

**NEW RIVER VALLEY AGENCY ON AGING
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

NEW RIVER VALLEY AGENCY ON AGING FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2024

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Independent Auditors' Report

**To the Board of Directors
New River Valley Agency on Aging
Pulaski, Virginia 24301**

Opinions

We have audited the accompanying financial statements of the governmental activities and the discretely presented component unit of New River Valley Agency on Aging, as of and for the year ended September 30, 2024 and the related notes to the financial statements, which collectively comprise the New River Valley Agency on Aging'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 respective financial position of the governmental activities and the discretely presented component unit of New River Valley Agency on Aging, as of September 30, 2024 and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis of 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 Standard*, 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 Auditors' Responsibilities for the Audit of the Financial statements section of our report. We are required to be independent of New River Valley Agency on Aging, 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.

Responsibility for Management for the Financial Statements

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

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 New River Valley Agency on Aging'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' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *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 and *Government Auditing Standards* and *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 New River Valley Agency on Aging'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 New River Valley Agency of Aging'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 management's discussion and analysis (page 4-8) and budgetary comparison information (page 29-30) be presented to supplement the basic financial statements. Such information, although not a part of the basis financial statements, is required by the Governmental Accounting Standards Board, who considers it to be a 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise New River Valley Agency on Aging'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*, are 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 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 are 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 December 13, 2024, on our consideration of New River Valley Agency on Aging'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 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 New River Valley Agency of Aging'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 New River Valley Agency on Aging's internal control over financial reporting and compliance.

Olinger & Associates, PLLC

CERTIFIED PUBLIC ACCOUNTANTS

Bristol, Tennessee
January 13, 2025

FINANCIAL SECTION

**New River Valley Agency on Aging
Management's Discussion and Analysis
September 30, 2024**

As management of the New River Valley Agency on Aging (the "Agency"), we offer readers of the New River Valley Agency on Aging's financial statements this narrative overview and analysis of the financial activities of the New River Valley Agency on Aging for the fiscal year ended September 30, 2024.

Financial Highlights

- The Governmental Activities' assets of the New River Valley Agency on Aging exceeded its liabilities at the close of the most recent fiscal year by \$982,720 (Net position).
- Total net position increased by \$49,935.
- As of the close of the current fiscal year, the Governmental Fund reported a total fund balance of \$933,560.

Overview of the Financial Statement

This discussion and analysis is intended to serve as an introduction to the New River Valley Agency on Aging's basic financial statements. The basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements These statements are designed to provide readers with a broad overview of the Agency's finances in a manner similar to a private-sector business.

The statement of net position presents information on all of the Agency's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the New River Valley Agency on Aging is improving or deteriorating.

The statement of activities presents information showing how the Agency's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal years (e.g. earned but unused vacation leave).

The government-wide financial statements include not only the New River Valley Agency on Aging itself (known as the primary government), but also a legally separate non-profit service Agency (known as New River Valley Senior Services, Inc.), for which the New River Valley Agency on Aging is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government agency itself.

The government wide financial statements can be found on pages 9-10 of this report.

Fund Financial Statements is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The New River Valley Agency on Aging, like other governmental entities, uses fund accounting to demonstrate compliance with finance-related legal requirements. All of the funds for the Agency are included in one category termed governmental funds.

Governmental funds are used to account for essentially the same functions reported as government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of expendable resources available at the end of the fiscal year.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions.

Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between government funds and governmental activities.

The New River Valley Agency on Aging maintains one governmental fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund. The New River Valley Agency on Aging adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 11 - 13 of this report.

Notes to the Financial Statements The notes provide additional information that is essential to a full understanding of the data provided in the government wide and fund financial statements. The notes to the financial statements can be found on pages 15-27 of this report.

Other information In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information. The supplementary information can be found on pages 28-34 of this report.

Government-Wide Financial Analysis

In the case of the New River Valley Agency on Aging, Governmental Activities' assets exceeded liabilities by \$982,720 at the close of the most recent fiscal year. \$96,157 of this amount reflects the book value of nine Agency vehicles used to provide services to clients, a freezer, a sophisticated VOIP telephone system, and a video conferencing system that will alleviate some travel costs for training for Agency staff and could be utilized by community partners. \$116,628 of this amounts reflects the right-to- use building lease asset under the new FASB 87 lease implementation. The remaining portion, \$769,935, is assets that may be used if needed to meet the Agency's ongoing obligations to clients and creditors.

	Government-Wide Activities		Component Unit	
	2024	2023	2024	2023
Current Assets	\$ 1,199,737	\$ 1,174,877	\$ 865,128	\$ 791,862
Other/Capital	212,785	240,958	387,468	279,053
Total Assets	1,412,522	1,415,835	1,252,596	1,070,915
Liabilities	429,802	773,087	172,730	370,389
Net Assets				
Invested in Capital Assets	212,785	240,958	387,468	279,053
Unrestricted	769,935	401,790	692,398	421,473
Total Net Assets	\$ 982,720	\$ 642,748	\$ 1,079,866	\$ 700,526

Governmental Activities: Governmental activities for the New River Valley Agency on Aging's net position had a \$49,935 increase over prior year.

Component Unit: The Component Unit represents the New River Valley Senior Services, Inc., a private nonprofit meal delivery and transportation provider.

New River Valley Agency on Aging Changes in Net Position

	2024	2023
Revenues		
Program Revenues		
VDA	\$ 1,607,359	\$ 1,579,821
LPC	79,540	80,397
Other Income and Fees	237,148	255,129
Interest Income	13,421	7,984
In-kind Contributions (nonfinancial contributions)	44,280	15,687
Total Revenues	<u>1,981,748</u>	<u>1,939,018</u>
Expenses VDA Programs		
VDA Programs	1,650,765	1,552,221
In-kind Expenses	44,280	15,687
Other Expenses	230,514	300,286
Total Expenses	<u>1,925,559</u>	<u>1,868,194</u>
Excess of Revenue		
Change in Net Position	<u>\$ 56,189</u>	<u>\$ 70,824</u>

There was an increase of \$27,538 in 2024 in funding from the Virginia Division for the Aging as shown in the above chart. There were no pass through funds handled by the Agency on behalf of New River Valley Senior Services, Inc. in 2024. New River Valley Senior Services , Inc. starting receiving funding directly from DRPT / State grants.

Financial Analysis of the Governmental Funds

As noted earlier, the New River Valley Agency on Aging uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds The focus of the Agency's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the Agency's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the New River Valley Agency on Aging's governmental fund reported an ending fund balance of \$933,560. Of this amount, \$933,560 constitutes an unreserved, undesignated fund balance, which is available for spending at the Agency's discretion. These available funds are budgeted for client services and operations in FY 2025.

Page 13 (Exhibit 5) in the report shows the reconciliation of the revenues, expenditures, and changes in fund balance of the Government Fund to the Statement of Activities of the Government fund for the year ended September 30, 2024. The reconciliation page 14 (Exhibit 6) shows the net change in fund balance for the year, \$49,935, and the net capital assets and liabilities to derive at the net position of governmental activities at \$933,560 (page 13 Exhibit 5).

Capital Assets and Debt Administration

The New River Valley Agency on Aging (NRVAOA) implemented provisions of GASB Statement No. 87, Leases, during the Year. Statement No. 87 requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.

