark Asset Service is currently developing architectural plans for the project and working to secure the required investments.

Total Project Cost: TBD  
NRV HOME Investment: \$400,000  
Project Location: Town of Dublin



# Giles

## *Scattersite Homeownership*

### PROJECT OVERVIEW

Giles plans to work with Habitat for Humanity of the New River Valley to demolish blighted properties and provide affordable homeownership opportunities in high-demand areas. After securing sites for the project, The Giles County team will leverage HOME funds to build up to ten three-bedroom, two-bathroom, single-family homes and duplexes in the Town of Narrows and other areas of the county experiencing substantial population growth and diminishing home affordability.

Total Project Cost: TBD  
NRV HOME Investment: \$575,000  
Project Location: Towns of Giles





## The New River Home Trust

The New River Home Trust (NRHT) is a Community Land Trust that supports the families of Montgomery County, Virginia, through the development and stewardship of permanent affordable housing for low-to-moderate income households (those earning between 60-120% of area median income (AMI). Created in 2023 in partnership with Montgomery County and the Town of Blacksburg, NRHT operates as a program under Community Housing Partners whose mission is to create communities and homes that are healthy, sustainable, and affordable. The Town and County see this as an important affordable housing strategy for maximizing investment and providing affordable housing stock to first-time homebuyers. To that end, the Town of Blacksburg and Montgomery County provide annual operating support to the NRHT based on the number of NRHT units developed and managed in the Town and County. To date, the NRHT has seven properties.

*\$80,000-\$180,000*

*The gap between what low-to-moderate income families can afford and what it costs to build a home in Montgomery County.*

### *Closing the Homeownership Affordability Gap*

Residents can purchase a CLT home, but not the land on which the house sits. Instead, residents enter into low-cost, long-term property leases with the CLT, known as ground leases, typically for 99 years. Although CLT residents can never sell the land their home is on, they otherwise have the same rights and responsibilities as other homeowners (maintenance, property taxes, etc.). The initial investment to write down the price of the home plus the removal of the land value is what makes the home more affordable. In exchange for the opportunity to purchase a home, they would not otherwise be able to afford, CLT homeowners agree to limit the price at which they can sell their homes. This is governed by a resale formula, based on the % change in area median income over time, in the ground lease. This model enables CLT homebuyers to build equity and eventually purchase a home in the traditional marketplace, which then frees up the opportunity for a new income-qualified homebuyer. It also keeps the home affordable to future limited-income households – without requiring the investment of additional public or private subsidies to make the home affordable again.





*Creating a Flexible  
Regional Funding Source  
for Affordable Housing  
Development*

The New River Valley Housing Trust Fund (NRVHTF) was established in 2023 to preserve and develop affordable housing for the New River Valley region. These funds provide a locally-controlled source of housing funding with flexibility unavailable through other state and federal funding sources. The NRVHTF is coordinating its investments with the NRV HOME Consortium to ensure maximum leverage of limited funding and administrative resources.

Pilot funding for the NRVHTF originated from Virginia Housing's Planning District Commission Housing Development program. The New River Valley Regional Commission (NRVRC) received \$2 million in pilot funding in 2022.

In 2023, two inaugural NRVHTF funding awards were made: 1) \$850,000 to Landmark Asset Services for the Claremont Apartments project in the Town of Pulaski and 2) \$950,000 to Community Housing Partners for the Legacy on Main project in the Town of Blacksburg. These awards were made as 30-year, 0% interest loans, and the two developments will create 106 units of rental housing affordable to lower income households in the NRV.

Moving forward, the NRVHTF has a local investment goal of \$600,000 annually for the fund - 50 percent from NRV local governments and 50 percent from non-governmental partners. To date, all New River Valley localities have committed to supporting the New River Valley Housing Trust Fund for five years; funding commitments are based on the % of the total population in each locality. Additionally, Virginia Tech and Carilion Clinic have each committed initial investments of \$40,000.

NRV Housing Trust Fund Investment Projections					
	Population	Projected Annual Investment*	Projected FY24-29 5-Yr Investment	Pro Rata Award %	Projected 5-yr Award Value
Floyd	15,609	\$ 27,316	\$ 136,579	9%	\$ 405,606
Giles	16,657	\$ 29,150	\$ 145,749	11%	\$ 495,740
Montgomery	92,561	\$ 161,982	\$ 809,909	46%	\$ 2,073,095
Pulaski	33,571	\$ 58,749	\$ 293,746	19%	\$ 856,278
Radford	13,885	\$ 24,299	\$ 121,494	15%	\$ 676,009
Non-Govt		\$ 300,000	\$ 1,500,000		
VA Hsg Grant			\$ 2,000,000		

\*Based on \$1.75 per capita for localities

Following the same process used by the NRV HOME Consortium, localities will receive NRV Housing Trust Fund awards on a pro-rata basis over the course of a five-year rotation cycle.

# A New River *Supportive* Housing Program

The NRV HOME Consortium and New River Community Action (NRCA) are working to bring a critical resource to the NRV community – Supportive Housing- in part, through new funding available through the American Rescue Plan Act, via the HOME program. Supportive housing is a proven solution to homelessness for the most vulnerable chronically homeless people, pairing housing with case management and supportive services.

Supportive housing breaks the cycle of homelessness and crisis among extremely low-income individuals facing complex medical and behavioral health challenges, and in so doing, relieves pressure on emergency rooms, jails, shelters, hospitals, and other services, driven by overutilization by those experiencing chronic homelessness.



The NRV HOME Consortium received \$2.1 million in HOME American Rescue Plan (ARP) funding to improve housing opportunities for those experiencing and at greatest risk of homelessness in the NRV. The HOME ARP Allocation Plan consultation process echoed the findings of the NRV Regional and Local Housing Study and the 2022 – 2026 Consolidated Plan, indicating that the most urgent need for individuals confronting or at risk of homelessness is access to rental housing they can afford. The NRV HOME Consortium will use \$1,750,681 of its HOME-ARP allocation to develop 10-15 new supportive housing apartments.

NRCA, which currently offers services including financial assistance and housing counseling to low-income clients and manages the housing choice voucher program for most NRV localities, has agreed to become the region's first developer and operator of supportive housing facilities. NRCA will also leverage HOME ARP funding to round out its organizational capacity to undertake this new and important challenge. The team is currently working with the HOME Consortium to identify a site for its first project.

*The New River Valley needs  
5,000 rental units  
for households earning 0-30%  
of Area Median Income.*

*Radford, Pulaski, and  
Christiansburg have the  
highest rates of homelessness.*



# Recent Regional Challenges

## Rising Costs

- **Land, materials, and labor.** Since the pandemic, housing projects have had to adjust to 20-35% price increases from the time of project planning to implementation.
- **Extended project timelines.** Since the pandemic, projects have required more time to secure additional funds, order materials, and align subcontractors' schedules, further adding to project costs.
- **Higher interest rates.** Interest rates have made it more expensive to produce housing and more difficult for interested homebuyers to find and finance homes that they can afford. The gap between the cost to produce a home and what a homebuyer can afford ranges from \$80,000-180,000 in the NRV.

## Lack of Subsidy

- **Funding lagging behind inflation.** The amount of state and federal funding available doesn't offset rising project costs. Securing project funds takes longer and the compliance requirements for multiple sources make projects more complicated and expensive. This makes it especially hard on new affordable housing developers, which we desperately need.
- **Lack of project-based vouchers.** The lack of access to project-based vouchers makes NRV investments in rental housing for extremely low-income households (earning no more than 30 percent AMI) very difficult. New financing sources are needed to cover the gap between unit production costs and households' capacity to pay rent .

## Regulatory Barriers

- **Lack of financing for projects targeting 80-120% area median income households.** With only limited state financing available for "workforce housing," even moderate-income families in the NRV often cannot find housing options that fit their budgets, forcing them to rent or buy homes that otherwise would be available and affordable to households earning lower incomes.
- **Scoring criteria for government programs disadvantage homeownership, senior, and rural projects.** Such projects are often most needed in communities with limited development capacity and must compete for scarce local and regional funding sources.



