City of Emporia, Virginia

Report to the Honorable Members of the City Council

June 30, 2024

BROWN EDWARDS
certified public accountants

City of Emporia, Virginia

Contents

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BROWNEDWARDS
certified public accountants

Required Communication with Those Charged with Governance

To the Honorable Members of the City Council of
City of Emporia, Virginia
Emporia, Virginia

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Emporia, Virginia collectively hereafter referred to as the "City" for the year ended June 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and Government Auditing Standards and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 22, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during 2024. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the City's financial statements were:

- The liability for post-employment benefits other than pensions is based on an actuarial study provided by the City's external actuarial firm and an actuarial firm hired by the Virginia Retirement System.
- Management's assumptions used in the calculation of leases which are based on an estimated discount rate and currently known facts and circumstances used in determining total lease terms.
- Management's assumptions used in the calculation of subscription-based information technology assets and liabilities which are based on an estimated discount rate and currently known facts and circumstances used in determining total subscription-based information technology agreement terms.
- The liability for pensions is based on an actuarial study performed by an actuary engaged by the Virginia Retirement System

- The useful lives of capital assets are based on management's knowledge and judgement, which is based on historical usage and related lives.

We have evaluated the methods, assumptions, and data used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no disclosures during the year that were considered to be more sensitive than others.

The disclosures in the financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit. However, we encountered significant audit delays as we worked with management through account reconciliation processes and corrections of prior year errors.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule in Appendix C summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even though, in our judgment, such uncorrected misstatements are immaterial to the financial statements under audit. Material misstatements detected as a result of audit procedures and corrected by management are described in Appendix B.

Disagreements with Management

For purposes of this letter, a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included the management representation letter included in Appendix A.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City of Emporia, Virginia's 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 were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City of Emporia, Virginia's auditors. However, these discussions occurred in the normal course of our professional relationship, and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the required supplementary information (RSI) as listed in the table of contents that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the information and use of the City Council and management of the City of Emporia, Virginia and is not intended to be and should not be used by anyone other than these specified parties.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Newport News, Virginia
March 30, 2026

BROWN EDWARDS
certified public accountants

Independent Auditor's Report on Comments and Suggestions

To the Honorable Members of the City Council of
City of Emporia, Virginia
Emporia, Virginia

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, and the major funds of the City of Emporia, Virginia (the "City") as of and for the year ended June 30, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered its internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in circumstances for the purpose of expressing our opinions on the financial statements and to comply with any other applicable standards, such as *Government Auditing Standards*, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls.

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.

If material weaknesses or significant deficiencies were identified during our procedures they are appropriately designated as such in this report. Additional information on material weaknesses or significant deficiencies and compliance and other matters is included in the ***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*** which should be read in conjunction with this report.

Additionally, during our audit, we may have become aware of certain other matters that provide opportunities for improving your financial reporting system and/or operating efficiency. Such comments and suggestions regarding these matters, if any, are also included in the attached report, but are not designated as a material weakness or significant deficiency. Since our audit is not designed to include a detailed review of all systems and procedures, these comments should not be considered as being all-inclusive of areas where improvements might be achieved. We also have included information on accounting and other matters that we believe is important enough to merit consideration by management and those charged with governance. It is our hope that our suggestions will be taken in the constructive light in which they are offered.

We have already discussed these comments and suggestions with management, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

This communication is intended solely for the information and use of the City of Emporia, Virginia, management, and the appropriate state and federal regulatory agencies and is not intended to be, and should not be, used by anyone other than these specified parties.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Newport News, Virginia
March 30, 2026

City of Emporia, Virginia

Comments on Internal Control for Your Consideration

June 30, 2024

Budget Process

During our testing of budget to actual variances, we noted cases where amounts were budgeted with no actual activity. We also noted cases where there was actual activity, but the activity was not budgeted. We recommend revisiting the annual budget development process to consider and reduce these inconsistencies. We also recommend the City develop a budget amendment process whereby the budget is updated throughout the year for (1) originally unbudgeted needs that arise or (2) it becomes apparent that significant budgeted activity will not materialize.

Capital Asset Software

During our testing of depreciation of capital assets, we noted errors within the City's capital asset software which is used to track capital asset activity and related depreciation. These errors resulted in misstated financial statement amounts. We understand based on our discussions with management that the City is evaluating new software options which would be utilized for capital asset tracking. Until the new software is chose and implemented, we recommend the City implement review processes and procedures to ensure the depreciation calculations are correct in the current software.

Procurement Policy

During our testing of procurement compliance, we noted that aside from a small purchase policy the City does not have a procurement policy in place. We recommend that the City maintain and use a procurement policy for all purchases consistent with state and local laws and regulations.

New GASB Pronouncements

In this section, we would like to make you aware of certain confirmed and potential changes that are on the horizon that may affect your financial reporting and audit.

The GASB issued **Statement No. 101, *Compensated Absences*** in June 2022. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement requires that liabilities for compensated absences be recognized for: (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

This Statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used.

This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.

With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources.

The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

The GASB issued **Statement No. 102, *Certain Risk Disclosures*** in December 2023. State and local governments face a variety of risks that could negatively affect the level of service they provide or their ability to meet obligations as they come due. Although governments are required to disclose information about their exposure to some of those risks, essential information about other risks that are prevalent among state and local governments is not routinely disclosed because it is not explicitly required. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints.

This Statement defines a concentration as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending.

This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

If a government determines that those criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. The disclosure should include descriptions of the following:

- The concentration or constraint.
- Each event associated with the concentration or constraint that could cause a substantial impact if the event had occurred or had begun to occur prior to the issuance of the financial statements.
- Actions taken by the government prior to the issuance of the financial statements to mitigate the risk.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Earlier application is encouraged.

The GASB issued **Statement No. 103, *Financial Reporting Model Improvements*** in April 2024. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues.

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

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

Presentation of the Proprietary Fund Statement of Revenues, Expenses, and Changes in Fund Net Position: This Statement requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses. Operating revenues and expenses are defined as revenues and expenses other than nonoperating revenues and expenses. Nonoperating revenues and expenses are defined as (1) subsidies received and provided, (2) contributions to permanent and term endowments, (3) revenues and expenses related to financing, (4) resources from the disposal of capital assets and inventory, and (5) investment income and expenses.

In addition to the subtotals currently required in a proprietary fund statement of revenues, expenses, and changes in fund net position, this Statement requires that a subtotal for operating income (loss) and noncapital subsidies be presented before reporting other nonoperating revenues and expenses. Subsidies are defined as (1) resources received from another party or fund (a) for which the proprietary fund does not provide goods and services to the other party or fund and (b) that directly or indirectly keep the proprietary fund's current or future fees and charges lower than they would be otherwise, (2) resources provided to another party or fund (a) for which the other party or fund does not provide goods and services to the proprietary fund and (b) that are recoverable through the proprietary fund's current or future pricing policies, and (3) all other transfers. Major Component Unit Information: This Statement requires governments to present each major component unit separately in the reporting entity's statement of net position and statement of activities if it does not reduce the readability of the statements. If the readability of those statements would be reduced, combining statements of major component units should be presented after the fund financial statements. Budgetary Comparison Information: This Statement requires governments to present budgetary comparison information using a single method of communication—RSI. Governments also are required to present (1) variances between original and final budget amounts and (2) variances between final budget and actual amounts. An explanation of significant variances is required to be presented in notes to RSI.