Capital Assets The New River Valley Agency on Aging's investment in capital assets for its governmental activities as of September 30, 2024 amounts to \$96,157 (net of accumulated depreciation). This amount represents the annual depreciation of current capital assets including seven vehicles to conduct mandatory home visits to clients and other agency related business such as trainings and meetings and an updated telephone system. The amount of Right-to-Use building lease as of September 30, 2024 amounts of \$116,628 (net of accumulated amortization).

Long - Term Obligations- Lease Liabilities

At the end of the current fiscal year, New River Valley Area on Aging had a total lease liability of 116,628 (Note 6) for the Governmental Activities after the implementation of the GASB 87 right-to-use asset.

General Fund Budgetary Highlights

During the year there was a \$4,973 increase between the original revenue budget and the final amended revenue budget. In regard to changes in the original expenses budget and the final amended expense budget, there was an decrease of \$10. This amended budget was primarily due to an increase in the budget for the Senior Cool Care Program for the fiscal year.

Economic Factors and Next Year's Budget

The New River Valley Agency on Aging is primarily dependent upon federal and state funding support. In recent years, funding for aging services has increased very little. Growth in revenue in the near future is not expected. State and federal funding will likely decrease in the next fiscal year based on state and federal economic forecast.

Unearned revenue (Note 10) from the Virginia Department for the Aging is obligated to be used to maintain and support services at a sustainable level and to provide for identified gaps in service needs.

Other sources of funding, including donations, fees, and local government support, are expected to remain at current levels. These funds will continue to be used to fund client services.

New River Valley Agency on Aging entered into a new agreement for the office space. The building lease (right of use asset) began April 14, 2023 and will continued for 60 months until March 31, 2028. Contracted services with sub-contractors who supply meals for the nutrition programs, provide delivery of meals and transportation of clients, and respite care and homemaker services for clients are also expected to increase in cost.

Request for Information

This financial report is designed to provide a general overview of the New River Valley Agency on Aging's finances for all those with an interest in the government's finances. For questions concerning any of the information provided in this report or request for additional financial information, contact the Finance Director or the Executive Director at:

New River Valley Agency on Aging
44 Third Street, N.W.
Pulaski Virginia 24301
Telephone: 540-980-7720

Basic Financial Statements

New River Valley Agency on Aging
Statement of Net Position
September 30, 2024

	Primary Government Governmental Activities	Component Unit- Senior Services	Totals
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 1,136,155	\$ 696,491	\$ 1,832,646
Accounts receivable	<u>63,582</u>	<u>168,637</u>	<u>232,219</u>
Total current assets	<u>1,199,737</u>	<u>865,128</u>	<u>2,064,865</u>
Noncurrent Assets:			
Capital assets (net of accumulated depreciation)	96,157	387,468	483,625
Right- to -use asset			
Building Lease (net of accumulated amortization)	<u>116,628</u>	<u>-</u>	<u>116,628</u>
Property and equipment	<u>212,785</u>	<u>387,468</u>	<u>600,253</u>
Total assets	<u><u>\$ 1,412,522</u></u>	<u><u>\$ 1,252,596</u></u>	<u><u>\$ 2,665,118</u></u>
LIABILITIES and NET POSITION			
Liabilities			
Current Liabilities:			
Accounts payable	\$ 60,085	\$ 39,106	\$ 99,191
Accrued payroll and expenses	3,140	22,700	25,840
Unearned revenue	202,952	95,705	298,657
Due within one year -Lease Liability	<u>28,580</u>	<u>-</u>	<u>28,580</u>
Total current liabilities	<u>294,757</u>	<u>157,511</u>	<u>452,268</u>
Noncurrent Liabilities:			
Due in more than one year - Lease	88,048	-	88,048
Due in more than one year - Other	<u>46,997</u>	<u>15,219</u>	<u>62,216</u>
Total Liabilities	<u>429,802</u>	<u>172,730</u>	<u>602,532</u>
Net Position			
Investment in capital assets	212,785	387,468	600,253
Unrestricted	<u>769,935</u>	<u>692,398</u>	<u>1,462,333</u>
Total net position	<u><u>\$ 982,720</u></u>	<u><u>\$ 1,079,866</u></u>	<u><u>\$ 2,062,586</u></u>

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

**New River Valley Agency on Aging
Statement of Activities
For the Year Ended September 30, 2024**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		Totals
	Expenditures	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental		
					Governmental Activities	Component Unit	
PRIMARY GOVERNMENT:							
Governmental activities:							
Health and welfare	\$ 1,931,813	\$ 73,968	\$ 1,793,189	\$ 28,798	\$ (35,858)	\$ -	\$ (35,858)
COMPONENT UNIT-SENIOR SERVICES:							
Health and welfare	<u>1,371,766</u>	<u>353,201</u>	<u>967,945</u>	<u>128,000</u>	<u>-</u>	<u>77,380</u>	<u>77,380</u>
Total component unit-Senior Services	<u>1,371,766</u>	<u>353,201</u>	<u>967,945</u>	<u>128,000</u>	<u>-</u>	<u>77,380</u>	<u>77,380</u>
Total primary government and component unit	<u>\$ 3,303,579</u>	<u>\$ 427,169</u>	<u>\$ 2,761,134</u>	<u>\$ 156,798</u>	<u>(35,858)</u>	<u>77,380</u>	<u>41,522</u>
General Revenues:							
Unrestricted revenues from the use of money and property					13,421	9,826	9,826
Miscellaneous					<u>72,372</u>	<u>9,615</u>	<u>81,987</u>
Total general revenues					<u>85,793</u>	<u>19,441</u>	<u>91,813</u>
Change in net position					49,935	96,821	146,756
Net position - beginning - restated					<u>932,785</u>	<u>983,045</u>	<u>1,915,830</u>
Net position - ending					\$ 982,720	\$ 1,079,866	\$ 2,062,586

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

Exhibit 3

**New River Valley Agency on Aging
Balance Sheet
Governmental Fund
September 30, 2024**

	<u>General</u>
ASSETS	
Cash and cash equivalents	\$ 1,136,155
Accounts receivable	<u>63,582</u>
Total assets	<u><u>\$ 1,199,737</u></u>
LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts payable	\$ 60,085
Accrued payroll	3,140
Unearned revenue	<u>202,952</u>
Total liabilities	<u>266,177</u>
Fund balances:	
Unassigned	<u>933,560</u>
Total fund balances	<u>933,560</u>
Total liabilities and fund balances	<u><u>\$ 1,199,737</u></u>

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

Exhibit 4

**New River Valley Agency on Aging
Reconciliation of the Balance Sheet of Governmental Fund
To the Statement of Net Position
September 30, 2024**

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

Total fund balances per Exhibit 3 - Balance Sheet - Governmental Funds	\$ 933,560
Capital assets used in governmental activities are not financial resources and, are not reported in the funds.	212,785
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(163,625)</u>
Net position of governmental activities	<u>\$ 982,720</u>

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

New River Valley Agency on Aging
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Fund
For the Year Ended September 30, 2024

REVENUES

Virginia Department for the Aging	\$ 1,607,359
Local Public Cash	79,540
Interest Income	13,421
Other Income and Fees	237,148
In-kind Contributions	<u>44,280</u>
Total revenues	<u>1,981,748</u>

EXPENDITURES

Virginia Department for the Aging	
Title III - B	266,772
Title III - C	237,836
NSIP	37,590
Title III - D Federal	19,104
Title III - E Federal	143,227
Title VII - Federal - Elder Abuse	2,247
Title VII - Federal - Ombudsman	16,115
Care Coordination	63,651
VICAP	70,422
Senior Cool Care	4,000
ARP Funding	443,438
Other State Support	346,363
In-Kind Expense	44,280
Other Expenses	<u>230,514</u>
Total expenditures	<u>1,925,559</u>

Excess (deficiency) of revenues over (under) expenditures	56,189
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Fund balances - beginning restated	<u>877,371</u>
Fund balances - ending	<u>\$ 933,560</u>

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

Exhibit 6

**New River Valley Agency on Aging
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Fund
To the Statement of Activities
For the Year Ended September 30, 2024**

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

Net change in fund balances - total governmental funds	\$ 56,189
--	-----------

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 exceeded depreciation in the current period.