## BOARD OF DIRECTORS

- Chair: Steve Ross, Town of Blacksburg, Deputy Town Manager
- Vice Chair: Melissa Skelton, City of Radford, Community Development Director
- Vicky Collins, City of Radford, Department of Social Services Director
- Shannon Ainsley, Town of Pulaski, Economic Developer
- Linda DeVito Kuchenbuch, Floyd County, Board of Supervisors
- Brea Hopkins, Montgomery County, Planning Director
- John Crockett, Pulaski County, Community Development and Planning/Zoning Director
- John Mills, Giles County, Resident, and former Giles County Building Official
- Lydeana Martin, Floyd County, Community & Economic Development Director
- Dave Rundgren, Giles County, Resident & Former Director NRV Regional Commission
- Jim Drader, Habitat for Humanity of the NRV Executive Director (non-voting)

## LEAD AGENCY

The TOWN OF BLACKSBURG provides fiscal, legal, and administrative support  
(project planning, implementation, monitoring, and reporting)  
for the New River Valley HOME Consortium.

## STAFF

- Jill Maher, HOME Program Coordinator. [jmmaher@blacksburg.gov](mailto:jmmaher@blacksburg.gov)
- Christopher Ptomey, Housing Programs Administrator, [ckptomey@blacksburg.gov](mailto:ckptomey@blacksburg.gov)
- Ellen Stewart, Grants Coordinator, [estewart@blacksburg.gov](mailto:estewart@blacksburg.gov)
- Kim Thurlow, Housing & Community Connections Manager, [kthurlow@blacksburg.gov](mailto:kthurlow@blacksburg.gov)
- Jennifer Wilsie, Director of Housing, NRV Regional Commission, [jwilsie@nrvc.org](mailto:jwilsie@nrvc.org)

## PHONE

540-443-1610

## Virginia Housing: Regional Housing Development Grant

### Overview

- Considered a continuation of the previous PDC Housing Development Program, but funds are awarded on a *competitive basis* this time
- Intended outcomes are the production of new affordable and workforce housing units

### Eligibility

- Planning District Commissions as applicants
- Creation of new units only
- Homeownership or Rental
- Must target households earning 80%AMI or below
- Acquisition funding requests may not exceed 20% of the award
- Completion status of current PDC funding is a scoring factor in this next round

### Funding

- **\$1.5M** max request, which can include multiple projects
- Must produce at least 10 units for every \$1M in grant funds

### Timeline

- Application due **Mar 3<sup>rd</sup>**
- Awards made by end of June 2025
- Readiness is huge factor: Units must be habitable by July 2027 (option for a 1 year extension at VA Hsg's discretion)
- VH is allowing for the grant narrative to be more broad as long as strong emphasis is placed on the applicant's project pipeline and selection process
  - Will eventually need specific details about the project(s) to be funded, but not required to be complete by time of application, only time of funding award

## Virginia Housing: Workforce Housing Investment Program

### Program Overview

- FY25 Virginia Housing allocated \$15M for middle -income housing - Plan to repeat program for 5 years
- Supports NEW housing units for households in the 80% -120% AMI range - Up to 150% AMI in rural
- Grants or loan subsidies
- \$3M available per qualifying job announcement - \$5M for transformational projects (over 500 jobs)
- Maintain affordability for 15 years - Unless longer based on other funding source
- Must produce a minimum of 5 units

### Eligibility

- Applicants: - Local governments, nonprofits, IDAs, EDAs, PDCs and other subdivisions of the Commonwealth of Virginia - Can apply in partnership with private developers
- Location of new project must be within 30-minute drive of new job announcement made between July 1, 2023 – December 31, 2024 - Non-Distressed: 100 new jobs - **Single-Distressed: 50 new jobs** - Double-Distressed: 25 new jobs.

### Award Breakdown

- Max Virginia Housing award per announcement is \$3M (\$5M for 500+ jobs). - Multiple projects can receive funding for the same announcement. - Virginia Housing award + locality match will not exceed 20% of TDC.

Location	Eligibility	Match	Award	Local Match	Award Type
Single Distressed Locality	50 New Jobs	1:2	13.4% of project cost	6.6% of project cost	Loan subsidy

- Locality match can be cash, land, buildings, waived fees, infrastructure, etc.
- Virginia Housing grant funds cannot be used to fund infrastructure.
- Rental grants or subsidies will be awarded at closing to the developer. Homeownership grants will follow Virginia Housing's traditional grant system process.

### Rental Project Loan Terms

- Loan subsidy amounts are subject to fluctuation due to market conditions. For the purposes of application. Assume \$100,000 of subsidy award equates to \$370,000 of loan proceeds at a below market rate of 3.95%. The subsidized portion of the loan is blended with additional market rate proceeds resulting in a single loan. (essentially the REACH loan program).
- The final loan amount will be finalized upon successful underwriting, approval and completion of pre-rate lock conditions.

### Homeownership Project Grant Terms

- Locality match requirements stay the same as rental.
- Grants awarded on a per unit basis: Single-Distressed: \$40,000 (MontCo, Floyd, Pulaski, Giles) - Double-Distressed: \$50,000 (Radford)
- Minimum of 5 units
- Must meet Virginia Housing Sales Price and Income limits.

**Grant Deadline: Mar. 31, 2025.**





6580 Valley Center Drive | Suite 124 | Radford, VA 24141 | 540-639-9313

[NRVRC.ORG](http://NRVRC.ORG)

## MEMORANDUM

**To:** NRVRC Board Members  
**From:** Kevin R. Byrd, Executive Director  
**Date:** February 19, 2025  
**Re:** FY24 Audit Report

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Enclosed is the FY24 audit prepared by Corbin Stone, a Certified Public Accountant, with Robinson, Farmer, Cox Associates based in Blacksburg. Mr. Stone and his staff were on-site in August to conduct the FY24 audit and provided the attached cover letter and financial report for the Commission board to review. The audit report finds all Commission programs were in compliance and did not identify any deficiencies in internal control over compliance that the auditor would consider to be material weaknesses.

A significant thank you to the finance team for their contributions to ensure another clean audit. Jessica Barrett, CPA, leads the finance team which consists of Janet McNew, Emily Warren and Kelly Patton. The overall agency success through the audit process is attributed to the entire staff and board of directors. Details such as grant reports and the board reviewing the monthly financials all contribute to the financial wellbeing of the agency.

The Commission must take action whether to accept the audit report as presented.

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Strengthening the Region through Collaboration

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### Counties

Floyd | Giles  
Montgomery | Pulaski  
**City**  
Radford

### Towns

Blacksburg | Christiansburg  
Floyd | Narrows | Pearisburg  
Pembroke | Pulaski  
Rich Creek

### Higher Education

Virginia Tech  
Radford University  
New River Community College



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Communication with Those Charged with Governance

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To the Members of the Board of Directors  
New River Valley Regional Commission

We have audited the financial statements of the governmental activities and each major fund of the New River Valley Regional Commission for the year ended June 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, 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 June 28, 2024. 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 the New River Valley Regional Commission are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2024. 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 estimate(s) affecting the New River Valley Regional Commission's financial statements were:

Management's estimate of the pension liability is based on calculations provided by the Virginia Retirement System (VRS). We evaluated the key factors and assumptions used to develop the retirement liability in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the depreciable asset lives is based on management's experience. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the allowance for doubtful accounts is based on management's experience. We evaluated the key factors and assumptions used to develop the 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 corrected all such misstatements. A listing of our recommended audit adjustments is attached hereto.

#### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a disagreement on 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 January 24, 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.

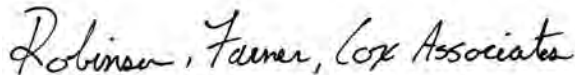
#### Other Matters

We applied certain limited procedures to the schedules related to pension 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. Our responsibility with respect to the budgetary comparison information, which also supplements the basic financial statements, is to evaluate the presentation of the schedules in relation to the financial statements as a whole and to report on whether it is fairly stated, in all material respects, in relation to the financial statements as a whole.

We were engaged to report on the schedule of expenditures of federal awards, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

#### Restriction on Use

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

A handwritten signature in cursive script that reads "Robinson, Farmer, Cox Associates".