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

Current GASB Projects

GASB currently has a variety of projects in process. Some of these projects are discussed below.

Classification of Nonfinancial Assets. The objective of this project would be to reconsider the existing classification of nonfinancial assets and other related sub-classifications (for example, capital assets or intangible assets) to ensure that (1) assets are classified in a way that provides the most relevant financial information and (2) the definitions of the classifications are understandable and appropriate to meeting financial reporting objectives. The project also will consider how any classification changes would affect financial statement presentation and disclosure of nonfinancial assets. The project will not, however, reexamine recognition or measurement of nonfinancial assets. This project is currently in exposure draft re-deliberations period.

Going Concern Uncertainties and Severe Financial Stress. The objective of this project is to address issues related to disclosures regarding going concern uncertainties and severe financial stress. The project will consider (1) improvements to existing guidance for going concern considerations to address diversity in practice and clarify the circumstances under which disclosure is appropriate, (2) developing a definition of severe financial stress and criteria for identifying when governments should disclose their exposure to severe financial stress, and (3) what information about a government's exposure to severe financial stress is necessary to disclose. This project is currently in the initial deliberations period.

Implementation Guidance Update - 2025. The objective of this project is to update implementation guidance for additional issues that come to the attention of the staff. This project will result in the issuance of an Implementation Guide when sufficient need exists for new or improved guidance, and the Board does not object to its issuance. All updates are incorporated into the Codification of Governmental Accounting and Financial Reporting Standards and the Comprehensive Implementation Guide, as appropriate. This project is currently in the initial proposals period.

Infrastructure Assets. The objective of this project is to address issues related to accounting and financial reporting for infrastructure assets. The project would evaluate standards-setting options related to reporting infrastructure assets to make information (1) more comparable across governments and more consistent over time, (2) more useful for making decisions and assessing government accountability, (3) more relevant to assessments of a government's economic condition, and (4) better reflect the capacity of those assets to provide service and how that capacity may change over time. This project is currently in the initial deliberations period.

Revenue and Expense Recognition. The objective of this project is to develop a comprehensive application model for the classification, recognition, and measurement of revenues and expenses. The purpose for developing a comprehensive model is (1) to improve the information regarding revenues and expenses that users need to make decisions and assess accountability, (2) to provide guidance regarding exchange and exchange-like transactions that have not been specifically addressed, (3) to evaluate revenue and expense recognition in the context of the conceptual framework, and (4) to address application issues identified in practice, based upon the results of the pre-agenda research on revenue for exchange and exchange-like transactions. This project is currently in the preliminary views re-deliberations period.

Subsequent Events. The objective of this project is to improve the accounting and financial reporting for subsequent events. The project will reexamine existing requirements related to subsequent events in Statement No. 56, *Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards*, to address issues related to (1) confusion about and challenges associated with applying the existing standards, (2) inconsistency in practice in the information provided about subsequent events, and (3) the usefulness of the information provided about subsequent events. This project is currently in the initial deliberations period toward an Exposure Draft.

Appendix A

Management Representation Letter

CITY OF EMPORIA

March 30, 2026

Brown, Edwards & Company, L.L.P.
Fountain Plaza One
701 Town Center Dr., Suite 700
Newport News, VA 23606

This representation letter is provided in connection with your audit of the financial statements of City of Emporia, Virginia, which comprise the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information as of June 30, 2024 , and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during your audit.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated March 27, 2025, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
2. The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
3. We acknowledge our responsibility 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.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
6. Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.

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Visit Our Website at: www.ci.emporia.va.us

7. Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements or in the schedule of findings and questioned costs.
8. The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole for each opinion unit. A list of the uncorrected misstatements is attached to the representation letter. Also, there are no omitted disclosures. In addition, you have proposed adjusting journal entries that have been posted to the entity's accounts. We are in agreement with those adjustments.
9. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
10. Guarantees, whether written or oral, under which the entity is contingently liable, if any, have been properly recorded or disclosed.
11. We have provided the planning communication letter to all members of those charged with governance as requested.

Information Provided

12. We have provided you with:
    a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
    b) Additional information that you have requested from us for the purpose of the audit.
    c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
    d) Minutes of the meetings or summaries of actions of recent meetings for which minutes have not yet been prepared.
13. All material transactions have been recorded in the accounting records and are reflected in the financial statements and the schedule of expenditures of federal awards.
14. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
15. We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
    - Management,
    - Employees who have significant roles in internal control,
    - Service organizations used by the entity, or
    - Others where the fraud could have a material effect on the financial statements.
16. We have no knowledge of any allegations of fraud or suspected fraud affecting the entity's financial statements communicated by employees, former employees, regulators, or others.
17. We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing financial statements.
18. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
19. We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

Government—specific

20. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

21. We have taken timely and appropriate steps to remedy fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that you have reported to us, as applicable.

22. We have a process to track the status of audit findings and recommendations, a applicable.

23. We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.

24. We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report, if any.

25. The entity has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.

26. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and legal and contractual provisions for reporting specific activities in separate funds.

27. We have appropriately identified, recorded, and disclosed all leases in accordance with GASBS No. 87

28. We have appropriately identified, recorded, and disclosed subscription-based information technology arrangements in accordance with GASBS No. 96.

29. We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.

30. We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.

31. We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.

32. There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.

33. As part of your audit, you assisted with preparation of the financial statements and related notes as well as certain non-audit journal entries, including but not limited to those related to GASB 87 (Leases), GASB 96 (Subscription-based information technology agreements), the schedule of expenditures of federal awards, the comparative report transmittal form, and the data collection form. We acknowledge our responsibility as it relates to those non-audit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; accept responsibility for the results of the services; and ensured that the entity's data and records are complete and received sufficient information to oversee the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes and schedule of expenditures of federal awards and the other non-audit services provided by you.

34. The entity has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

35. The entity has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
36. The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
37. The financial statements properly classify all funds and activities, in accordance with GASB Statement No. 34, as amended, and GASB Statement No. 84, as amended.
38. All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
39. Components of net position (net investment in capital assets; restricted; and unrestricted), and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
40. Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
41. Provisions for uncollectible receivables have been properly identified and recorded.
42. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
43. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
44. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
45. Special and extraordinary items are appropriately classified and reported, if applicable.
46. Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
47. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.
48. Capital assets have been evaluated for impairment as a result of significant and unexpected decline in service utility. Impairment loss and insurance recoveries have been properly recorded.
49. We believe that the actuarial assumptions and methods used to measure pension and OPEB liabilities and costs for financial accounting purposes are appropriate in the circumstances.
50. We have not completed the process of evaluating the impact that will result from adopting new Governmental Accounting Standards Board Statements (GASBS) that are not yet effective, as discussed in the notes to financial statements. The entity is therefore unable to disclose the impact that adopting these Statements will have on its financial position and the results of its operations when the Statements are adopted.
51. We agree with the findings of specialists in evaluating the landfill liability estimate for closure, post-closure costs, the actuaries in determining pension and other post-employment benefits liabilities and disclosures, and the third party administrators in determining the incurred but not reported liabilities, and have adequately considered the qualifications of the specialist in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the specialists.
52. We have appropriately disclosed the entity's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.

