



**COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE AT THE  
CONCLUSION OF THE AUDIT**

To the Emporia City Council  
Emporia, Virginia

This communication is to inform the City Council and those charged with governance on the issuance of Restated Financial Statements for the City of Emporia for the year ended June 30, 2023. All previous issued copies of the audit report dated January 10, 2025 should not be relied upon by the city or others who may have used or need to use the audit report and the Annual Comprehensive Financial Report for the year ended June 30, 2023.

We have audited the financial statements of Emporia, Virginia for the year ended June 30, 2023, and have issued our report thereon dated August 31, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. Auditing and Accounting Standards also require that we communicate to you the following information related to our restated audit.

Significant Audit Findings

*Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Emporia, Virginia, are described in Note 1-E-15 to the financial statements. New accounting policies were adopted during 2023 to comply with the new pronouncements, accounting standards update *GASB Statement No.96, Subscription Based Information Technology Arrangements*, which establishes standards of accounting and financial reporting for government end users. We noted no transactions entered into by Emporia, Virginia during the year for which there is 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 for those expected. However, we do not believe any estimate to be particularly more sensitive than others for the year ended June 30, 2023.

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

- Bond Payable, Note (10) to the financial statements
- The Pension Plan and other OPEB Assets, Obligations, Inflows and Outflows impacting net Position Note (17)

### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing the Audit. During our review and conclusion of the prior issued report, we determined that the results of operations of the W&S fund were aggregated erroneously. Our restated financial statements have adjusted these prior errors. We draw your attention to Note 1-G in the Annual Comprehensive Financial Report, where we have reviewed and concurred with the restatement methodology and results. The net results for the Water and Sewer fund has been restated and corrected. Additionally, we have updated and corrected any changes that the correction has on the annual aggregation and presentation of the two-year comparison in the Annual Comprehensive Financial Report.

All previously issued reports should be immediately recalled and the accompanying Restated ACFR should be placed on the Emporia Webb site and tendered to the Auditor of Public Accountants. The restated report is dated January 10, 2025, and August 31, 2025. Any subsequent report (audit or ACFR) issued for 2023 should have both dates on them, and the report should indicate “Restated” on most significant sections of the restated report.

### *Corrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We have provided management with all journal entries required to correct all financial statement adjustments. In addition, the misstatements detected as a result of audit procedures and corrected by management were substantial either individually or in the aggregate, to the financial statements taken as a whole, and were communicated to you in the course of our audit procedures. However, the adjustments were not provided to management until completion of the audit. The adjustments in the previously issued documents are accurate and do not need to be changed.

### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors’ report. 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 January 10, 2025. We did not update the prior management representation letter.

### *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 the application of an accounting principle to the Emporia, Virginia financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there was no such consultations with other accountants.

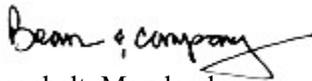
*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Emporia, Virginia 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*

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, 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.

This information is intended solely for the use of those charged with governance; the City Council and the management of Emporia, Virginia, and the Auditor of Public Accounts and is not intended to be and should not be used by anyone other than these specified parties.



Greenbelt, Maryland

January 25, 2025

August 31, 2025, Restated