Blacksburg, Virginia  
January 24, 2025

Client: **062110.0 - New River Valley Regional Commission**  
Engagement: **2024 - New River Valley Regional Commission**  
Period Ending: **6/30/2024**  
Trial Balance: **TB.01 - TB**  
Workpaper: **Adjusting Journal Entries Report PDC**

Account	Description	W/P Ref	Debit	Credit
<b>Adjusting Journal Entries JE # 1</b>		<b>TB.03</b>		
Proposed entry to reconcile beginning balance and unwind entries to posted to equity.				
23000	Accrued Annual Leave		98,150.00	
31692	VOF SwVA Natives Campaign		2,297.00	
39600	Restricted Net Assets - Revolving Loan Fund		1,678.00	
18000	Commission Vehicles			32,365.00
28000	Unearned Revenue			2,297.00
39500	Unrestricted Net Assets			60,465.00
49998	Year End Restricted Net Assets Transfer			1,678.00
50700	Unemployment Insurance			5,320.00
<b>Total</b>			<b>102,125.00</b>	<b>102,125.00</b>
<b>Adjusting Journal Entries JE # 2</b>		<b>CCP-01</b>		
Recommended entry to post transactions related to VATI Projects.				
14000	Accounts Receivable		1,360,653.00	
26100	Funds on hand - Montgomery Co VATI		227,911.00	
52600	Contractual Services		1,576,014.00	
20000	Accounts Payable			17,373.00
20000	Accounts Payable			1,558,641.00
40120	DHCD VATI 2022			1,343,280.00
40803	Bland County VATI 2022			17,373.00
40805	Montgomery County VATI 2022			227,911.00
<b>Total</b>			<b>3,164,578.00</b>	<b>3,164,578.00</b>
<b>Adjusting Journal Entries JE # 3</b>		<b>E-15</b>		
Auditor proposed AJE to clear the accrued leave account				
23000	Accrued Annual Leave		22,009.00	
50000	Salaries			22,009.00
<b>Total</b>			<b>22,009.00</b>	<b>22,009.00</b>
<b>Adjusting Journal Entries JE # 4</b>		<b>E-17</b>		
Auditor proposed AJE to record CY unemployment liability.				
50700	Unemployment Insurance		5,340.00	
24000	Accrued Unemployment			5,340.00
<b>Total</b>			<b>5,340.00</b>	<b>5,340.00</b>
<b>Adjusting Journal Entries JE # 5</b>		<b>R-02</b>		
Auditor AJE to reclass amounts receivable from Workforce				
15000	Due from other funds		204,470.00	
14000	Accounts Receivable			204,470.00
<b>Total</b>			<b>204,470.00</b>	<b>204,470.00</b>
<b>Adjusting Journal Entries JE # 6</b>		<b>E-10</b>		
Proposed entry to remove invoice posted to AP but was for 7/1/24-6/30/25				
20000	Accounts Payable		9,500.00	
52600	Contractual Services			9,500.00
<b>Total</b>			<b>9,500.00</b>	<b>9,500.00</b>

Client: **062110.0 - New River Valley Regional Commission**  
Engagement: **2024 - New River Valley Regional Commission**  
Period Ending: **6/30/2024**  
Trial Balance: **TB.01 - WTW TB**  
Workpaper: **Adjusting Journal Entries Report WIA**

Account	Description	W/P Ref	Debit	Credit
<b>Adjusting Journal Entries JE # 1</b>		<b>TB.03</b>		
Proposed entry to reconcile beginning balance - record PY entries and adjust for entry posted to retained earnings.				
299	Retained Earnings		67,777.00	
205	Unearned revenue			55,334.00
301	Misc Receivable			5,666.00
427	Program:HRSA			6,777.00
<b>Total</b>			<b>67,777.00</b>	<b>67,777.00</b>
<b>Adjusting Journal Entries JE # 2</b>		<b>R-10</b>		
Proposed entry to reclass revenue for reporting purposes				
301	Misc Receivable		37,791.00	
307	Grant/Other funds from Partners		2,680.00	
300	Commonwealth of VA Reimbursemen			34,062.00
303	Ticket to Work Income			43.00
309	Billable Expense Income			6,366.00
<b>Total</b>			<b>40,471.00</b>	<b>40,471.00</b>
<b>Adjusting Journal Entries JE # 3</b>		<b>R-03b</b>		
Proposed entry to adjust unearned revenue				
101	Accounts Receivable		66,073.00	
205	Unearned revenue			62,256.00
301	Misc Receivable			1,074.00
307	Grant/Other funds from Partners			2,743.00
<b>Total</b>			<b>66,073.00</b>	<b>66,073.00</b>
<b>Adjusting Journal Entries JE # 4</b>		<b>E-10</b>		
Auditor proposed AJE to reclass payable amounts for NRVRC to Due to Other Funds				
201	Accounts Payable		204,470.00	
202	Due to Other Funds			204,470.00
<b>Total</b>			<b>204,470.00</b>	<b>204,470.00</b>

**NEW RIVER VALLEY REGIONAL COMMISSION**

**FINANCIAL REPORT**

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

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**NEW RIVER VALLEY REGIONAL COMMISSION  
FINANCIAL REPORT  
FOR THE YEAR ENDED JUNE 30, 2024**

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## FINANCIAL SECTION

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ROBINSON, FARMER, COX ASSOCIATES, PLLC

*Certified Public Accountants*

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**Independent Auditors' Report**

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**To the Members of the Board  
New River Valley Regional Commission  
Radford, Virginia**

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

***Opinions***

We have audited the accompanying financial statements of the governmental activities and each major fund of the New River Valley Regional Commission, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the New River Valley Regional Commission's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of the New River Valley Regional Commission, as of June 30, 2024, and the respective changes in financial position as of and for the year ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

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

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

Accounting principles generally accepted in the United States of America require that the budgetary comparison information and schedules related to pension funding as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about 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 do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The budgetary comparison information has been subjected to the auditing

procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

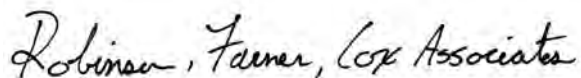
Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the New River Valley Regional Commission's basic financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 24, 2025, on our consideration of the New River Valley Regional Commission'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 New River Valley Regional Commission'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 New River Valley Regional Commission's internal control over financial reporting and compliance.



Blacksburg, Virginia  
January 24, 2025

## **Basic Financial Statements**

New River Valley Regional Commission  
Statement of Net Position  
June 30, 2024

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 812,957
Cash and cash equivalents with trustee - restricted	4,053,370
Accounts receivable	75,709
Loans receivable	37,396
Due from other governmental units	2,300,422
Capital assets, net of accumulated depreciation	30,676
Total assets	\$ <u>7,310,530</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension related items	\$ 127,549
Total deferred outflows of resources	\$ <u>127,549</u>
<b>LIABILITIES</b>	
Accounts payable	\$ 2,251,389
Accrued unemployment liability	39,071
Unearned revenue	3,849,932
Noncurrent liabilities:	
Due within one year	97,013
Due in more than one year	174,684
Total liabilities	\$ <u>6,412,089</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension related items	\$ 52,921
Total deferred inflows of resources	\$ <u>52,921</u>
<b>NET POSITION</b>	
Investment in capital assets	\$ 30,676
Restricted	
Workforce Investment Act	16,348
Revolving loan program	107,447
Unrestricted	818,598
Total net position	\$ <u><u>973,069</u></u>

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

**New River Valley Regional Commission**  
**Statement of Activities**  
**For the Year Ended June 30, 2024**

	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
<b><u>Functions/Programs</u></b>				
<b><u>Primary Government:</u></b>				
Health and welfare	\$ 4,805,595 \$	- \$	4,760,590 \$	(45,005)
Community development	5,456,890	1,114,151	4,306,813	(35,926)
Total governmental activities	\$ 10,262,485 \$	1,114,151 \$	9,067,403 \$	(80,931)
General revenues:				
Interest Income				\$ 104,600
Miscellaneous				45,368
Total general revenues				149,968
Change in net position				69,037
Net position - beginning				904,032
Net position - ending				973,069

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

New River Valley Regional Commission  
Balance Sheet  
Governmental Funds  
June 30, 2024