53. We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.

54. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

55. With respect to the supplementary information on which an in-relation-to opinion is issued.

    a. We acknowledge our responsibility for presenting the supplementary information in accordance with accounting principles generally accepted in the United States of America, and we believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

    b. If the supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

56. With respect to federal award programs:

    a. We are responsible for understanding and complying with and have complied with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), including requirements relating to preparation of the schedule of expenditures of federal awards.

    b. We acknowledge our responsibility for preparing and presenting the schedule of expenditures of federal awards (SEFA) and related disclosures in accordance with the requirements of the Uniform Guidance, and we believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance. The methods of measurement or presentation of the SEFA have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the SEFA.

    c. If the SEFA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the SEFA no later than the date we issue the SEFA and the auditor's report thereon.

    d. We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance compliance audit, and have included in the SEFA expenditures made during the audit period for all awards provided by federal agencies in the form of federal awards, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.

    e. We are responsible for understanding and complying with, and have complied with, the requirements of federal statutes, regulations, and the terms and conditions of federal awards related to each of our federal programs and have identified and disclosed to you the requirements of federal statutes, regulations, and the terms and conditions of federal awards that are considered to have a direct and material effect on each major program.

    f. We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance for federal programs that provides reasonable assurance that we are managing our federal awards in compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a material effect on our federal programs. We believe the internal control system is adequate and is functioning as intended.

g. We have made available to you all federal awards (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relevant to federal programs and related activities.

h. We have received no requests from a federal agency to audit one or more specific programs as a major program.

i. We have complied with the direct and material compliance requirements (except for noncompliance disclosed to you), including when applicable, those set forth in the *OMB Compliance Supplement*, relating to federal awards and have identified and disclosed to you all amounts questioned and all known noncompliance with the direct and material compliance requirements of federal awards.

j. We have disclosed any communications from federal awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.

k. We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.

l. Amounts claimed or used for matching were determined in accordance with relevant guidelines in OMB's Uniform Guidance (2 CFR part 200, subpart E).

m. We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.

n. We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.

o. We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.

p. There are no such known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditor's report.

q. No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies or material weaknesses in internal control over compliance, subsequent to the period covered by the auditor's report.

r. Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.

s. The copies of federal program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.

t. We have monitored subrecipients, as necessary, to determine that they have expended subawards in compliance with federal statutes, regulations, and the terms and conditions of the subaward and have met the requirements of the Uniform Guidance, if applicable.

u. We have issued management decisions for audit findings that relate to federal awards made to subrecipients and such management decisions have been issued within six months of acceptance of the audit report by the Federal Audit Clearinghouse. Additionally, we have followed-up ensuring that the subrecipient has taken timely and appropriate action on all deficiencies detected through audits, on-site reviews, and other means that pertain to the federal award provided to the subrecipient., if applicable.

v. We have considered the results of subrecipient audits and have made any necessary adjustments to our books and records, if applicable.

w. We have charged costs to federal awards in accordance with applicable cost principles.

x. We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.

y. We are responsible for and have ensured the reporting package does not contain protected personally identifiable information.

z. We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by the Uniform Guidance.

aa. We are responsible for taking corrective action on each audit finding of the compliance audit and have developed a corrective action plan that meets the requirements of the Uniform Guidance.

bb. We have disclosed to you all contracts or other agreements with service organizations, and we have disclosed to you all communications from the service organizations relating to noncompliance at the service organizations, if applicable.

57. We reaffirm the representations made to our predecessor auditors in our letter dated January 10, 2025, with respect to the financial statements as of and for the year ended June 30, 2023.

Signature: William [signature]

William Johnson, City Manager

Signature: Alicia M. Hargrove

Alicia Hargrove, Finance Director

Appendix B

Adjusting Journal Entries

Client: *1600336.500 - City of Emporia, Virginia*
Engagement: *AUD 24 - City of Emporia, Virginia*
Period Ending: *6/30/2024*
Trial Balance: *3001.1 - Governmental TBD*
Workpaper: *3702 - City Adjusting Journal Entries*
Fund Level: *All*
Index: *All*

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1		**PBC**		
To reverse PY activity - Mr. Brown Entry				
3-100-012010-0001	Sales & Use		395,273.00	
3-100-012160-0001	Communications Sales and Use Tax		29,911.00	
3-100-022010-0008	Inter Gov Grants COV		193,449.00	
3-100-022010-0009	PPTRA Reimbursement		157,488.00	
3-100-023020-0001	Sheriff		13,399.00	
3-100-023030-0001	COR		7,779.00	
3-100-023040-0001	Treasurer		5,731.00	
3-100-024010-0011	E911 - Wireless Board		8,679.00	
3-100-024100-0001	Education (State Sales Tax)		198,390.00	
0-100-000150-1193	Accounts Receivable - Comm of VA			1,010,099.00
Total			**1,010,099.00**	**1,010,099.00**
Adjusting Journal Entries JE # 2		**PBC**		
Accrued Revenue - State FY24				
0-100-000150-1193	Accounts Receivable - Comm of VA		406,346.00	
0-100-000150-1193	Accounts Receivable - Comm of VA		27,371.00	
0-100-000150-1193	Accounts Receivable - Comm of VA		102.00	
0-100-000150-1193	Accounts Receivable - Comm of VA		12,810.00	
0-100-000150-1193	Accounts Receivable - Comm of VA		145,728.00	
0-100-000150-1193	Accounts Receivable - Comm of VA		4,627.00	
0-100-000150-1193	Accounts Receivable - Comm of VA		21,837.00	
0-100-000150-1193	Accounts Receivable - Comm of VA		8,327.00	
0-100-000150-1193	Accounts Receivable - Comm of VA		7,591.00	
0-100-000150-1193	Accounts Receivable - Comm of VA		8,881.00	
0-100-000150-1193	Accounts Receivable - Comm of VA		2,841.00	
0-100-000150-1193	Accounts Receivable - Comm of VA		1,071.00	
0-100-000150-1193	Accounts Receivable - Comm of VA		212,069.00	
0-100-000150-1193	Accounts Receivable - Comm of VA		7,972.00	
0-100-000150-1193	Accounts Receivable - Comm of VA		8,846.00	
3-100-012010-0001	Sales & Use			406,346.00
3-100-012160-0001	Communications Sales and Use Tax			27,371.00
3-100-022010-0006	State Recordation Taxes			102.00
3-100-022010-0007	Railroad Rolling Stock Taxes			12,810.00
3-100-022010-0009	PPTRA Reimbursement			145,728.00
3-100-022010-0010	Auto Rental Taxes			4,627.00
3-100-023020-0001	Sheriff			21,837.00
3-100-023030-0001	COR			8,327.00
3-100-023040-0001	Treasurer			7,591.00
3-100-024010-0011	E911 - Wireless Board			8,881.00
3-100-024010-0022	DSS ARPA			7,972.00
3-100-024060-0008	Family Violence Prevention Program			2,841.00
3-100-024060-0009	VDSS Child Advocacy Services-State			1,071.00
3-100-024060-0009	VDSS Child Advocacy Services-State			8,846.00
3-100-024100-0001	Education (State Sales Tax)			212,069.00
Total			**876,419.00**	**876,419.00**
Adjusting Journal Entries JE # 3		**PBC**		
Accrued Revenue - Federal Government for FY 24				
0-100-000150-1199	Accounts Receivable - Federal Government		23,022.00	
0-100-000150-1199	Accounts Receivable - Federal Government		52,649.00	
0-100-000150-1199	Accounts Receivable - Federal Government		5,406.00	
0-100-000150-1199	Accounts Receivable - Federal Government		1,221.00	
0-100-000150-1199	Accounts Receivable - Federal Government		850.00	
0-100-000150-1199	Accounts Receivable - Federal Government		4,585.00	
0-100-000150-1199	Accounts Receivable - Federal Government		1,823.00	
0-100-000150-1199	Accounts Receivable - Federal Government		145,263.00	
0-100-000150-1199	Accounts Receivable - Federal Government		7,972.00	
0-100-000150-1199	Accounts Receivable - Federal Government		5,755.00	
0-100-000150-1199	Accounts Receivable - Federal Government		31,735.00	
3-100-024010-0005	DCJS Sexual Assault Grant - Federal			52,649.00
3-100-024010-0009	CANP Grant			1,823.00
3-100-024010-0017	VDSS Child Advocacy Services - Fed.			145,263.00
3-100-024010-0020	DCJS ARPA FUNDS			4,585.00
3-100-024010-0021	CAC ARPA FUNDS			1,221.00
3-100-024010-0022	DSS ARPA			7,972.00
3-100-024010-0023	DCJS SASP #22			5,406.00
3-100-024010-0025	LOLE BLOCK GRANT			5,755.00
3-100-024060-0008	Family Violence Prevention Program			31,735.00
3-100-024070-0006	Victim/Witness Grant - Federal			23,022.00
3-100-033010-0017	DCJS ARPA EQUIP AND TECH GRANT			850.00
Total			**280,281.00**	**280,281.00**