(1,253)

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.

(5,001)

Change in net position of governmental activities

\$ 49,935

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

NEW RIVER VALLEY AGENCY ON AGING

NOTES TO THE FINANCIAL STATEMENTS September 30, 2024

Note 1-Summary of Significant Accounting Policies:

The financial statements of the New River Valley Agency on Aging conform to generally accepted accounting principles (GAAP) applicable to governmental units promulgated by the Governmental Accounting Standards Board (GASB). The more significant accounting policies established in GAAP and used by the Agency are discussed below.

A. Financial Reporting Entity:

The New River Valley Agency on Aging (“the Agency”) was organized as a government cooperative. The purpose of the Agency is to improve the quality of life of the elderly through charitable, benevolent, educational, scientific, social services, and other appropriate means. The Agency is a multi-service agency that provides transportation, homebound and congregate meals and other services for elderly residents of the New River Valley.

These financial statements present the Agency as the primary government.

Blended Component Units - The Agency had no blended component units for the fiscal year ended September 30, 2024.

Discretely Presented Component units – The New River Valley Senior Services, Inc. is a discretely presented component unit because the New River Valley Senior Services, Inc. relies on the Agency to approve the budget and significant subsidies are received from the Agency’s general revenues. Financial statements for the Component Unit, New River Valley Senior Services, Inc., are included herein. Complete financial statements for the New River Valley Senior Services, Inc. may be obtained from the Agency’s board.

Government-wide and fund financial statements:

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 primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The Statement of Net Position is designed to display the financial position of the primary government. Governments report all capital assets in the government-wide Statement of Net Position and 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.

NEW RIVER VALLEY AGENCY ON AGING

NOTES TO FINANCIAL STATEMENTS

September 30, 2024

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

A. Financial Reporting Entity: (continued)

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 clients 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*.

B. Budgetary comparison schedule:

Demonstrating compliance with the adopted budget is an important component of the Agency's accountability to the public. Many governments revise their original budgets over the course of the year for a variety of reasons. Under the GASB 34 reporting model, governments provide budgetary comparison information in their annual reports, including the original budget and a comparison of final budget and actual results.

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

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.

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 Agency 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, expenditures related to compensated absences, are recorded only when payment is due.

The Agency reports the following major governmental funds:

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

The Agency allocates indirect expenses primarily comprised of administrative services to programs benefiting from those services. These services include equipment, space rental, utilities, supplies, printing, insurance, postage, telephone, auto expenses and personnel expenses. Allocations are charged to programs based on a formula generated by management.

NEW RIVER VALLEY AGENCY ON AGING
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

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

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

1. Cash and Cash Equivalents

The Agency'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. Allowance for Uncollectible Accounts

The Agency evaluates its accounts receivable using historical data and, in certain cases, specific accounts analysis. A charge to income to absorb possible credit losses is provided when, in the opinion of management, it is appropriate.

3. Use of Estimates

The preparation of financial statements in conformity with 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.

4. Capital Assets

Capital assets, which include vehicles and equipment, are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the Agency as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased. Donated capital assets are recorded at acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized and are expensed as incurred.

Capital assets of the primary government are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Vehicles	5
Equipment	7

5. Leases

The New River Valley Area on Agency (NRVAOA) leases building space requiring recognition. A lease is a contract that conveys control of the right to use another entity's nonfinancial asset. Lease recognition does not apply to short-term leases, contracts that transfer ownership, leases of assets that are investments or regulated leases.

NEW RIVER VALLEY AGENCY ON AGING

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2024

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

5. Leases (Continued)

Lessee

The NRVAOA recognizes lease liabilities and intangible right-to-use lease assets (lease assets) with an initial value of \$5,000, individually or in the aggregate in the government-wide financial statements. At the commencement of the lease, the lease liability is measured at the present value of payments expected to be made during the lease term (less any lease incentives). The lease liability is reduced by the principal portion of payments made. The lease asset is measured at the initial amount of the lease liability, plus any payment to the lessor at or before the commencement of the lease term and certain direct cost. The lease assets is amortized over the shorter of the lease term or the useful life of the underlying asset.

Key Estimates and Judgments

Lease accounting includes estimates and judgments for determining the (1) rate used to discount the expected lease payments to present value, (2) lease term, and (3) leases payments.

The NRVAOA uses the interest rate stated in lease contracts. When the interest rate is not provided or the implicit rate cannot be readily determined, the NRVAOA uses is estimated incremental borrowing rate as the discount rate of the leases.

The lease term includes the noncancellable period of the lease and certain periods covered by options to extend to reflect how long the lease is expected to be in effect, with terms and conditions varying by the type of underlying assets.

Fixed and certain variable payment as well as lease incentives and certain other payments are included in the measurement of the lease liability (lessee) or lease receivable (lessor).

The NRVAOA monitors changes in circumstances that would require a remeasurement or modification of its leases. The NRVAOA will remeasure the lease asset and liability (lessee) or the lease receivable and deferred inflows of resources (lessor) if certain changes occur that are expected to significantly affect the amount of the lease liability or lease receivable.

NEW RIVER VALLEY AGENCY ON AGING

NOTES TO FINANCIAL STATEMENTS

September 30, 2024

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

5. Compensated Absences

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the fund that will pay it. In accordance with the provisions of Government Accounting Standards No. 16, *Accounting for Compensated Absences*, no liability is recorded for non-vesting accumulating rights to receive sick pay benefits. The Agency accrues salary-related payments associated with the payment of compensated absences. All vacation pay is accrued when incurred in the government-wide statements.

6. Fund Equity

The Agency reports fund balances in accordance with GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable fund balance – amounts that are not in spendable form (such as inventory and prepaids) or are 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 Agency; 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; intent can be expressed by the governing body or by an official or body to which the governing body delegates the Agency;

Unassigned fund balance – amounts that are available for any purpose; positive amounts are only reported in the general fund.

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

NEW RIVER VALLEY AGENCY ON AGING

NOTES TO FINANCIAL STATEMENTS
September 30, 2024

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

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

6. Fund Equity (continued)

The Agency establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment 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 Agency's Board of Directors through adoption or amendment of the budget as intended for specific purpose (such as the purchase of capital assets, construction, or for other purposes).

In the primary government, the Agency strives to maintain an unassigned fund balance for normal everyday activities.

7. Deferred Outflows/Inflows of Resources:

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditures/expense) until then. The Agency does not have any deferred outflows of resources as of September 30, 2024.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Agency does not have any deferred inflows of resources as of September 30, 2024

8. Net Position:

Net position is the difference between a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources. Net investment in capital assets represents capital assets, less accumulated depreciation, less any outstanding debt related to the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position.