	General Fund	WIA Fund	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 278,530	\$ 534,427	\$ 812,957
Cash and cash equivalents - restricted	4,053,370	-	4,053,370
Accounts receivable	7,600	68,109	75,709
Loans receivable	37,396	-	37,396
Due from other funds	204,470	-	204,470
Due from other governmental units	2,047,296	253,126	2,300,422
Total assets	\$ <u>6,628,662</u>	\$ <u>855,662</u>	\$ <u>7,484,324</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 1,734,135	\$ 517,254	\$ 2,251,389
Accrued unemployment liability	39,071	-	39,071
Unearned revenue	3,732,342	117,590	3,849,932
Due to other funds	-	204,470	204,470
Total liabilities	\$ <u>5,505,548</u>	\$ <u>839,314</u>	\$ <u>6,344,862</u>
<b>FUND BALANCE</b>			
Restricted:			
Workforce Investment Act	\$ -	\$ 16,348	\$ 16,348
Revolving loan program	107,447	-	107,447
Unassigned	1,015,667	-	1,015,667
Total fund balance	\$ <u>1,123,114</u>	\$ <u>16,348</u>	\$ <u>1,139,462</u>
Total liabilities and fund balance	\$ <u>6,628,662</u>	\$ <u>855,662</u>	\$ <u>7,484,324</u>

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



New River Valley Regional Commission  
Reconciliation of the Balance Sheet of Governmental Funds  
To the Statement of Net Position  
June 30, 2024

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Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances per Exhibit 3 - Balance Sheet	\$ 1,139,462
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital assets, being depreciated	58,615
Accumulated depreciation	(27,939)
Deferred outflows of resources are not available to pay for current period expenditures and, therefore, are not reported in the funds.	
Pension related items	127,549
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated absences	(129,351)
Net pension liability	(142,346)
Deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds.	
Pension related items	(52,921)
Net position of governmental activities	\$ <u><u>973,069</u></u>

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

New River Valley Regional Commission  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2024

	General Fund	WIA Fund	Total
Revenues:			
Interest Income	\$ 104,600	\$ -	\$ 104,600
Charges for services	1,114,151	-	1,114,151
Contributions from localities	238,220	-	238,220
Contributions from others	376,521	-	376,521
Miscellaneous revenue	6,695	38,673	45,368
Intergovernmental	3,692,072	4,760,590	8,452,662
Total revenues	\$ 5,532,259	\$ 4,799,263	\$ 10,331,522
Expenditures:			
Community development	\$ 5,387,079	\$ -	\$ 5,387,079
Health and welfare	-	4,805,595	4,805,595
Total expenditures	\$ 5,387,079	\$ 4,805,595	\$ 10,192,674
Excess (deficiency) of revenues over expenditures	\$ 145,180	\$ (6,332)	\$ 138,848
Fund balance, beginning of year	977,934	22,680	1,000,614
Fund balance, end of year	\$ 1,123,114	\$ 16,348	\$ 1,139,462

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

New River Valley Regional Commission  
Reconciliation of the Statement of Revenues,  
Expenditures, and Changes in Fund Balances of Governmental Funds  
To the Statement of Activities  
For the Year Ended June 30, 2024

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Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$	138,848
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceed depreciation expense in the current period.		
Depreciation expense		(15,223)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore are not reported as expenditures in governmental funds.		
Change in compensated absences	\$	(23,692)
Change in pension related items		(30,896)
		(54,588)
Change in net position of governmental activities	\$	<u>69,037</u>

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

NEW RIVER VALLEY REGIONAL COMMISSION

NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2024

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**Note 1-Summary of Significant Accounting Policies:**

The financial statements of the New River Valley Regional Commission have been prepared in conformity with the specifications promulgated by the Auditor of Public Accounts (APA) of the Commonwealth of Virginia, and accounting principles generally accepted in the United States as specified by the Governmental Accounting Standards Board. The more significant of the government's accounting policies are described below.

**A. Financial Reporting Entity**

The New River Valley Regional Commission ("Commission") was formed pursuant Title 15.2, Chapter 42 of the *Code of Virginia, (1950) as amended*, to encourage and facilitate local government cooperation and state-local cooperation in addressing on a regional basis problems of greater than local significance. Functional areas in which the Commission may assist participating jurisdictions include, but are not limited to: (i) economic and physical infrastructure development; (ii) solid waste, water supply and other environmental management; (iii) transportation; (iv) criminal justice; (v) emergency management; (vi) human services; and (vii) recreation. The Commission was formed to serve the towns of Blacksburg, Christiansburg, Floyd, Narrows, Pearisburg, Pembroke, Pulaski, and Rich Creek; the counties of Floyd, Giles, Montgomery and Pulaski; and the City of Radford.

The New River Valley Regional Commission's financial statements include the accounts of all the Commission's operations. The Commission has no component units.

**B. Government-wide and fund financial statements**

The accompanying financial statements are prepared in accordance with pronouncements issued by the Governmental Accounting Standards Board. The principles prescribed by GASB represent generally accepted accounting principles applicable to governmental units.

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of recognition in the financial statements of various kinds of transactions or events.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Commission (primary government). For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are other charges between the Commission's functions. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

**Note 1-Summary of Significant Accounting Policies: (continued)**

**B. Government-wide and fund financial statements (continued)**

The Statement of Net Position is designed to display financial position of the primary government (governmental and business-type activities). Governments will report all capital assets in the government-wide Statement of Net Position and will report depreciation expense, the cost of “using up” capital assets, in the Statement of Activities. The net position of a government will be broken down into three categories - 1) net investment in capital assets; 2) restricted; and 3) unrestricted.

The government-wide Statement of Activities reports expenses and revenues in a format that focuses on the cost of each of the government’s functions. The expense of individual functions is compared to the revenues generated directly by the functions (for instance, through user charges or intergovernmental grants).

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as *general revenues*.

Major individual governmental funds are reported as separate columns in the fund financial statements.

**C. Measurement focus, basis of accounting, and financial statement presentation**

The accompanying financial statements are prepared in accordance with pronouncements issued by the Governmental Accounting Standards Board. The principles prescribed by GASB represent generally accepted accounting principles applicable to governmental units.

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of recognition in the financial statements of various kinds of transactions or events.

The government-wide financial statements are reported using the *economic resources measurement focus* and 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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**Note 1-Summary of Significant Accounting Policies: (continued)**

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Commission considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, including lease liabilities, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions, including entering into contracts giving the government the right to use lease assets, are reported as expenditures in the governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

Intergovernmental revenues, consisting primarily of federal, state and other grants for the purpose of funding specific expenditures, are recognized when earned or at the time of the specific expenditure. Revenues from general-purpose grants are recognized in the period to which the grant applies. All other revenue items are considered to be measurable and available only when the government receives cash.

The Commission reports the following major governmental funds:

The General Fund is the Commission's primary operating fund. It accounts for and reports all financial resources of the Commission, except those required to be accounted for in other funds.

The Workforce Investment Act Fund (WIA) accounts for and reports the deposit and expenditure of grant proceeds under the Workforce Investment Act programs.

D. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance

1. *Cash and Cash Equivalents*

The Commission's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

2. *Receivables and payables*

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds" (i.e., the current portion of interfund loans). All other outstanding balances between funds are reported as "advances to/from other funds" (i.e., the noncurrent portion of interfund loans).

Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

**Note 1-Summary of Significant Accounting Policies: (continued)**

D. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance  
(continued)

3. *Allowance for Uncollectible Accounts*

Accounts receivable are stated at book value utilizing the direct write-off method for uncollectible accounts. Uncollected balances have not been significant and no allowance for uncollectible accounts has been recorded.

4. *Use of Estimates*

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

5. *Capital assets*

Capital assets are tangible and intangible assets, which include property, plant, and equipment, and are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Commission as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

As the Commission constructs or acquires capital assets each period they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs, which are amounts spent in relation to capital assets that do not increase the asset's capacity or efficiency or increases its estimated useful life. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation. Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class.

Tangible and intangible property, plant, and equipment of the Commission are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Vehicles	5
Intangible asset (website)	3

**Note 1-Summary of Significant Accounting Policies: (continued)**

D. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance  
(continued)

6. *Deferred Outflows/Inflows of Resources*

In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Commission only has one item that qualifies for reporting in this category. It is comprised of certain items related to pension. For more detailed information on this item, reference the related note.

In addition to liabilities, the statement of financial position includes a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Commission only has one item that qualifies for reporting in this category. It is comprised of certain items related to pension. For more detailed information on this item, reference the related note.