Client: *1600336.500 - City of Emporia, Virginia*
Engagement: *AUD 24 - City of Emporia, Virginia*
Period Ending: *6/30/2024*
Trial Balance: *3001.1 - Governmental TBD*
Workpaper: *3702 - City Adjusting Journal Entries*
Fund Level: *All*
Index: *All*

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 6		**4235**		
To true up tax receivables				
0-100-000150-1200	All Taxes Receivable		2,354,626.00	
3-100-012050-0001	Decals		9,090.00	
0-100-000300-0100	Fund Balance			2,296,363.00
3-100-011010-0001	Current Taxes			16,855.00
3-100-011030-0001	Current Taxes			50,498.00
Total			**2,363,716.00**	**2,363,716.00**
Adjusting Journal Entries JE # 7		**4610**		
To move fixed assets from expenses to PP&E account.				
0-502-000170-0001	Furniture, Equipment, and Vehicles		141,634.00	
0-502-000170-1620	Water & Sewer System		924,599.00	
0-502-000170-new05	Construction in Progress		746,571.00	
4-502-041620-6031	Hydrant Replacement			10,410.00
4-502-041630-6007	Repair & Maintenance Supplies			8,925.00
4-502-041630-8203	WATER BASIN REHAB PROJECT			287,022.00
4-502-041640-8101	Machinery & Equipment			106,683.00
4-502-041640-8211	Sanitary Sewer Evaluation			225,000.00
4-502-041650-3310	Repairs & Maintenance			34,950.00
4-502-041650-8101	Machinery & Equipment			37,588.00
4-502-094100-8135	Water Line Engineering N Main Wigg			111,118.00
4-502-094100-8144	West Atlantic St. Water/Sewer Const			726,611.00
4-502-094100-8145	Lead & Copper Inventory			185,500.00
4-502-094100-8146	Adams Sewer Line Replacement			39,757.00
4-502-094100-8147	Laurel Sewer Line Replacement			39,240.00
Total			**1,812,804.00**	**1,812,804.00**
Adjusting Journal Entries JE # 9		**5210**		
To record compensated absences balances and restate net position in current year.				
0-502-000300-0100	Fund Balance		35,156.00	
0-502-000200-1730	Accrued Vacation Leave Payable			11,290.00
0-502-000200-1731	Accrued Sick Leave Payable			13,657.00
4-502-041610-1111	Salaries & Wages - Regular			10,209.00
Total			**35,156.00**	**35,156.00**
Adjusting Journal Entries JE # 11		**4610**		
Journal entry to correct balances for proprietary capital assets.				
0-502-000170-1621	Accumulated Deprec. - Water & Sewer		1,349,332.00	
0-502-000170-new05	Construction in Progress		150,801.00	
0-502-000170-new06	Land & Land Improvements		103,471.00	
0-502-000300-0100	Fund Balance		5,909,619.00	
4-502-041610-8110	Depreciation		1,509,911.00	
0-502-000170-0001	Furniture, Equipment, and Vehicles			1,164,716.00
0-502-000170-0002	Accumulated Deprec. - Furniture, Equipment, and Vehicles			77,653.00
0-502-000170-0002	Accumulated Deprec. - Furniture, Equipment, and Vehicles			289,072.00
0-502-000170-1620	Water & Sewer System			6,059,435.00
0-502-000170-1621	Accumulated Deprec. - Water & Sewer			1,432,258.00
Total			**9,023,134.00**	**9,023,134.00**
Adjusting Journal Entries JE # 14		**5703.1**		
Entry to true up pension balances to reflect CY and PY activity.				
0-502-000195-1900	Deferred Outflow - Pension Contrib.		139,295.00	
0-502-000200-2430	Deferred Inflow Pension		130,433.00	
0-502-000200-2431	Net Pension Liability			113,086.00
0-502-000300-0100	Fund Balance			112,599.00
4-502-041610-2210	VRS Retirement			44,043.00
Total			**269,728.00**	**269,728.00**
Adjusting Journal Entries JE # 17		**5801**		
Entry to record OPEB/GLI activity and balances in CY for utilities fund.				
0-502-000200-2432	Deferred Inflows VRS OPEB Group Lif		3,470.00	
0-502-000200-2433	OPEB VRS Group Life Liability		1,632.00	
0-502-000200-2436	OPEB Liability - Retiree HI		11,388.00	
4-502-416300-3140	OPEB Retiree Health Ins. Expense		6,675.00	
0-502-000195-1905	Deferred Outflows VRS OPEB Group Li			80.00
0-502-000195-1910	Deferred Outflows - OPEB Retiree HI			8,752.00
0-502-000200-2435	Deferred Inflows OPEB Retiree HI			9,311.00
4-502-095000-9900	VRS OPEB Group Life Expense			5,022.00
Total			**23,165.00**	**23,165.00**