9. Net Position Flow Assumption:

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

NEW RIVER VALLEY AGENCY ON AGING

NOTES TO FINANCIAL STATEMENTS

September 30, 2024

Note 2-Reconciliation of Government-Wide and Fund Financial Statements:

- A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position:

The governmental fund balance sheet includes a reconciliation between *fund balance-total governmental funds* and *net position-governmental activities* as reported in the government-wide statements of net position. One element of that reconciliation explains that long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. The details of this (\$46,997) difference for the primary government are as follows:

	<u>Primary Government</u>
Compensated absences	\$ (46,997)
Net adjustment to reduce <i>fund balance-total governmental funds</i> to arrive at <i>net position- governmental activities</i>	\$ (46,997)

- B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities:

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances-total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains, "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." The details of this \$(1,253) difference for the primary government are as follows:

	<u>Primary Government</u>
Capital outlays	\$ 28,798
Depreciation expense	<u>(30,050)</u>
Net adjustment to increase (decrease) <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	\$ (1,252)

NEW RIVER VALLEY AGENCY ON AGING

NOTES TO FINANCIAL STATEMENTS

September 30, 2024

Note 2-Reconciliation of Government-Wide and Fund Financial Statements: (continued)

- B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities:

Another element of that reconciliation states, “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.” The details of this (\$5,001) difference for the primary government are as follows:

(Increase) Decrease in Compensated absences	\$ (5,001)
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Net adjustment to increase (decrease) <i>net changes in fund balances-total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	\$ (5,001)
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Note 3-Stewardship, Compliance, and Accountability:

- A. Budgetary information

The Agency annually adopts a budget for all programs.

- B. Deficit fund equity

At September 30, 2024, the general fund did not have a deficit fund balance.

Note 4-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.

Investment Policy

Statutes authorize the Agency to invest in obligations of the United States or agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, “prime quality” commercial paper and certain corporate notes, banker’s acceptances, repurchase agreements and the State Treasurer’s Local Government Investment Pool (LGIP). As of September 30, 2024, the Agency had no such investments.

NEW RIVER VALLEY AGENCY ON AGING

NOTES TO FINANCIAL STATEMENTS

September 30, 2024

Note 5-Capital Assets:

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, being depreciated:				
Equipment	\$ 76,113	\$ 28,798	\$ -	\$ 104,911
Vehicles	180,160	-	-	180,160
Total capital assets being depreciated	<u>256,273</u>	<u>28,798</u>	<u>-</u>	<u>285,071</u>
Accumulated depreciation:				
Equipment	(44,203)	(6,415)	-	(50,618)
Vehicles	<u>(114,661)</u>	<u>(23,635)</u>	<u>-</u>	<u>(138,296)</u>
Total accumulated depreciation	<u>(158,864)</u>	<u>(30,050)</u>	<u>-</u>	<u>(188,914)</u>
Total capital assets being depreciated, net	<u>97,409</u>	<u>(1,252)</u>	<u>-</u>	<u>96,157</u>
Right-to-use building lease asset, being amortized	154,297	-	-	154,297
Accumulated amortization	<u>(10,749)</u>	<u>(26,920)</u>	<u>-</u>	<u>(37,669)</u>
Total leased assets being amortized, net	<u>143,548</u>	<u>(26,920)</u>	<u>-</u>	<u>116,628</u>
Governmental activities capital assets, net	<u>\$ 240,957</u>	<u>\$ (28,172)</u>	<u>\$ -</u>	<u>\$ 212,785</u>
Governmental activities:				
Health and welfare			<u>\$ (56,970)</u>	
Total depreciation and amortization expense-governmental activities			<u>\$ (56,970)</u>	

NEW RIVER VALLEY AGENCY ON AGING

NOTES TO FINANCIAL STATEMENTS

September 30, 2024

Note 6-Primary Government - Governmental Activities Obligations:

The following is a summary of long-term liability transactions of the Agency for the year ended September 30, 2024:

	Balance 10/01/23	Increases	Decreases	Balance 09/30/24
Compensated Absences	\$ 41,996	\$ 5,001	\$ -	\$ 46,997
Lease Liabilities	143,548	-	26,920	116,628
Total	<u>\$ 185,544</u>	<u>\$ 5,001</u>	<u>\$ 26,920</u>	<u>\$ 163,625</u>

Annual requirements amortized long-term obligations and related interest are as follows:

Year Ending September 30:	Principal	Interest
2025	\$ 28,580	\$ 6,220
2026	30,343	4,457
2027	32,214	2,586
2028	25,491	599
2029	-	-
	<u>\$ 116,628</u>	<u>\$ 13,862</u>

Note 7-Compensated Absences:

Full time employees with up to three years of service earn leave at the rate of eight hours per month. The rate of leave earned increases to ten hours per month for service periods of three to five years. Between five and ten years, employees earn twelve hours per month and after ten years of continuous service, employees earn fifteen hours per month of annual leave. Annual leave has a maximum accumulation based upon the number of years worked. Part-time employees earn annual leave at a rate of one hour for every twenty hours paid and can accumulate up to 96 hours. Annual leave is accrued and paid upon termination or retirement.

Note 8-Related Parties:

The Agency is affiliated with the New River Valley Senior Services, Inc., with which it transfers payments to as a subcontractor for a Virginia Department of Rail and Transportation grant and a homebound and congregate meal program. An amount of \$23,972 is included in accounts payable on the Statement of Net Position at September 30, 2024. This amount is due to the New River Valley Senior Services for services provided during the current fiscal year.

NEW RIVER VALLEY AGENCY ON AGING

NOTES TO FINANCIAL STATEMENTS

September 30, 2024

Note 9-Lease:

The New River Valley Agency on Aging has lease agreements that do not exceed 12 months (“short-term leases”). New River Valley Senior Services has elected not to recognize right of use (ROU) assets and lease liabilities for short-term leases and accordingly, they are excluded from the accompanying statements of financial position.

New River Valley Agency on Aging entered into a new agreement for the office space. The building lease (right of use asset) began April 14, 2023 and will continued for 60 months until March 31, 2028.

The following summarizes the line items in the statement of financial position which include amounts for right of use deferred outflow and leases liability as of September 30, 2024.

Right -to- use building lease asset	\$ 154,297
Accumulated Amortization	<u>37,699</u>
	<u>\$ 116,598</u>

Weighted Average Discount Rate for Right of Use Asset - Building Lease 6.00%

Annual requirements amortized long-term obligations and related interest are as follows:

Year Ending September 30:	Principal	Interest
2025	\$ 28,580	\$ 6,220
2026	30,343	4,457
2027	32,214	2,586
2028	25,491	599
2029	-	-
	<u>\$ 116,628</u>	<u>\$ 13,862</u>

Note 10-Unearned Revenue:

Unearned revenue represents funds received in advance from funding sources to be carried over and used for subsequent year’s expenditures. Details of the deferred revenue at September 30, 2024 were as follows:

Primary Government:

Virginia Department for the Aging (VDA)

Federal Funds

Title III-B	\$ 20,702
Title III-C	4,837
OA General	1,150
Community Based	5,459
Nutrition Supplement	-
CDSME Grant	24,000
Other	<u>146,804</u>

Total \$ 202,952

NEW RIVER VALLEY AGENCY ON AGING

NOTES TO FINANCIAL STATEMENTS

September 30, 2024

Note 11-Risk Management:

The Agency 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 Agency carries commercial insurance for its coverage of general liability, property, crime, machinery and auto insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 12-Commitments and Contingencies:

Federal programs in which New River Valley Agency on Aging participate were audited in accordance with the provisions of Title 2 U. S. *Code of Federal Regulations* Part 200, *Uniform Requirements, Cost Principles and Audit Requirements for Federal Awards*, (Uniform Guidance). Pursuant to the provisions of the Uniform Guidance, all major programs and certain other programs were tested for compliance with applicable grant requirements.