7. *Compensated Absences*

Vested or accumulated paid time off that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. The Commission accrues salary-related payments associated with the payment of compensated absences. All paid time off is accrued when incurred in the government-wide financial statements.

8. *Pensions*

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Commission's Retirement Plan and the additions to/deductions from the Commission's Retirement Plan's fiduciary net position have been determined on the same basis as they were reported by the Virginia Retirement System (VRS). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

9. *Long-term obligations*

In the government-wide financial statements, long-term obligations are reported as liabilities in the applicable governmental activities. In the fund financial statements, the face amount of debt issued is reported as other financing sources in the statement of revenues, expenditures and changes in fund balance and is not presented as a liability in the balance sheet.



**Note 1-Summary of Significant Accounting Policies: (continued)**

D. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance  
(continued)

*10. Fund balance*

The following classifications of fund balance describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance - amounts that are either not in spendable form (such as inventory and prepaids) or are legally or contractually required to be maintained intact (corpus of a permanent fund);
- Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- Committed fund balance - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- Assigned fund balance - amounts a government intends to use for a specific purpose but do not meet the criteria to be classified as committed; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment;
- Unassigned fund balance - amounts that are available for any purpose; positive amounts are only reported in the general fund. Additionally, any deficit fund balance within the other governmental fund types is reported as unassigned.

When fund balance resources are available for a specific purpose in more than one classification, it is the Commission's policy to use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed.

The Commission establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment, which does not lapse at year end, is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by the Board of Directors through adoption or amendment of the budget as intended for specific purpose (such as the purchase of capital assets, construction, debt service, or for other purposes).

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**Note 1-Summary of Significant Accounting Policies: (continued)**

D. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance  
(continued)

**11. Net Position**

Net position is the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net position is divided into three components:

- Net investment in capital assets—consist of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to those assets.
- Restricted—consist of assets that are restricted by the Commission's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.
- Unrestricted—all other net position is reported in this category.

Sometimes the Commission will fund outlays for a particular purpose from both restricted (e.g. restricted bond and grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Commission's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

**Note 2-Deposits and Investments:**

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

**Investments:** Statutes authorize local governments and other public bodies to invest in obligations of the United States or agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, "prime quality" commercial paper that has received at least two of the following ratings: P-1 by Moody's Investor Service, Inc; A-1 by Standard & Poor's; or F1 by Fitch Ratings, Inc. (Section 2.2-4502), banker's acceptances, repurchase agreements, and the State Treasurer's Local Government Investment Pool (LGIP). As of June 30, 2024, the Commission did not have any investments.

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NEW RIVER VALLEY REGIONAL COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2024 (CONTINUED)

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**Note 3-Due from Other Governmental Units:**

The following amount represents payments due from other governmental units at year end:

	<u>Amount Due</u>
Local:	
Counties and Town	\$ 277,303
New River Valley MPO	44,296
New River Health District	48,347
Radford University	26,142
Commonwealth of Virginia:	
Categorical aid	65,951
Federal government:	
Categorical aid	1,838,383
Total	<u>\$ 2,300,422</u>

**Note 4-Long-Term Obligations:**

The following is a summary of long-term obligation transactions of the Commission for the year ended June 30, 2024.

	<u>Balance July 1, 2023</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2024</u>	<u>Amount Due Within One Year</u>
Compensated Absences	\$ 105,659	\$ 102,936	\$ (79,244)	\$ 129,351	\$ 97,013
Pension Liability	43,292	471,008	(371,954)	142,346	-
Total	<u>\$ 148,951</u>	<u>\$ 573,944</u>	<u>\$ (451,198)</u>	<u>\$ 271,697</u>	<u>\$ 97,013</u>

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**Note 5-Capital Assets:**

Capital asset activity for the year ended June 30, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, being depreciated:				
Vehicles	\$ 32,365	\$ -	\$ -	\$ 32,365
Intangible asset (website)	26,250	-	-	26,250
Total capital assets being depreciated	<u>\$ 58,615</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 58,615</u>
Accumulated depreciation:				
Vehicles	\$ (3,237)	\$ (6,473)	\$ -	\$ (9,710)
Intangible asset (website)	(9,479)	(8,750)	-	(18,229)
Total accumulated depreciation	<u>\$ (12,716)</u>	<u>\$ (15,223)</u>	<u>\$ -</u>	<u>\$ (27,939)</u>
Total capital assets, net	<u>\$ 45,899</u>	<u>\$ (15,223)</u>	<u>\$ -</u>	<u>\$ 30,676</u>

Depreciation expense was charged to the community development function.

**Note 6-Pension Plan:**

**Plan Description**

All full-time, salaried employees of the Commission are automatically covered by a VRS Retirement Plan upon employment. This is an agent multiple-employer plan administered by the Virginia Retirement System (the System) along with plans for other employer groups in the Commonwealth of Virginia. Members earn one month of service credit for each month they are employed and for which they and their employer pays contributions to VRS. Members are eligible to purchase prior service, based on specific criteria as defined in the Code of Virginia, as amended. Eligible prior service that may be purchased includes prior public service, active military service, certain periods of leave, and previously refunded service.

**Benefit Structures**

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

- a. Employees with a membership date July 1, 2010, vested as of January 1, 2013, and have not taken a refund, are covered under Plan 1, a defined benefit plan. Non-hazardous duty employees are eligible for an unreduced retirement benefit beginning at age 65 with at least 5 years of service credit or age 50 with at least 30 years of service credit. Non-hazardous duty employees may retire with a reduced benefit as early as age 55 with at least 5 years of service credit or age 50 with at least 10 years of service credit.

**Note 6-Pension Plan: (continued)**

***Benefit Structures (continued)***

- b. Employees with a membership date from July 1, 2010 to December 31, 2013, that have not taken a refund or employees with a membership date prior to July 1, 2010 and not vested before January 1, 2013, are covered under Plan 2, a defined benefit plan. Non-hazardous duty employees are eligible for an unreduced benefit beginning at their normal social security retirement age with at least 5 years of service credit or when the sum of their age plus service credit equals 90. Non-hazardous duty employees may retire with a reduced benefit as early as age 60 with at least 5 years of service credit.
- c. Non-hazardous duty employees with a membership date on or after January 1, 2014 are covered by the Hybrid Plan combining the features of a defined benefit plan and a defined contribution plan. Plan 1 and Plan 2 members also had the option of opting into this plan during the election window held January 1 - April 30, 2014 with an effective date of July 1, 2014. Employees covered by this plan are eligible for an unreduced benefit beginning at their normal social security retirement age with at least 5 years of service credit, or when the sum of their age plus service credit equals 90. Employees may retire with a reduced benefit as early as age 60 with at least 5 years of service credit. For the defined contribution component, members are eligible to receive distributions upon leaving employment, subject to restrictions.

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

The VRS defined benefit is a lifetime monthly benefit based on a retirement multiplier as a percentage of the employee's average final compensation multiplied by the employee's total service credit. Under Plan 1, average final compensation is the average of the employee's 36 consecutive months of highest compensation and the multiplier is 1.70% for non-hazardous duty employees and 1.85% for sheriffs and regional jail superintendents. Under Plan 2, average final compensation is the average of the employee's 60 consecutive months of highest compensation and the retirement multiplier is 1.65% for non-hazardous duty employees and 1.85% for sheriffs and regional jail superintendents. Under the Hybrid Plan, average final compensation is the average of the employee's 60 consecutive months of highest compensation and the multiplier is 1.00%. For members who opted into the Hybrid Retirement Plan from Plan 1 or Plan 2, the applicable multipliers for those plans will be used to calculate the retirement benefit for service credited in those plans.

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

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

**Note 6-Pension Plan:** (continued)

***Employees Covered by Benefit Terms***

As of the June 30, 2022 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	<u>Number</u>
Inactive members or their beneficiaries currently receiving benefits	16
Inactive members:	
Vested inactive members	9
Non-vested inactive members	10
Inactive members active elsewhere in VRS	9
Total inactive members	<u>28</u>
Active members	<u>28</u>
Total covered employees	<u><u>72</u></u>

***Contributions***

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

The Commission's contractually required contribution rate for the year ended June 30, 2024 was 5.24% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021.

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Commission were \$81,123 and \$72,041 for the years ended June 30, 2024 and June 30, 2023, respectively.