Client:	***1600336.500 - City of Emporia, Virginia***
Engagement:	***AUD 24 - City of Emporia, Virginia***
Period Ending:	***6/30/2024***
Trial Balance:	***3001.1 - Governmental TBD***
Workpaper:	***3702 - City Adjusting Journal Entries***
Fund Level:	***All***
Index:	***All***

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 18		**3510**		
To restate beginning balances in the Redevelopment and Housing Fund.				
0-701-000102-0010	Redev. & Housing - Checking Account		7,052.00	
0-701-000102-0014	Redev. & Housing - CNBB Account		5,740.00	
0-701-000170-1600	Investment in Bank Building		255,066.00	
0-701-000102-0012	Redev. & Housing - CIG Program Inc.			762.00
0-701-000102-0013	Redev. & Housing - IPR Program Inc.			1,537.00
0-701-000300-0100	Fund Balance			265,559.00
Total			**267,858.00**	**267,858.00**
Adjusting Journal Entries JE # 19		**7130**		
Adjustment to PBC entry #1 based on work done with cardinal report and 2023 cardinal accrual report.				
3-100-024010-0005	DCJS Sexual Assault Grant - Federal		159,269.00	
3-100-024010-0020	DCJS ARPA FUNDS		18,423.00	
3-100-024010-0021	CAC ARPA FUNDS		11,166.00	
3-100-024010-0023	DCJS SASP #22		4,591.00	
3-100-022010-0008	Inter Gov Grants COV			193,449.00
Total			**193,449.00**	**193,449.00**
Adjusting Journal Entries JE # 20		**PBC**		
Entry to correct Cardinal EDIs.				
0-100-000102-0001	General Fund Checking Account		57,667.00	
0-100-000102-0001	General Fund Checking Account		4,171.00	
0-100-000102-0001	General Fund Checking Account		4,591.00	
0-100-000102-0001	General Fund Checking Account		10,273.00	
4-100-031100-8103	Communications Equipment		11,168.00	
4-100-031100-8103	Communications Equipment		28,944.00	
3-100-023060-0001	Registrar/Electoral Board			57,667.00
3-100-023060-0001	Registrar/Electoral Board			4,171.00
3-100-024010-0023	DCJS SASP #22			4,591.00
3-100-024020-0007	Wireless 911			10,273.00
3-100-024020-0007	Wireless 911			11,168.00
3-100-024020-0007	Wireless 911			28,944.00
Total			**116,814.00**	**116,814.00**
Adjusting Journal Entries JE # 21		**5103**		
To adjust accounts payable balance based on accruals.				
0-100-000102-0001	General Fund Checking Account		560,261.00	
0-502-000102-0002	Utility Fund Checking Account		48,538.00	
0-100-000200-0327	Accounts Payable			150,882.00
0-100-000200-0327	Accounts Payable			409,379.00
0-502-000200-0330	Accounts Payable			48,538.00
Total			**608,799.00**	**608,799.00**
Adjusting Journal Entries JE # 22		**4255**		
To reverse PY unbilled utility receivables.				
3-502-015010-0001	Water Sales		233,663.00	
3-502-015010-0002	Sewer Sales		161,961.00	
0-502-000150-0001	Water & Sewer Receivables			395,624.00
Total			**395,624.00**	**395,624.00**
Adjusting Journal Entries JE # 23		**4255**		
To record CY unbilled utility receivables.				
0-502-000150-0001	Water & Sewer Receivables		396,521.00	
3-502-015010-0001	Water Sales			237,018.00
3-502-015010-0002	Sewer Sales			159,503.00
Total			**396,521.00**	**396,521.00**
Adjusting Journal Entries JE # 25		**7130**		
To record receivable and revenue for sheriff cardinal amounts that were not received until after year end and not picked up by City,				
0-100-000150-1193	Accounts Receivable - Comm of VA		19,404.00	
3-100-023020-0001	Sheriff			19,404.00
Total			**19,404.00**	**19,404.00**
Adjusting Journal Entries JE # 26		**4130**		
To true up CD balances.				
0-100-000160-1519	GF Investment - CD ATLANTIC UNION		32,444.00	
0-100-000160-1525	GF Investment - CD ATLANTIC UNION		32,447.00	
0-100-000160-1527	GF Investment - CD ATLANTIC UNION		25,106.00	
0-100-000160-1528	GF Investment - CD ATLANTIC UNION		32,961.00	
0-100-000160-1529	GF Investment - CD ATLANTIC UNION		32,961.00	
3-100-015010-0002	Interest on Investments			155,919.00
Total			**155,919.00**	**155,919.00**

Client: ***1600336.500 - City of Emporia, Virginia***
Engagement: ***AUD 24 - City of Emporia, Virginia***
Period Ending: ***6/30/2024***
Trial Balance: ***3001.1 - Governmental TBD***
Workpaper: ***3702 - City Adjusting Journal Entries***
Fund Level: ***All***
Index: ***All***

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 27		**5101**		
To clear out 'due to joint welfare' as this amount is not owed to Social Services and was carried forward from PY.				
0-100-000200-2300	Due to Joint Welfare		32,820.00	
0-100-000300-0100	Fund Balance			32,820.00
Total			**32,820.00**	**32,820.00**
Adjusting Journal Entries JE # 29		**5330**		
To reverse debt service expenses and correct debt liabilities.				
0-502-000200-2360	Bonds Payable - 2006 Series		180,517.00	
0-502-000200-2385	Bonds Payable - 2012A Series		38,862.00	
0-502-000200-2388	Bonds Payable - 2014B Series		80,000.00	
0-502-000200-2389	Bonds Payable - 2018 Series		228,000.00	
0-502-000200-2391	Bonds Payable- 2020A		282,900.00	
0-502-000200-2402	Notes Payable- Benchmark		42,191.00	
0-502-000200-2450	Bonds Payable - 2013A Series		186,608.00	
0-502-BE2	ROU Lease Liability		27,882.00	
4-502-094100-8152	Interest Expense-Summary		465,791.00	
4-502-041610-9130	GO Bond Series 2006			3,361.00
4-502-041620-8109	Capital Lease			27,052.00
4-502-041620-9130	GO Bond Series 2006			11,221.00
4-502-041620-9139	Water & Wastewtr Revenue Bond 2018			316,179.00
4-502-041630-8110	Capital Lease			6,726.00
4-502-041630-9130	GO Bond Series 2006			53,147.00
4-502-041630-9138	USDA RD Bond Series 2013A			429,149.00
4-502-041640-8109	Capital Lease			20,400.00
4-502-041640-9130	GO Bond Series 2006			52,028.00
4-502-041640-9136	GO Bond Series 2014B			76,849.00
4-502-041640-9139	Water & Wastewtr Revenue Bond 2018			83,205.00
4-502-041650-8109	Debt Service - VRS			8,848.00
4-502-041650-8110	Capital Lease			7,047.00
4-502-041650-9130	GO Bond Series 2006			100,437.00
4-502-041650-9136	GO Bond Series 2014B			37,561.00
4-502-041650-9139	Water & Wastewtr Revenue Bond 2018			16,641.00
4-502-092000-0003	2020A GO BOND/ENERG SAV-ZIONS PRIN			282,900.00
0-502-000200-2390	Bonds Payable- 2020			
4-502-092000-0005	2020B REFUNDING BONDS-ZIONS PRIN			
Total			**1,532,751.00**	**1,532,751.00**
Adjusting Journal Entries JE # 30		**5330**		
To correct beginning balances for debt items.				
0-502-000200-2360	Bonds Payable - 2006 Series		46,719.00	
0-502-000200-2386	Bond Premium		245,747.00	
0-502-000200-2391	Bonds Payable- 2020A		1,147,500.00	
0-502-000200-2402	Notes Payable- Benchmark		4,634.00	
0-502-000200-2385	Bonds Payable - 2012A Series			371.00
0-502-000200-2450	Bonds Payable - 2013A Series			5,731.00
0-502-000300-0100	Fund Balance			1,438,498.00
Total			**1,444,600.00**	**1,444,600.00**
Adjusting Journal Entries JE # 31		**5311**		
To reclass lease recorded as debt to ROU liability account.				
0-502-000200-2043	Lease Note Payable		25,345.00	
0-502-000200-2045	Lease Note Payable		16,160.00	
0-502-000200-2047	Lease Note Payable		21,113.00	
0-502-000200-2049	Lease Note Payable		19,938.00	
0-502-000200-2406	Notes Payable Auto Purchase		23,787.00	
0-502-000200-2460	Lease Payable - BB&T		1,759.00	
0-502-BE2	ROU Lease Liability			108,102.00
Total			**108,102.00**	**108,102.00**
Adjusting Journal Entries JE # 32		**5330**		
To record accrued interest.				
0-502-000300-0100	Fund Balance		185,254.00	
4-502-094100-8152	Interest Expense-Summary			16,258.00
BE-W/S 1	BE Accrued Interest Expense			168,996.00
Total			**185,254.00**	**185,254.00**