While no matters of noncompliance were disclosed by the audit, the Federal government may subject grant programs to additional compliance tests, which may result in disallowed expenditures. In the opinion of management, any future disallowances of current grant program expenditures, if any, would be immaterial.

Note 13-Retirement Plan:

The Agency has established a deferred compensation plan in accordance with Internal Revenue Code Section 457. Contributions are made to the plan by the Agency for each eligible employee at 5% of compensation. The Agency's contribution to the plan this year was \$21,018.

Note 14 – Net Assets - Beginning Restatement :

The beginning net assets were restated to reflect an overstatement in deferred revenues in the amount of \$290,037.

Note 15-Subsequent Events::

In preparing the financial statements, management of the New River Agency on Aging has evaluated events and transactions for potential recognition of disclosure through January 13, 2025, the date the financial statement was available to be issued.

NEW RIVER VALLEY AGENCY ON AGING

NOTES TO FINANCIAL STATEMENTS

September 30, 2024

Note 16 -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 fiscal years beginning after December 15, 2023.

Implementation Guide No. 2021-1, Implementation Guidance Update 2021, with dates ranging from reporting periods beginning after June 15, 2022 to reporting periods beginning after June 15, 2023.

Implementation Guide No. 2023-1, Implementation Guidance Update 2023, effective for fiscal years beginning after June 15, 2023.

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

Required Supplemental Information

New River Valley Agency on Aging
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget to Actual - General Fund
For the Year Ended September 30, 2024

Program	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Virginia Department for the Aging Programs:				
Title III - B	\$ 274,569	\$ 274,569	\$ 274,569	\$ -
Title III - C	381,870	381,870	198,233	(183,637)
NSIP	45,977	45,977	37,590	(8,387)
Title III - D Federal	18,406	18,406	15,530	(2,876)
Title III - E Federal	98,257	98,257	115,206	16,949
Title VII - Federal - Elder Abuse	2,247	2,247	2,247	-
Title VII - Federal - Ombudsman	16,115	16,115	16,115	-
Care Coordination	47,738	47,738	63,651	15,913
VICAP	-	-	67,057	67,057
Senior Cool Care	-	4,000	4,511	511
ARP Funding	449,605	449,605	449,605	-
Other State Support	308,591	308,591	363,045	54,454
In-kind Revenue	-	-	44,280	44,280
Local Government Match	78,567	79,540	79,540	-
Other Revenues	<u>360,222</u>	<u>360,222</u>	<u>250,569</u>	<u>(109,653)</u>
Total Revenues	<u>2,082,164</u>	<u>2,087,137</u>	<u>1,981,748</u>	<u>(105,389)</u>
Expenses:				
Virginia Department for the Aging Programs:				
Title III - B	328,710	328,710	266,772	61,938
Title III - C	445,006	445,006	237,836	207,170
NSIP	45,977	45,977	37,590	8,387
Title III - D Federal	18,406	18,406	19,104	(698)
Title III - E Federal	157,657	157,647	143,227	14,420
Title VII - Federal - Elder Abuse	2,247	2,247	2,247	-
Title VII - Federal - Ombudsman	16,115	16,115	16,115	-
ARP Funding	443,438	443,438	443,438	-
Care Coordination	63,651	63,651	63,651	-
VICAP	70,422	70,422	70,422	-
Senior Cool Care	4,000	4,000	4,000	-
Other State Support	410,776	410,776	346,363	64,413
In-Kind Expense	44,280	44,280	44,280	-
Other Expenses	<u>161,955</u>	<u>161,955</u>	<u>230,514</u>	<u>(68,559)</u>
Total Expenses	<u>2,212,640</u>	<u>2,212,630</u>	<u>1,925,559</u>	<u>287,071</u>
Excess (deficiency) of revenues over (under) expenditures	(130,476)	(125,493)	56,189	181,682
Fund Balances - beginning restated	-	-	877,371	-
Fund Balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 933,560</u>	<u>\$ -</u>

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

OTHER SUPPLEMENTARY INFORMATION

Schedule 1

New River Valley Agency on Aging
Schedule of Revenues- Budget and Actual - General Fund
For the Year Ended September 30, 2024

Program	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Virginia Department for the Aging Programs:				
Title III - B	\$ 274,569	\$ 274,569	\$ 274,569	\$ -
Title III - C	381,870	381,870	198,233	(183,637)
NSIP	45,977	45,977	37,590	(8,387)
Title III - D Federal	18,406	18,406	15,530	(2,876)
Title III - E Federal	98,257	98,257	115,206	16,949
Title VII - Federal - Elder Abuse	2,247	2,247	2,247	-
Title VII - Federal - Ombudsman	16,115	16,115	16,115	-
Care Coordination	47,738	47,738	63,651	15,913
VICAP	-	-	67,057	67,057
Senior Cool Care	-	4,000	4,511	511
ARP Funding	449,605	449,605	449,605	-
Other State Support	308,591	308,591	363,045	54,454
In-kind Revenue	-	-	44,280	44,280
Local Government Match	78,567	79,540	79,540	-
Other Revenues	<u>360,222</u>	<u>360,222</u>	<u>250,569</u>	<u>(109,653)</u>
 Total Revenues	 <u>\$ 2,082,164</u>	 <u>\$ 2,087,137</u>	 <u>\$1,981,748</u>	 <u>\$ (105,389)</u>

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

Schedule 2

New River Valley Agency on Aging
Schedule of Expenses- Budget and Actual - General Fund
For the Year Ended September 30, 2024

Program	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Expenses:				
Virginia Department for the Aging Programs:				
Title III - B	\$ 328,710	\$ 328,710	266,772	61,938
Title III - C	445,006	445,006	237,836	207,170
NSIP	45,977	45,977	37,590	8,387
Title III - D Federal	18,406	18,406	19,104	(698)
Title III - E Federal	157,657	157,647	143,227	14,420
Title VII - Federal - Elder Abuse	2,247	2,247	2,247	-
Title VII - Federal - Ombudsman	16,115	16,115	16,115	-
ARP Funding	443,438	443,438	443,438	-
Care Coordination	63,651	63,651	63,651	-
VICAP	70,422	70,422	70,422	-
Senior Cool Care	4,000	4,000	4,000	-
Other State Support	410,776	410,776	346,363	64,413
In-Kind Expense	44,280	44,280	44,280	-
Other Expenses	<u>161,955</u>	<u>161,955</u>	<u>230,514</u>	<u>(68,559)</u>
 Total Expenses	 <u>\$ 2,212,640</u>	 <u>\$ 2,212,630</u>	 <u>\$1,925,559</u>	 <u>\$ 287,071</u>

NAME OF AGENCY AUDITED

New River Valley Agency on Aging
SCHEDULE A - STATUS OF FUNDS
From October 1, 2023 to September 30, 2024