***Net Pension Liability***

The net pension liability (NPL) is calculated separately for each employer and represents that particular employer's total pension liability determined in accordance with GASB Statement No. 68, less that employer's fiduciary net position. For the New River Valley Regional Commission, the net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2022, rolled forward to the measurement date of June 30, 2023.



**Note 6-Pension Plan: (continued)**

***Actuarial Assumptions - General Employees***

The total pension liability for General Employees in the Commission’s Retirement Plan was based on an actuarial valuation as of June 30, 2022, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2023.

Inflation	2.50%
Salary increases, including inflation	3.50% - 5.35%
Investment rate of return	6.75%, net of pension plan investment expenses, including inflation

**Mortality rates:**

All Others (Non 10 Largest) - Non-Hazardous Duty: 15% of deaths are assumed to be service related

**Pre-Retirement:**

Pub-2010 Amount Weighted Safety Employee Rates projected generationally; 95% of rates for males; 105% of rates for females set forward 2 years

**Post-Retirement:**

Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally; 110% of rates for males; 105% of rates for females set forward 3 years

**Post-Disablement:**

Pub-2010 Amount Weighted General Disabled Rates projected generationally; 95% of rates for males set back 3 years; 90% of rates for females set back 3 years

**Beneficiaries and Survivors:**

Pub-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally; 110% of rates for males and females set forward 2 years

**Mortality Improvement:**

Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates

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**Note 6-Pension Plan: (continued)**

***Actuarial Assumptions - General Employees (continued)***

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2021. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

All Others (Non 10 Largest) - Non-Hazardous Duty:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2000
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

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**Note 6-Pension Plan: (continued)**

***Long-Term Expected Rate of Return***

The long-term expected rate of return on pension System investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension System investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class (Strategy)	Long-Term Target Asset Allocation	Arithmetic Long-term Expected Rate of Return	Weighted Average Long-term Expected Rate of Return*
Public Equity	34.00%	6.14%	2.09%
Fixed Income	15.00%	2.56%	0.38%
Credit Strategies	14.00%	5.60%	0.78%
Real Assets	14.00%	5.02%	0.70%
Private Equity	16.00%	9.17%	1.47%
MAPS - Multi-Asset Public Strategies	4.00%	4.50%	0.18%
PIP - Private Investment Partnership	2.00%	7.18%	0.14%
Cash	1.00%	1.20%	0.01%
Total	100.00%		5.75%
		Inflation	2.50%
		Expected arithmetic nominal return**	8.25%

\*The above allocation provides a one-year expected return of 8.25%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the System, stochastic projections are employed to model future returns under various economic conditions. These results provide a range of returns over various time periods that ultimately provide a median return of 7.14%, including expected inflation of 2.50%.

\*\*On June 15, 2023, the VRS Board elected a long-term rate of return of 6.75% which was roughly at the 45<sup>th</sup> percentile of expected long-term results of the VRS fund asset allocation at the time, providing a median return of 7.14%, including expected inflation of 2.50%.

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**Note 6-Pension Plan: (continued)**

**Discount Rate**

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Consistent with the phased-in funding provided by the General Assembly for state and teacher employer contributions; the New River Valley Regional Commission was also provided with an opportunity to use an alternative employer contribution rate. For the year ended June 30, 2023, the alternate rate was the employer contribution rate used in FY 2012 or 100% of the actuarially determined employer contribution rate from the June 30, 2022 actuarial valuations, whichever was greater. From July 1, 2023 on, participating employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

**Changes in Net Pension Liability (Asset)**

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability(Asset) (a) - (b)
Balances at June 30, 2022	\$ 3,446,564	\$ 3,403,272	\$ 43,292
Changes for the year:			
Service cost	\$ 158,049	\$ -	\$ 158,049
Interest	238,729	-	238,729
Differences between expected and actual experience	72,075	-	72,075
Contributions - employer	-	71,929	(71,929)
Contributions - employee	-	77,662	(77,662)
Net investment income	-	222,273	(222,273)
Benefit payments, including refunds of employee contributions	(135,775)	(135,775)	-
Administrative expenses	-	(2,155)	2,155
Other changes	-	90	(90)
Net changes	\$ 333,078	\$ 234,024	\$ 99,054
Balances at June 30, 2023	\$ 3,779,642	\$ 3,637,296	\$ 142,346

**Note 6-Pension Plan: (continued)**

***Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate***

The following presents the net pension liability (asset) of the Commission using the discount rate of 6.75%, as well as what the Commission's net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	Rate		
	1% Decrease	Current Discount	1% Increase
	(5.75%)	(6.75%)	(7.75%)
New River Valley Regional Commission's Net Pension Liability (Asset)	\$ 749,428	\$ 142,346	\$ (348,462)

***Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

For the year ended June 30, 2024, the Commission recognized pension expense of \$111,907. At June 30, 2024, the Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 46,426	\$ 3,493
Net difference between projected and actual earnings on pension plan investments	-	49,428
Employer contributions subsequent to the measurement date	81,123	-
Total	\$ 127,549	\$ 52,921

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**Note 6-Pension Plan: (continued)**

***Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)***

\$81,123 reported as deferred outflows of resources related to pensions resulting from the Commission's contributions subsequent to the measurement date will be recognized as an addition of the Net Pension Liability in the fiscal year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future reporting periods as follows:

<u>Year ended June 30</u>	
2025	\$ (14,709)
2026	(42,028)
2027	48,674
2028	1,568

***Pension Plan Data***

Information about the VRS Political Subdivision Retirement Plan is also available in the separately issued VRS 2023 Annual Comprehensive Financial Report (Annual Report). A copy of the 2023 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2023-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA 23218-2500.

**Note 7-Unearned Revenue:**

Unearned revenue represents amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met. Under the modified accrual basis of accounting, such amounts are measurable, but not available. Unearned revenue totaling \$3,849,932 is comprised of the following:

Montgomery County Grant Funds - Unspent grant funds for a broadband project totaling \$1,656,594.

Pulaski County Grant Funds - Unspent grant funds for a broadband project totaling \$2,000,000.

Montgomery County Opioid Abatement Authority Funds - Unspent opioid abatement authority funds for a opioid projects totaling \$41,186.

Dues Paid in Advance - Annual dues received in advance and carried over for use in the next fiscal year totaling \$32,265.

Miscellaneous Projects - Funding received in advance and carried over for use in the next fiscal year from various sources totaling \$2,297.

WIA Miscellaneous Projects - Funding received in advance and carried over for use in the next fiscal year from various sources related to the WIA program totaling \$117,590.

**Note 8-Interfund Obligations:**

At June 30, 2024, the general fund was due \$204,470 from the WIA fund. The amount due is a result of timing of reimbursement from the WIA fund for expenses paid by the general fund.

**Note 9-Risk Management:**

The Commission is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Commission participates with other government entities in a public entity risk pool for their coverage of public officials and liability insurance with the VRSA. Each member of this risk pool jointly and severally agrees to assume, pay and discharge any liability. The Commission pays the VRSA contributions and assessments based upon classifications and rates into a designated cash reserve fund out of which expenses of the pool, claims and awards are to be paid. In the event of a loss, deficit, or depletion of all available excess insurance, the pool may assess all members in the proportion in which the premium of each bears to the total premiums of all members in the year in which such deficit occurs. The Commission carries insurance coverage for all other risk of loss. Settled claims have not exceeded coverage in the current or prior two fiscal years.

**Note 10-Compensated Absences:**

Commission employees earn paid time off each month at a scheduled rate in accordance with years of service. Accumulated unpaid paid time off is accrued when incurred. At June 30, 2024 the liability for accrued paid time off totaled \$129,351.

**Note 11-Loans Receivable:**

Loans receivable include amounts due the Commission under their re-lending programs. The total amount due the Commission at June 30, 2024 was \$37,396. The Commission has recorded no allowance for doubtful accounts.

**Note 12-Litigation:**

At June 30, 2024, there were no matters of litigation involving the Commission which would materially affect the Commission's financial position should any court decision on pending matters not be favorable to the Commission.