Client:	***1600336.500 - City of Emporia, Virginia***
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Workpaper:	***3702 - City Adjusting Journal Entries***
Fund Level:	***All***
Index:	***All***

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 33		**3711.1**		
To post PY unearned revenue from ARPA and true-up current year balance.				
0-100-000200-2080	Unearned Grant		487,208.00	
0-100-000300-0100	Fund Balance		1,773,187.00	
3-100-033020-0004	CSLFRF NEU (COVID RECOV FUNDS-REV)		963,459.00	
0-100-000200-2080	Unearned Grant			1,773,187.00
0-100-000300-0100	Fund Balance			963,459.00
3-100-033020-0004	CSLFRF NEU (COVID RECOV FUNDS-REV)			487,208.00
Total			**3,223,854.00**	**3,223,854.00**
Adjusting Journal Entries JE # 34		**5330**		
To record premium amortization for bond in proprietary funds.				
0-502-000200-2386	Bond Premium		49,869.00	
BE-W/S 2	Bond Premium Amortization			49,869.00
Total			**49,869.00**	**49,869.00**
Adjusting Journal Entries JE # 36		**3610**		
To record RHA fund activity.				
0-701-000102-0012	Redev. & Housing - CIG Program Inc.		2,683.00	
0-701-000102-0014	Redev. & Housing - CNBB Account		1,038.00	
4-701-024010-0001	Community Development		60,362.00	
4-701-024010-0001	Community Development		29,753.00	
4-701-024010-0001	Community Development		3,324.00	
4-701-024010-0002	Payments made to EDA		10,000.00	
0-701-000102-0010	Redev. & Housing - Checking Account			4,753.00
0-701-000160-1523	Redev. & Housing Investment - CD			8,699.00
3-701-024010-0001	Use of Money and Property			11,400.00
3-701-024010-0001	Use of Money and Property			7.00
3-701-024010-0001	Use of Money and Property			1,301.00
3-701-024010-0002	Deed of Trust			6,000.00
3-701-024010-0003	Revenues from Primary Government			50,000.00
3-701-024010-0005	Grant Revenue from Primary Government			25,000.00
Total			**107,160.00**	**107,160.00**
Adjusting Journal Entries JE # 38		**5101**		
To adjust the payroll clearing account for the water & sewer fund from the prior year.				
0-502-000300-0100	Fund Balance		400,799.00	
0-502-000200-0200	PR Clearing			400,799.00
Total			**400,799.00**	**400,799.00**
Adjusting Journal Entries JE # 39		**4401**		
To adjust the $22K prepaid expense for DMV that was from 2022.				
0-100-000300-0100	Fund Balance		24,706.00	
0-100-000180-1553	Prepaid Expenses - DMV			24,706.00
Total			**24,706.00**	**24,706.00**
Adjusting Journal Entries JE # 40		**5101**		
To true up flexible spending accounts.				
0-100-000200-0325	Flexible Spending Payable		12,292.00	
0-502-000150-1225	Flexible Spending Accts. Receivable		8,603.00	
0-100-000150-1225	Flexible Spending Accts. Receivable			12,292.00
0-502-000200-0325	Flexible Spending Payable			8,603.00
Total			**20,895.00**	**20,895.00**
Adjusting Journal Entries JE # 41		**4205**		
To true up meals and lodging taxes receivable.				
0-100-000150-1194	Accounts Rec. - Meals/Lodging Tax		85,195.00	
0-100-000150-1194	Accounts Rec. - Meals/Lodging Tax		51,153.00	
0-100-000300-0100	Fund Balance			85,195.00
3-100-012100-0001	Lodging			1,825.00
3-100-012110-0001	Meals Tax			49,328.00
Total			**136,348.00**	**136,348.00**
Adjusting Journal Entries JE # 42		**4205**		
To true up sanitation receivable.				
0-100-000150-0001	Sanitation Receivable		70,284.00	
3-100-016080-0002	Sanitation Fees		26,091.00	
0-100-000150-1191	Estimated Uncollectible Accts Rec.			75,417.00
0-100-000300-0100	Fund Balance			20,958.00
Total			**96,375.00**	**96,375.00**

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Fund Level: *All*
Index: *All*