FUND	UNENCUMBERED FUNDS ON HAND OCTOBER 1, 2023	TOTAL FUNDS RECEIVED DURING PERIOD	FUNDS REQUESTED BY SEPTEMBER 30, 2024 BUT NOT RECEIVED BY SEPTEMBER 30, 2024	TOTAL OF FUNDS AVAILABLE DURING PERIOD	ACCRUED COSTS TO CONTRACT PERIOD	UNENCUMBERED FUNDS ON HAND SEPTEMBER 30, 2024
Older Americans Act						
Title III-B	\$ 12,905	\$ 274,569	\$ -	287,474	\$ 266,772	\$ 20,702
Title III-C(1)	1,847	135,523	-	137,370	138,630	(1,260)
Title III-C(2)	42,593	62,710	-	105,303	99,206	6,097
Title III-D	1,984	15,530	-	17,514	19,104	(1,590)
Title III-E	24,278	115,206	-	139,484	143,227	(3,743)
Title VII-Elder Abuse	-	-	-	-	2,247	(2,247)
Title VII-Ombudsman	-	-	-	-	16,115	(16,115)
NSIP	-	-	-	-	37,590	(37,590)
Supplemental Nutrition C2	-	-	-	-	-	-
Vaccine Access	(16,086)	16,086	-	-	-	-
American Rescue Plan (ARP) III-B	8,737	146,879	-	155,616	158,176	(2,560)
American Rescue Plan (ARP) III-C(1)	(35,390)	145,168	-	109,778	109,778	-
American Rescue Plan (ARP) III-C(2)	9,689	61,286	-	70,975	70,975	-
American Rescue Plan (ARP) III-D	1,084	19,297	-	20,381	26,005	(5,624)
American Rescue Plan (ARP) III-E	2,809	64,862	-	67,671	67,671	-
American Rescue Plan (ARP) VII-Ombudsman	451	10,363	-	10,814	10,814	-
Expanding Public Health Workforce	-	-	-	-	-	-
Other	-	-	-	-	-	-
Other Federal						
Title V-(PY 06/30/24 Award)	-	-	-	-	-	-
Title V-(PY 06/30/25 Award)	-	-	-	-	-	-
Title V-DOL (STCS)	-	-	-	-	-	-
VICAP-(PY 03/31/24 Award)	17,618	-	-	17,618	-	17,618
VICAP-(PY 03/31/25 Award)	-	-	-	-	-	-
DMAS Ombudsman FY 22	-	-	-	-	-	-
DMAS Ombudsman FY 23	-	-	-	-	-	-
DMAS Ombudsman FY 24	-	2,834	-	2,834	2,834	-
MIPPA - Priority 1 - SHIP	-	-	-	-	-	-
MIPPA - Priority 2 - AAA	-	-	-	-	-	-
MIPPA - Priority 3 - ADRC	-	-	-	-	-	-
SNAP	-	-	-	-	-	-
Senior Farmers Market	-	-	-	-	-	-
Senior Farmers Market -ARPA Expansion	(1,750)	1,750	-	-	-	-
CDSME Grant	24,000	-	-	24,000	-	24,000
Falls Prevention Grant	860	-	-	860	-	860
Senior Medicare Patrol	2,017	9,000	-	11,017	8,522	2,495
Other	-	-	-	-	-	-
General Funds						
OAA General-(PY 06/30/24)	-	93,505	-	93,505	93,505	-
OAA General-(PY 06/30/25)	(72)	9,098	-	9,026	7,876	1,150
Community Based-(PY 06/30/24)	-	64,948	-	64,948	64,948	-
Community Based-(PY 06/30/25)	-	16,415	-	16,415	10,956	5,459
Transportation-(PY 06/30/24)	-	23,506	-	23,506	23,506	-
Transportation-(PY 06/30/25)	-	2,611	-	2,611	7,837	(5,226)
Home Delivered Meals-(PY 06/30/24)	(114)	82,966	-	82,852	82,852	-
Home Delivered Meals-(PY 06/30/25)	-	14,306	-	14,306	14,432	(126)
Supplemental Nutrition-(PY 06/30/24)	2,137	2,706	-	4,843	4,843	-
Supplemental Nutrition-(PY 06/30/25)	-	20,000	-	20,000	22,280	(2,280)
Ombudsman-(PY 06/30/24)	-	9,644	-	9,644	9,644	-
Ombudsman-(PY 06/30/25)	-	1,170	-	1,170	2,623	(1,453)
Care Coordination CCEVP-(PY 06/30/24)	-	47,738	-	47,738	47,738	-
Care Coordination CCEVP-(PY 06/30/25)	-	15,913	-	15,913	15,913	-
Respite Care Initiative-(PY 06/30/24)	-	-	-	-	-	-
Respite Care Initiative-(PY 06/30/25)	-	-	-	-	-	-
Guardianship VDA-(PY 06/30/24)	-	-	-	-	-	-
Guardianship VDA-(PY 06/30/25)	-	-	-	-	-	-
Guardianship VDA Mental Health-(PY 06/30/24)	-	-	-	-	-	-
Guardianship VDA Mental Health-(PY 06/30/25)	-	-	-	-	-	-
Guardianship DBHDS ID/DDS-(PY 06/30/24)	-	-	-	-	-	-
Guardianship DBHDS ID/DDS-(PY 06/30/25)	-	-	-	-	-	-
Guardianship DBHDS Mental Illness-(PY 06/30/24)	-	-	-	-	-	-
Guardianship DBHDS Mental Illness-(PY 06/30/25)	-	-	-	-	-	-
Senior Cool Care	(1,300)	4,511	-	3,211	4,000	(789)
Senior Farmer's Market Gen Fd-(PY 06/30/24)	-	-	-	-	-	-
Senior Farmer's Market Gen Fd-(PY 06/30/25)	-	3,250	-	3,250	-	3,250
VICAP General Funds (PY 06/30/24)	-	-	-	-	-	-
VICAP General Funds (PY 06/30/25)	(316)	-	-	(316)	-	(316)
Other	-	-	-	-	-	-
*Note: PY means Program Year Ending						
GRAND TOTAL:	\$ 97,981	\$ 1,493,350	\$ -	\$ 1,591,331	\$ 1,590,619	\$ 712

NAME OF AGENCY:

New River Valley Agency of Aging

SCHEDULE B - COSTS BY PROGRAM ACTIVITY

	FROM		TO		9/30/2024												
	COSTS TO FEDERAL III-B FUNDS	COSTS TO FEDERAL III C-1 FUNDS	COSTS TO FEDERAL III C-2 FUNDS	COSTS TO FEDERAL III-D FUNDS	COSTS TO FEDERAL III-E FUNDS	COSTS TO FEDERAL VII ELD. AB. FUNDS	COSTS TO FEDERAL VII OMB FUNDS	COSTS TO FEDERAL Supp Nutrition C2	COSTS TO FEDERAL Vaccine Access	COSTS TO FEDERAL ARP III-B FUNDS	COSTS TO FEDERAL ARP III C-1 FUNDS	COSTS TO FEDERAL ARP III C-2 FUNDS	COSTS TO FEDERAL ARP III-D FUNDS	COSTS TO FEDERAL ARP III-E FUNDS	COSTS TO FEDERAL ARP VII Ombuds FUNDS		
TITLE III (EXCEPT III-E) OLDER AMERICAN ACT FUNDS:																	
Adult Day Care																	
Checking																	
Chore																	
Homemaker	41,166									7,830							
Personal Care																	
Care Coordination Level 2																	
Service Coordination Level 1																	
Care Transitions																	
S.O.S.																	
Comm. Referral Info. & Assist	125,939									20,510							
Options Counseling																	
Transportation	20,382									7,741			2,109				
Assisted Transportation																	
Congregate Meals		138,630															
Home Delivered Meals			99,206							122,095	23,558						
Home Delivered Fee for service										86,220	70,975		23,896	67,671			
Nutrition Counseling																	
Nutrition Education																	
Other "EB" Disease Prevention																	
CDSDME					0												
Falls Prevention				19,104													
Health Education Screening																	
Assistive Tech/DME/PERS-Devices																	
Assistive Tech/DME/PERS-Payments																	
Consumable Supplies																	
Emergency Services																	
Employment																	
LTC Coordinating Activity	1,192																
Medication Management																	
Money Management																	
Outreach/Public Information & Education	1,507																
Residential Repair and Renovation																	
Socialization/Recreation																	
Volunteer Programs																	
Legal Assistance	7,860																
Elder Abuse Prevention						2,247											
LTC Ombudsman Program	16,911						16,115										10,814
Incentive Program																	
COVID-19 Vaccine Activity Planning																	
Prep. and Admin.	51,815																
Public Health Workforce																	
TITLE III-E OLDER AMERICAN ACT FUNDS:																	
Individual Counseling																	
Support Groups																	
Caregiver Training																	
Care/Service Coordination Level 2																	
Comm. Referral Info. & Assist					68,893												
Outreach/Public Information/Education					2,674												
Respite Voucher																	
Adult Day Care (Out of Home)																	
Homemaker (In-Home)					40,000												
Personal Care (In-Home)																	
Institutional Respite (Out of Home Overnight)																	
Other Respite Services					9,420												
Assistive Tech/DME/PERS-Devices																	
Assistive Tech/DME/PERS-Payments																	
Chore																	
Consumable Supplies																	
Financial Consultation																	
Congregate Meals																	
Home Delivered Meals																	
Homemaker																	
Personal Care																	
Residential Repair and Renovation																	
Transportation					14,479												
Assisted Transportation																	
Direct Supplemental Service Payments																	
Other Supplemental Services																	
Incentive Program																	
Prep. and Admin.					7,761												
GRANDPARENTS & OLDER INDIVIDUALS WHO ARE RELATIVE CAREGIVERS OF CHILDREN																	
Individual Counseling																	
Support Groups																	
Caregiver Training																	
Care Coordination Level 2																	
Comm. Referral Info. & Assist																	
Outreach/Public Information/Education																	
Respite Voucher																	
Adult Day Care (Out of Home)																	
Homemaker (In-Home)																	
Personal Care (In-Home)																	
Institutional Respite (Out of Home Overnight)																	
Other Respite Services																	
Assistive Tech/DME/PERS-Devices																	
Assistive Tech/DME/PERS-Payments																	
Chore																	
Consumable Supplies																	
Financial Consultation																	
Congregate Meals																	
Home Delivered Meals																	
Homemaker																	
Personal Care																	
Residential Repair and Renovation																	
Transportation																	
Assisted Transportation																	
Direct Supplemental Service Payments																	
Other Supplemental Services																	
Incentive Program																	
TOTAL TITLE III & TITLE VII	266,772	138,630	99,206	19,104	143,227	2,247	16,115	0	0	158,176	109,778	70,975	26,005	67,671	10,814		

NAME OF AGENCY:

New River Valley Agency of Aging

SCHEDULE B - COSTS BY PROGRAM ACTIVITY

	FROM			TO			9/30/2024														
	COSTS TO FEDERAL III-B FUNDS	COSTS TO FEDERAL Expanding Public Health Workforce	VOLUNTARY CONTRIBUT.	COSTS TO OTHER NON-FED FUNDS	FEES	DMAS OMBUDSMAN	COSTS TO OTHER LOCAL FEDERAL FUNDING	COSTS TO NSIP FUNDS	COSTS TO G.F. OAA GENERAL FUNDS	COSTS TO G.F. COMM. BASED FUNDS	COSTS TO G.F. TRANSPORT FUNDS	COSTS TO G.F. HD MEALS FUNDS	COSTS TO G.F. SUPP NUTRITION FUNDS	COSTS TO G.F. CCEVP FUNDS	COSTS TO G.F. OMBUDS FUNDS	IN-KIND	TOTAL TITLE III & VII COSTS				
TITLE III (EXCEPT III-E) OLDER AMERICAN ACT FUNDS:																					
Adult Day Care																	0				
Checking																	0				
Chore																	0				
Homemaker	41,166				115				7,876	75,904							132,891				
Personal Care																	0				
Care Coordination Level 2																	0				
Service Coordination Level 1														54,302			54,302				
Care Transitions																	0				
S.O.S.																	0				
Comm. Referral Info. & Assist	125,939			24,024				21,719									192,192				
Options Counseling														9,349			9,349				
Transportation	20,382		191	1,338	16,671						31,343						79,775				
Assisted Transportation																	0				
Congregate Meals			82	15,640									13,998			44,280	236,188				
Home Delivered Meals			1,951	1,060				37,590	64,648			79,784	13,125				668,221				
Home Delivered Fee for Service					8,307							17,500					25,807				
Nutrition Counseling				115													115				
Nutrition Education				1,194													1,194				
Other "EB" Disease Prevention																	0				
CPSMIL																	0				
Falls Prevention																	19,104				
Health Education Screening																	0				
Assistive Tech/DME/PERS-Devices																	0				
Assistive Tech/DME/PERS-Payments																	0				
Consumable Supplies																	0				
Emergency Services																	0				
Employment																	0				
LTC Coordinating Activity	1,192			0													1,192				
Medication Management																	0				
Money Management																	0				
Outreach/Public Information & Education	1,507			155													1,662				
Residential Repair and Renovation																	0				
Socialization/Recreation																	0				
Volunteer Programs																	0				
Legal Assistance	7,860			371													8,231				
Elder Abuse Prevention				1,179													3,426				
LTC Ombudsman Program	16,911					2,834									10,494		57,168				
Incentive Program																	0				
COVID-19 Vaccine Activity Planning																	0				
Prep. and Admin.	51,815			18,000													69,815				
Public Health Workforce																	0				
TITLE III-E OLDER AMERICAN ACT FUNDS:																					
Individual Counseling																	0				
Support Groups																	0				
Caregiver Training																	0				
Care/Service Coordination Level 2																	0				
Comm. Referral Info. & Assist				11,431													80,324				
Outreach/Public Information/Education				3,494													6,168				
Respite Voucher																	0				
Adult Day Care (Out of Home)																	0				
Homemaker (In-Home)																	40,000				
Personal Care (In-Home)																	0				
Institutional Respite (Out of Home Overnight)																	0				
Other Respite Services					32												9,452				
Assistive Tech/DME/PERS-Devices																	0				
Assistive Tech/DME/PERS-Payments																	0				
Chore																	0				
Consumable Supplies																	0				
Financial Consultation																	0				
Congregate Meals																	0				
Home Delivered Meals																	0				
Homemaker									7,138								7,138				
Personal Care																	0				
Residential Repair and Renovation																	0				
Transportation				4,678													19,157				
Assisted Transportation																	0				
Direct Supplemental Service Payments																	0				
Other Supplemental Services																	0				
Incentive Program																	0				
Prep. and Admin.				20,166													27,927				
GRANDPARENTS & OLDER INDIVIDUALS WHO ARE RELATIVE																					
Individual Counseling																	0				
Support Groups																	0				
Caregiver Training																	0				
Care Coordination Level 2																	0				
Comm. Referral Info. & Assist																	0				
Outreach/Public Information/Education																	0				
Respite Voucher																	0				
Adult Day Care (Out of Home)																	0				
Homemaker (In-Home)																	0				
Personal Care (In-Home)																	0				
Institutional Respite (Out of Home Overnight)																	0				
Other Respite Services																	0				
Assistive Tech/DME/PERS-Devices																	0				
Assistive Tech/DME/PERS-Payments																	0				
Chore																	0				
Consumable Supplies																	0				
Financial Consultation																	0				
Congregate Meals																	0				
Home Delivered Meals																	0				
Homemaker																	0				
Personal Care																	0				
Residential Repair and Renovation																	0				
Transportation																	0				
Assisted Transportation																	0				
Direct Supplemental Service Payments																	0				
Other Supplemental Services																	0				
Incentive Program																	0				
TOTAL TITLE III & TITLE VII	266,772	0	2,224	102,845	25,125	2,834	0	37,590	101,381	75,904	31,343	97,284	27,123	63,651	10,494	44,280	1,750,798				