**Note 13-Allocation of Indirect Costs:**

The Commission has entered into various agreements to assist the management of various projects and grants. The Commission charges for direct costs incurred plus a portion of indirect costs. Indirect costs are allocated on the ratio of the individual project's personnel services, including fringe benefits, to total personnel, including fringe benefits. For the period ending June 30, 2024, the Commission's overall indirect cost rate of 40.51% was calculated as follows:

Indirect costs	\$ 573,847
Total direct personnel, including fringe benefits	1,416,454
Rate	<u>40.51%</u>



**Note 14-Upcoming Pronouncements:**

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

Statement No. 102, *Certain Risk Disclosures*, provides users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024.

Statement No. 103, *Financial Reporting Model Improvements*, improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025.

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

## **Required Supplementary Information**

**New River Valley Regional Commission**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances -- General Fund**  
**Budget and Actual**  
**For the Year Ended June 30, 2024**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Revenue from local sources:				
Interest Income	\$ -	\$ 103,678	\$ 104,600	\$ 922
Charges for services	1,270,544	863,325	1,114,151	250,826
Contributions from localities	238,220	238,220	238,220	-
Contributions from localities - grant matches	8,000	190,995	376,521	185,526
Miscellaneous revenue	-	5,000	6,695	1,695
Total revenue from local sources	\$ 1,516,764	\$ 1,401,218	\$ 1,840,187	\$ 438,969
Intergovernmental:				
Revenue from the Commonwealth:				
Categorical aid:				
DHCD grants (administrative)	\$ 89,971	\$ 89,971	\$ 89,971	\$ -
DEQ Grant	14,500	80,522	80,853	331
Virginia Department of Health	425,000	240,000	250,677	10,677
VHDA	50,375	50,375	44,985	(5,390)
VDRPT RideSolutions	106,526	106,526	85,628	(20,898)
Total revenue from the Commonwealth	\$ 686,372	\$ 567,394	\$ 552,114	\$ (15,280)
Revenue from the federal government:				
Categorical aid:				
ARC grant	\$ 185,842	\$ 241,737	\$ 241,825	\$ 88
DHCD grants (projects)	90,000	1,530,000	2,625,206	1,095,206
Federal Department of Transportation	58,000	123,612	125,259	1,647
EDA grant	70,000	120,000	132,963	12,963
VDEM	25,000	25,000	14,705	(10,295)
Total revenue from the federal government	\$ 428,842	\$ 2,040,349	\$ 3,139,958	\$ 1,099,609
Total intergovernmental revenue	\$ 1,115,214	\$ 2,607,743	\$ 3,692,072	\$ 1,084,329
Total revenues	\$ 2,631,978	\$ 4,008,961	\$ 5,532,259	\$ 1,523,298

New River Valley Regional Commission  
Schedule of Revenues, Expenditures and Changes in Fund Balances -- General Fund  
Budget and Actual  
For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Expenditures:				
Community Development:				
Personnel	\$ 1,325,877	\$ 1,410,000	\$ 1,385,678	\$ 24,322
Fringe benefits	340,515	420,000	424,637	(4,637)
Office rent	68,730	68,730	68,729	1
Telephone	20,832	23,911	19,375	4,536
Office supplies	66,892	78,702	81,951	(3,249)
Postage	900	1,400	1,143	257
Printing	8,285	65,000	60,260	4,740
Advertising	11,110	36,000	49,090	(13,090)
Travel	33,283	33,283	16,785	16,498
Equipment maintenance and rent	6,100	6,300	5,059	1,241
Dues and publications	20,395	20,395	17,986	2,409
Training	26,170	46,509	38,013	8,496
Meeting expense	13,573	19,716	19,358	358
Insurance	4,700	4,700	4,642	58
Contractual services	588,441	1,762,719	3,180,019	(1,417,300)
Audit fee	6,000	8,000	11,211	(3,211)
Miscellaneous	49,700	4,700	3,143	1,557
Total expenditures	\$ 2,591,503	\$ 4,010,065	\$ 5,387,079	\$ (1,377,014)
Excess (deficiency) of revenues over (under) expenditures	\$ 40,475	\$ (1,104)	\$ 145,180	\$ 146,284
Fund balance, beginning of year	-	1,104	977,934	976,830
Fund balance, end of year	\$ 40,475	\$ -	\$ 1,123,114	\$ 1,123,114

New River Valley Regional Commission  
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios  
For the Measurement Dates of June 30, 2014 through June 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total pension liability</b>										
Service cost	\$ 158,049	\$ 122,124	\$ 95,471	\$ 102,015	\$ 88,611	\$ 74,536	\$ 63,594	\$ 60,289	\$ 58,178	\$ 73,896
Interest	238,779	223,050	195,110	177,512	163,344	156,893	148,310	135,569	144,082	134,557
Changes of assumptions	-	-	66,951	-	88,369	-	(17,049)	-	-	-
Differences between expected and actual experience	72,075	(11,909)	67,606	116,750	79,347	(40,686)	19,759	78,828	(238,023)	-
Benefit payments	(135,773)	(138,042)	(128,630)	(142,489)	(104,227)	(92,744)	(91,265)	(94,061)	(77,634)	(67,136)
Net change in total pension liability	\$ 333,078	\$ 195,223	\$ 296,508	\$ 233,788	\$ 315,444	\$ 97,699	\$ 123,349	\$ 180,625	\$ (113,397)	\$ 141,317
Total pension liability - beginning	\$ 3,446,564	\$ 3,251,341	\$ 2,954,833	\$ 2,701,045	\$ 2,385,601	\$ 2,287,702	\$ 2,164,353	\$ 1,983,728	\$ 2,097,125	\$ 1,935,808
Total pension liability - ending (a)	\$ 3,779,642	\$ 3,446,564	\$ 3,251,341	\$ 2,954,833	\$ 2,701,045	\$ 2,385,601	\$ 2,287,702	\$ 2,164,353	\$ 1,983,728	\$ 2,097,125
<b>Plan fiduciary net position</b>										
Contributions - employer	\$ 71,929	\$ 62,221	\$ 51,568	\$ 25,972	\$ 27,748	\$ 25,518	\$ 22,496	\$ 47,681	\$ 45,215	\$ 43,157
Contributions - employee	77,662	73,497	60,144	52,247	52,583	47,502	40,211	41,419	33,981	31,093
Net investment income	222,273	(5,298)	738,539	50,883	171,551	178,103	264,347	37,797	94,586	279,654
Benefit payments	(135,775)	(138,042)	(128,630)	(142,489)	(104,227)	(92,744)	(91,265)	(94,061)	(77,634)	(67,136)
Administrative charges	(2,155)	(2,098)	(1,804)	(1,779)	(1,681)	(1,525)	(1,321)	(1,321)	(1,274)	(1,486)
Other	90	80	70	(61)	(108)	(159)	(235)	(16)	(22)	15
Net change in plan fiduciary net position	\$ 234,024	\$ (9,640)	\$ 719,887	\$ (15,227)	\$ 145,866	\$ 156,695	\$ 234,029	\$ 31,499	\$ 94,852	\$ 285,297
Plan fiduciary net position - beginning	\$ 3,403,272	\$ 3,412,912	\$ 2,693,025	\$ 2,708,252	\$ 2,562,386	\$ 2,405,691	\$ 2,171,662	\$ 2,140,163	\$ 2,045,311	\$ 1,760,014
Plan fiduciary net position - ending (b)	\$ 3,637,296	\$ 3,403,272	\$ 3,412,912	\$ 2,693,025	\$ 2,708,252	\$ 2,562,386	\$ 2,405,691	\$ 2,171,662	\$ 2,140,163	\$ 2,045,311
Commission's net pension liability (asset) - ending (a) - (b)	\$ 142,346	\$ 43,292	\$ (161,571)	\$ 261,808	\$ (7,207)	\$ (176,785)	\$ (117,989)	\$ (7,309)	\$ (156,435)	\$ 51,814
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	96.23%	98.74%	104.97%	91.14%	100.27%	107.41%	105.16%	100.34%	107.89%	97.53%
<b>Covered payroll</b>	\$ 1,721,986	\$ 1,624,885	\$ 1,309,283	\$ 1,119,239	\$ 1,122,452	\$ 1,007,089	\$ 849,852	\$ 749,202	\$ 702,092	\$ 621,860
Commission's net pension liability (asset) as a percentage of covered payroll	8.27%	2.66%	-12.34%	23.39%	-0.64%	-17.55%	-13.88%	-0.98%	-22.28%	8.33%

New River Valley Regional Commission  
Schedule of Employer Contributions - Pension Plan  
For the Years Ended June 30, 2015 through June 30, 2024

Date	Contributions in Relation to					Contributions as a % of Covered Payroll (5)
	Contractually Required Contribution (1)*	Contractually Required Contribution (2)*	Contribution Deficiency (Excess) (3)	Employer's Covered Payroll (4)		
2024	\$ 81,123	\$ 81,123	\$ -	\$ 2,018,807		4.02%
2023	72,041	72,041	-	1,721,986		4.18%
2022	62,220	62,220	-	1,624,885		3.83%
2021	51,568	51,568	-	1,309,283		3.94%
2020	25,972	25,972	-	1,119,239		2.32%
2019	27,748	27,748	-	1,122,452		2.47%
2018	25,518	25,518	-	1,007,089		2.53%
2017	22,496	22,496	-	849,852		2.65%
2016	47,681	47,681	-	749,202		6.60%
2015	45,215	45,215	-	702,092		6.60%

\* Excludes contributions (mandatory and match on voluntary) to the defined contribution portion of the Hybrid plan.