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 43		**5101**		
To adjust PY balance for the AP clearing account.				
0-100-000200-0100	AP Clearing		95,250.00	
0-100-000300-0100	Fund Balance			95,250.00
Total			**95,250.00**	**95,250.00**
Adjusting Journal Entries JE # 44		**4211**		
To true up RHA receivables.				
0-701-000150-1190	Accounts Receivable		4,750.00	
3-701-024010-0001	Use of Money and Property			4,750.00
Total			**4,750.00**	**4,750.00**
Adjusting Journal Entries JE # 45		**5101**		
To adjust the prior year balance for the deposit on hand based on support viewed.				
0-502-000200-0400	Deposits On Hand		70,031.00	
0-502-000300-0100	Fund Balance			70,031.00
Total			**70,031.00**	**70,031.00**
Adjusting Journal Entries JE # 46		**4255**		
To true up proprietary receivables balances.				
0-502-000150-0001	Water & Sewer Receivables		15,408.00	
0-502-000150-0002	Est. Uncollectible Water & Sewer AR		274,997.00	
0-502-000300-0100	Fund Balance		31,119.00	
0-502-000150-0001	Water & Sewer Receivables			31,119.00
0-502-000150-0001	Water & Sewer Receivables			274,997.00
3-502-015010-0001	Water Sales			15,408.00
Total			**321,524.00**	**321,524.00**
Adjusting Journal Entries JE # 47		**3711.2**		
PBC - refunds payable adjustment.				
3-100-011030-0001	Current Taxes		18,218.00	
0-100-000200-0320	Refunds Payable			18,218.00
Total			**18,218.00**	**18,218.00**
Adjusting Journal Entries JE # 48		**3711.3**		
PBC - to adjust the UC credit account based on a software error.				
0-502-000200-0300	UC Credit		50,595.00	
3-502-015060-0001	Penalty			50,595.00
Total			**50,595.00**	**50,595.00**
Adjusting Journal Entries JE # 49		**2321.02/5101**		
Based on discussion with the client and JE testing there was $1M due to the Utility fund from the General fund that was zeroed out and needed to be adjusted and posted as a due to/from on both sides.				
0-100-000150-1310	Due from Utility Fund		1,000,000.00	
3-502-041050-0100	Transfer in from General Fund		1,000,000.00	
0-100-000300-0100	Fund Balance			1,000,000.00
0-502-000200-2400	Due to General Fund			1,000,000.00
Total			**2,000,000.00**	**2,000,000.00**
Adjusting Journal Entries JE # 50		**4615**		
To correct recording of Public Works Building renovation so that only current year CIP is recorded to outlay account.				
0-100-000300-0100	Fund Balance		84,867.00	
4-100-041100-8120	Public Works Build. Reno.		66,576.00	
4-100-041100-8120	Public Works Build. Reno.			151,443.00
Total			**151,443.00**	**151,443.00**
Adjusting Journal Entries JE # 51		**5101**		
To adjust prior year balance of water & sewer UT payments clearing account per discussion with the client.				
0-502-000200-0001	UT Payments Clearing Account		31,995.00	
0-502-000300-0100	Fund Balance			31,995.00
Total			**31,995.00**	**31,995.00**
Adjusting Journal Entries JE # 52		**5101**		
To adjust prior year balance of water & sewer UC credit account per discussion with the client.				
0-502-000300-0100	Fund Balance		212,624.00	
0-502-000200-0300	UC Credit			212,624.00
Total			**212,624.00**	**212,624.00**
Adjusting Journal Entries JE # 53		**4615**		
Entry to record truck purchase in proper accounting period.				
0-100-000300-0100	Fund Balance		53,373.00	
4-100-031100-8105	Motor Vehicles			53,373.00
Total			**53,373.00**	**53,373.00**

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Fund Level:	***All***
Index:	***All***

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 54		**5101**		
To remove due to EDA from City balance to match the MOU and record a due from EDA to City.				
0-100-000150-BE2	Due from EDA		212,236.00	
0-100-000300-0100	Fund Balance			149,686.00
3-100-019020-0010	Economic Development Authority			62,550.00
Total			**212,236.00**	**212,236.00**
Adjusting Journal Entries JE # 55		**3525**		
To true up EDA fund equity.				
0-025-000300-0100	Fund Balance		68.00	
4-025-000400-0024	Other fees			68.00
Total			**68.00**	**68.00**
Adjusting Journal Entries JE # 56		**5101**		
To adjust prior year balance of the evidence payable account.				
0-100-000300-0100	Fund Balance		15,929.00	
0-100-000200-0330	Evidence Payable			15,929.00
Total			**15,929.00**	**15,929.00**
Adjusting Journal Entries JE # 57		**4401**		
To true up prepaid expenses and move remaining FY24 amount to revenue.				
0-100-000180-1552	Prepaid Utilities - Parks		14,924.00	
0-100-000180-1552	Prepaid Utilities - Parks		4,185.00	
0-100-000300-0100	Fund Balance			14,924.00
3-100-012020-0001	Electric, Gas, & Telephone			4,185.00
Total			**19,109.00**	**19,109.00**
Adjusting Journal Entries JE # 58				
To true up due to/due from related to general fund bond payments recorded in W&S fund.				
0-502-000200-2400	Due to General Fund		114,024.00	
4-100-043100-9141	GO Refunding Bond Series 20B		114,024.00	
0-100-000150-1310	Due from Utility Fund			114,024.00
4-502-092000-0005	2020B REFUNDING BONDS-ZIONS PRIN			105,000.00
4-502-092000-0006	2020B REFUNDING BONDS-ZIONS INT			9,024.00
Total			**228,048.00**	**228,048.00**
Adjusting Journal Entries JE # 59		**5310**		
To eliminate debt recorded by the client in the general fund.				
0-100-000200-0401	ROU SBITA PAYABLE		267,451.00	
0-100-000200-0402	Notes Payable Benchmark Bank		385,000.00	
0-100-000200-0406	Lease Note Payable		892,004.00	
0-100-000200-2030	Surety/Defect Bonds Payable		35,742.00	
0-100-000200-0400	LEASE NOTE PAYABLE			224,523.00
0-100-000300-0100	Fund Balance			1,355,674.00
Total			**1,580,197.00**	**1,580,197.00**
Adjusting Journal Entries JE # 60		**2615**		
To true-up the AR balance from the County/Schools due to the settlement agreement reached.				
0-100-000300-0100	Fund Balance		254,940.00	
0-100-000150-BE1	Accounts Receivable (due from) County			254,940.00
Total			**254,940.00**	**254,940.00**
Adjusting Journal Entries JE # 61		**4206**		
To true-up AR balance.				
0-100-000150-1190	Accounts Receivable		37,708.00	
3-100-018990-0013	Miscellaneous			37,708.00
Total			**37,708.00**	**37,708.00**
Adjusting Journal Entries JE # 62		**4130**		
To true up 6/30/24 cash balances.				
0-100-000300-0100	Fund Balance		232,511.00	
0-502-000102-0002	Utility Fund Checking Account		47,276.00	
0-100-000102-0001	General Fund Checking Account			232,511.00
0-502-000300-0100	Fund Balance			47,276.00
Total			**279,787.00**	**279,787.00**
Adjusting Journal Entries JE # 63		**5615**		
To reclassify SBITA expenditures to Capital Outlay expenditures.				
DS-Interest-SBITA	Interest - SBITA		3,313.00	
DS-Principal-SBITA	Principal Contra Account		103,096.00	
SBITA-1	Capital Outlay - SBITA		31,990.00	
4-100-031100-3320	Maintenance Service Contracts			103,096.00
SBITA-2	Lease Proceeds - SBITA			35,303.00
Total			**138,399.00**	**138,399.00**