NAME OF AGENCY AUDITED

New River Valley Agency on Aging
SCHEDULE C - STATUS OF INVENTORIES
 YEAR ENDED SEPTEMBER 30, 2024

<u>Fund Source and Type of Inventory</u>	<u>Value on Hand 10/1/2023</u>	<u>Increase (Decrease) During Period</u>	<u>Value on Hand 9/30/2024</u>
Title III-B Older Americans Act	\$ 4,555	\$ (1,503)	\$ 3,052
Title III-C(1) Older Americans Act	7,865	(2,404)	5,461
Title III-C(2) Older Americans Act	1,539	(601)	938
Title III-D Older Americans Act	-	-	-
Title III-E Older Americans Act	2,388	(601)	1,787
Title VII Elder Abuse	-	-	-
Title VII Ombudsman	-	-	-
Other Funds -Local Funding	14,690	(4,508)	10,182
GF Home Delivered Nutrition	336	3,184	3,520
CCEVP	664	(664)	-
CARES ACT	21,226	(6,611)	14,615
ARP	44,147	12,455	56,602
Other Funds (Specify funds)	-	-	-
Other Funds (Specify funds)	-	-	-
Other Funds (Specify funds)	<u>-</u>	<u>-</u>	<u>-</u>
GRAND TOTAL	<u>\$ 97,410</u>	<u>\$ (1,253)</u>	<u>\$ 96,157</u>

Revised 09/26/24

New River Valley Senior Services - Component Unit
Schedule of Revenues and Expenditures - VDRPT Operating Grant September 30, 2024

Revenues:

Department of Rail and Public Transportation	\$ 366,108
Department of Rail and Public Transportation - State	211,380
Department of Rail and Public Transportation - New Freedom	<u>42,565</u>

Total received during year	<u>620,053</u>
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Expenditures:

Contract Expenditures	620,053
Local Match Expenditures	<u>154,726</u>
	<u>774,779</u>

Total costs to contract	<u><u>\$ 774,779</u></u>
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Compliance Section

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

To the Board of Directors
New River Valley Agency on Aging
Pulaski, Virginia 24301

We have audited, in accordance with the auditing standards generally accepted in the United States of America and 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 the discretely presented component unit of the New River Valley on Aging as of and for the year ended September 30, 2024, and the related statements, which collectively comprise New River Valley Agency on Aging's basic financial statements and have issued our report thereon dated January 13, 2025 of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 13, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered New River Valley Agency on Aging's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of New River Agency on Aging's internal control. Accordingly, we do not express an opinion on the effectiveness of New River Agency on Aging'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 we consider to be material weaknesses**. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether New River Valley Senior Services, Inc.'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 determination of financial statement amounts. 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 organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Olinger & Associates, PLLC

CERTIFIED PUBLIC ACCOUNTANTS

Bristol, Tennessee
January 13, 2025



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To Board of Directors
New River Valley Agency on Aging
Pulaski, Virginia 24301

Report on Compliance for Each Major Federal Program

We have audited New River Valley Agency on Aging's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have direct and material effect on each of New River Valley Agency on Aging's major federal programs for the year ended September 30, 2024. New River Valley Agency on Aging's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of New River Valley Agency on Aging's major federal programs based on our audit of the types of compliance requirements referred to above. 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 standard*, 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about New River Valley Agency on Aging's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of New River Valley Agency on Aging's compliance.

Opinion on Each of the Major Federal Programs

In our opinion, New River Valley Agency on Aging 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 other major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended September 30, 2024.

Report on Internal Control over Compliance

Management of New River Valley Agency on Aging is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered New River Valley Agency on Aging's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of New River Valley Agency on Aging's 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. **We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses.** However, material weaknesses may exist that have not been identified.

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.

Olinger & Associates, PLLC
CERTIFIED PUBLIC ACCOUNTANTS

Bristol, Tennessee
January 13, 2025

New River Valley Agency on Aging
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended September 30, 2024

<u>Federal Grantor / Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>US. Department of Health and Human Services</u>			
<u>Department for the Aging:</u>			
Cluster Programs:			
Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	Unknown	\$ 266,772
Title III, Part B - Grants for Supportive Serv & Senior Centers - ARP	93.044	Unknown	158,176
Title III, Part C - Nutrition Services	93.045	Unknown	237,836
Title III, Part C - Nutrition Services ARP	93.045	Unknown	180,753
Food Nutrition Services (NSIP)	93.053	Unknown	37,590
			<u>881,127</u>
Title IIID Disease Prevention and Health Promotion Services	93.043	Unknown	19,104
Title IIID Disease Prevention and Health Promotion Services - ARP	93.043	Unknown	26,005
Title IIIE National Family Caregiver Support	93.052	Unknown	143,227
Title IIIE National Family Caregiver Support - ARP	93.052	Unknown	67,671
Title VII Programs for Prevention of Elder Abuse, Neglect & Exploitation	93.042	Unknown	2,241
Title VII Long Term Care Ombudsman Services for Older Individuals	93.778	Unknown	16,115
Title VII Long Term Care Ombudsman Services for Older Individuals - ARP	93.778	Unknown	10,814
Total Department of Health and Human Services			<u>1,166,304</u>
<u>US. Department of Rail and Transportation:</u>			
Direct Payments			
Federal Transit Formula Grants	20.507	Unknown	366,108
New Freedom Program	20.521	Unknown	42,565
			<u>408,673</u>
Total Expenditures of Federal Awards			<u>\$ 1,574,977</u>

Basis of Accounting

This schedule of expenditures of federal awards (the Schedule includes the federal award activity of New River Valley on Aging under programs of the federal government for the year ended September 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirement, Cost Principles, and Audit requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of NRVAOA, it is not intended to and does not present the financial position, changes in net assets, or cash flows of New River Valley Agency on Aging.

Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the *Uniform Guidance and OMB Circular A-122, Cost Principles for Non-Profit Organization* wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Indirect Cost Rate

New River Valley on Aging has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

New River Valley Agency on Aging
Schedule of Findings and Questioned Cost
Year Ended September 30, 2024

Section 1 - Summary of Auditors' Reports

Financial Statement

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency (ies)?	No
Noncompliance material to financial statements noted	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency (ies)?	No
Type of auditors' report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with CFR section 200.516(a)?	No

Identification of major programs:

CAFA #	Name of Federal Program or Cluster
93.044; 93.045; 93.053	Aging Cluster

Dollar threshold used to distinguish between Type A and Type B Programs	\$ 750,000
Auditee qualified as low-risk auditee?	No
Section II - Financial Statement Findings	No
Section III- Federal Award Findings and Questioned Cost	No
Prior Year Findings	None