**New River Valley Regional Commission**  
**Notes to Required Supplementary Information**  
**For the Year Ended June 30, 2024**

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**WIA Fund Budget:**

The WIA Fund is not legally required to adopt a budget, thus eliminating the requirement to present budgetary comparison information.

**Pension Plan:**

**Changes of benefit terms** - There have been no actuarially material changes to the System benefit provisions since the prior actuarial valuation.

**Changes of assumptions** - The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2021. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

**All Others (Non 10 Largest) - Non-Hazardous Duty:**

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change



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## **COMPLIANCE SECTION**

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

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**To the Members of the Board  
New River Valley Regional Commission  
Radford, Virginia**

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Authorities, Boards, and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the governmental activities and each major fund of the New River Valley Regional Commission as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the New River Valley Regional Commission's basic financial statements and have issued our report thereon dated January 24, 2025.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered New River Valley Regional Commission'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 New River Valley Regional Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the New River Valley Regional Commission's internal control.

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

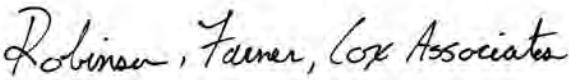
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the New River Valley Regional Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of This Report

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

  
Blacksburg, Virginia  
January 24, 2025



**Independent Auditors' Report on Compliance for Each Major Program and on  
Internal Control over Compliance Required by the Uniform Guidance**

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To the Members of the Board  
New River Valley Regional Commission  
Radford, Virginia

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the New River Valley Regional Commission's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the New River Valley Regional Commission's major federal programs for the year ended June 30, 2024. The New River Valley Regional Commission's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the New River Valley Regional Commission complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance 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 audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the New River Valley Regional Commission and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the New River Valley Regional Commission's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the New River Valley Regional Commission's federal programs.

## ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the New River Valley Regional Commission's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the New River Valley Regional Commission's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 New River Valley Regional Commission's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the New River Valley Regional Commission's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the New River Valley Regional Commission's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

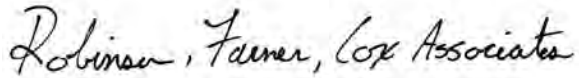
### **Report on Internal Control over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "Robinson, Farmer, Cox Associates". The script is cursive and fluid.

Blacksburg, Virginia

January 24, 2025

**New River Valley Regional Commission**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2024**

Federal Grantor/ Pass-through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Federal Expenditures	Expenditures to Subrecipients
Department of Labor:				
Direct Payments:				
Youthbuild	17.274	Not applicable	\$ 403,135	
WIOA Dislocated Worker National Reserve Demonstration Grants	17.280	Not applicable	415,383	
Community Project Funding/Congressionally Directed Spending	17.289	Not applicable	271,985	
Pass-through payments from:				
Hampton Roads Workforce Council				
WIOA National Dislocated Worker Grants / WIA National Emergency Grants	17.277	Not available	2,255	177
Commonwealth of Virginia - Virginia Community College System:				
County of Pulaski, Virginia:				
Workforce Innovation and Opportunity Act (WIOA) Cluster:				
		23A55AT000020/TSD 22-02-01/OG 22-02-01/SST 22-02-01		
WIOA Adult Program	17.258		1,095,495	575,768
		23A55W000023/AA-36350-21-55-A-51		
WIOA Dislocated Worker Formula Grants	17.278		609,037	395,994
		23A55Y000030/AA-36350-21-55-A-51		
WIOA Youth Activities	17.259		1,419,493	749,928
Total Workforce Innovation and Opportunity Act (WIOA) Cluster			\$ 3,124,025	
Total Department of Labor			\$ 4,216,783	
Social Security Administration:				
Direct Payments:				
Social Security State Grants for Work Incentives Assistance to Disabled Beneficiaries	96.009	Not applicable	\$ 14,866	
Appalachian Regional Commission:				
Direct Payments:				
Appalachian Local Development District Assistance	23.009	Not applicable	\$ 136,766	
Appalachian Area Development	23.002	Not applicable	\$ 340,550	
Pass-through payments from:				
Department of Housing and Community Development				
Appalachian Area Development	23.002	VA-CO-19487/PW-20863-IM-2022	105,059	445,609
Total Appalachian Regional Commission			\$ 582,375	
Department of Transportation				
Pass-through payments from:				
Virginia Department of Transportation:				
Highway Planning and Construction	20.205	5241002; 0702033	\$ 125,259	
Department of Commerce				
Direct Payments:				
Economic Development - Support for Planning Operations	11.302	Not applicable	\$ 70,000	
Regional Technology and Innovation Hubs	11.039	Not applicable	62,963	
Total Department of Commerce			\$ 132,963	
Department of Health and Human Services				
Pass-through payments from:				
Virginia Rural Health Association:				
Rural Health Care Services Outreach, Rural Health Network Development, and Small Health Care Provider Quality Improvement	93.912	1TR1RH45933-01-00	\$ 188,391	
Department of Treasury				
Pass-through payments from:				
Virginia Department of Housing and Community Development:				
COVID-19 Coronavirus Capital Projects Fund	21.029	2022-011/2022-037	\$ 2,281,800	
County of Montgomery, Virginia:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	Not available	343,406	
Total Department of Treasury			\$ 2,625,206	
Department of Homeland Security				
Pass-through payments from:				
Virginia Department of Emergency Management:				
BRIC: Building Resilient Infrastructure and Communities	97.047	EMP-2020-BR-036-0007	\$ 14,705	
Total Expenditures of Federal Awards			\$ 7,900,548	\$ 1,721,867

Notes to Schedule of Expenditures of Federal Awards

Note A-Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the New River Valley Regional Commission under programs of the federal government for the year ended June 30, 2024. The information in the Schedule is presented in accordance with the requirements of the Office of Management and Budgets Uniform Guidance. Because the Schedule presents only a selected portion of the operations of the New River Valley Regional Commission, it is not intended to and does not present the financial position, changes in net position, or cash flows of the New River Valley Regional Commission.

Note B-Summary of Significant Accounting Policies

(1) Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB's Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

(2) Pass-through entity identifying numbers are presented where available.

Note C-De Minimis Cost Rate:

The Commission did not elect to use the 10-percent de minimis indirect cost rate allowed under Uniform Guidance.

Note D-Relationship to the Financial Statements:

Intergovernmental revenues per the basic financial statements	\$ 8,452,662
Less: Aid from the Commonwealth of Virginia	(552,114)
Federal revenue as reported above	<u>\$ 7,900,548</u>



New River Valley Regional Commission  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2024

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**Section I - Summary of Auditors' Results**

**Financial Statements**

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

**Federal Awards**

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditors' report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516 (a)?	No
Identification of major programs:	

<u>Assistance Listing #</u>	<u>Name of Federal Program or Cluster</u>
21.029	COVID-19 Coronavirus Capital Projects Fund
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes

**Section II - Financial Statement Findings**

There are no financial statement findings to report.

**Section III - Federal Award Findings and Questioned Costs**

There are no federal award findings and questioned costs to report.

**Section IV - Status of Prior Audit Findings**

There were no prior year audit findings reported.