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Index: *All*

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 64		5102		
To remove expenditure from CY that should have been in A/P in the PY.				
0-025-000300-0100	Fund Balance		8,187.00	
0-701-000300-0100	Fund Balance		5,000.00	
4-025-000400-0025	Consulting			8,187.00
4-701-024010-0001	Community Development			5,000.00
Total			**13,187.00**	**13,187.00**
Adjusting Journal Entries JE # 65		5951		
To record W&S 6/30/23 lease balances and FY24 activity.				
0-502-000170-new01	Equipment, leased		2,624.00	
0-502-000170-new02	Vehicles, lease		66,661.00	
0-502-000300-0100	Fund Balance		217.00	
0-502-BE2	ROU Lease Liability		14,048.00	
4-502-BE5	Interest Expense - Lease		512.00	
4-502-BE8	Amortization Expense - Leases		13,925.00	
0-502-000170-new03	Accum amort, leased equipment			1,186.00
0-502-000170-new03	Accum amort, leased equipment			593.00
0-502-000170-new04	Accum amort, leased vehicles			22,072.00
0-502-000170-new04	Accum amort, leased vehicles			13,332.00
0-502-BE2	ROU Lease Liability			32,364.00
0-502-BE3	Lease Liability - Short Term			168.00
0-502-BE3	Lease Liability - Short Term			13,880.00
0-502-BE6	Accrued Interest Payable - Lease			28.00
4-502-BE7	Lessee Lease Clearing			14,364.00
0-502-000170-1619	ROU ASSET			
Total			**97,987.00**	**97,987.00**
Adjusting Journal Entries JE # 67		5951.3		
To true-up lease liability.				
0-502-BE2	ROU Lease Liability		80,220.00	
0-502-000300-0100	Fund Balance			80,220.00
Total			**80,220.00**	**80,220.00**
Adjusting Journal Entries JE # 68		5951		
To adjust LEASE expenditures to capital outlay expenditures.				
DS-Interest-Lease	Interest - Lease		431.00	
DS-Principal-Lease	Principal Contra Account		253,411.00	
4-100-031100-8109	Capital Lease			253,411.00
LEASE-1	Capital Outlay - LEASE			431.00
Total			**253,842.00**	**253,842.00**
Adjusting Journal Entries JE # 69		3515		
To clear out prepaid credit of $48.				
0-502-000180-1563	Prepaid Expenses - Personal		48.00	
4-502-041650-6001	Office Supplies			48.00
Total			**48.00**	**48.00**
Adjusting Journal Entries JE # 70		5101		
To adjust the payroll clearing account for the general fund from the prior year.				
0-100-000200-0200	PR Clearing		34,380.00	
0-100-000300-0100	Fund Balance			34,380.00
Total			**34,380.00**	**34,380.00**
Adjusting Journal Entries JE # 71		3515		
To roll forward water and sewer fund balance and bring TB into balance.				
0-502-000300-0100	Fund Balance		657,884.00	
Total			**657,884.00**	**0.00**
Adjusting Journal Entries JE # 72		5951.3		
To record lease receivable and related restatement to net position				
0-701-0001 - new01	Lease receivable		38,004.00	
3-701-024010-0001	Use of Money and Property		16,732.00	
0-701-0002 - new01	Deferred inflow of resources - leases			24,911.00
0-701-000300-0100	Fund Balance			17,369.00
3-701-024010-0001	Use of Money and Property			12,456.00
Total			**54,736.00**	**54,736.00**
Adjusting Journal Entries JE # 73		5101		
To reclass insurance payment received.				
0-100-000200-2010	W. S. Harris, Treasurer		52,637.00	
3-100-018990-0012	Insurance Refunds			52,637.00
Total			**52,637.00**	**52,637.00**

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Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 74		**5101**		
To record deferred and unavailable tax revenue.				
0-100-000300-0100	Fund Balance		2,473,256.00	
BE - 20	Unavailable Revenue - All Taxes		123,271.00	
BE - 21	Deferred Revenue - All Taxes - Prepaid		40,713.00	
0-100-000200-2200	Deferred Revenue - All Taxes			1,857,853.00
0-100-000200-2200	Deferred Revenue - All Taxes			129,340.00
3-100-011030-0001	Current Taxes			31,060.00
3-100-012050-0001	Decals			3,585.00
BE - 20	Unavailable Revenue - All Taxes			399,164.00
BE - 21	Deferred Revenue - All Taxes - Prepaid			216,238.00
Total			**2,637,240.00**	**2,637,240.00**
Adjusting Journal Entries JE # 75		**5201**		
To post CY payroll accrual and reverse PY amounts that should have been accrued.				
0-100-000200-1729	Accrued Wages Payable		260,903.00	
0-100-000200-1729	Accrued Wages Payable		60,926.00	
0-502-000200-1729	Accrued Wages Payable		43,178.00	
4-502-041620-1111	Salaries & Wages - Regular		16,568.00	
0-100-000200-1729	Accrued Wages Payable			252,753.00
0-100-000300-0100	Fund Balance			60,926.00
0-502-000200-1729	Accrued Wages Payable			59,746.00
4-100-031100-1211	Overtime - Regular			8,150.00
Total			**381,575.00**	**381,575.00**
Adjusting Journal Entries JE # 79		**4205**		
To post Note Receivable from EDA to City.				
0-100-000150-BE2	Due from EDA		2,750,000.00	
0-100-000200-new01	Deferred inflows - long-term receivable			2,750,000.00
Total			**2,750,000.00**	**2,750,000.00**
Adjusting Journal Entries JE # 80		**5101**		
To clean up clearing account with old balances.				
0-100-000300-0100	Fund Balance		13,626.00	
0-100-000200-2010	W. S. Harris, Treasurer			13,626.00
Total			**13,626.00**	**13,626.00**
Adjusting Journal Entries JE # 81		**4205**		
To true up amounts owed from Department of Social Services.				
0-100-000150-BE3	Due from Joint Welfare		172,414.00	
0-100-000300-0100	Fund Balance			79,667.00
4-100-053100-5650	Department of Social Services			92,747.00
Total			**172,414.00**	**172,414.00**
Adjusting Journal Entries JE # 82		**4205**		
To remove due from City to EDA balance to match the MOU and record a due to City from EDA amount.				
0-025-000300-0100	Fund Balance		104,857.00	
0-025-000300-0100	Fund Balance		149,686.00	
0-025-000150-0002	Due from City			104,857.00
0-025-000150-0003	Due to City			149,686.00
Total			**254,543.00**	**254,543.00**
Adjusting Journal Entries JE # 83		**4610**		
To true up EDA land purchase.				
0-025-000300-0100	Fund Balance		118,443.00	
0-025-000170-0001	Land Purchase			118,443.00
Total			**118,443.00**	**118,443.00**
Adjusting Journal Entries JE # 84		**7304**		
To remove EDA rental income related to amounts owed to the City.				
3-025-000400-0004	Rental Income		62,550.00	
0-025-000150-0003	Due to City			62,550.00
Total			**62,550.00**	**62,550.00**
Adjusting Journal Entries JE # 85				
To record balancing entry in Fund 204				
0-204-000300-0100	Fund Balance		79,140.00	
4-204-031100-5875	Electronic Summons Expenditures		25,683.00	
Total			**104,823.00**	**0.00**

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Index: ***All***

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 86		**3510**		
To true up RHA fund balance.				
4-701-024010-0001	Community Development		1.00	
0-701-000300-0100	Fund Balance			1.00
Total			**1.00**	**1.00**
Adjusting Journal Entries JE # 87		**7303**		
To true up rental income in RHA fund related to Court Support Services lease.				
0-701-000150-1195	Rent Receivable		33,786.00	
3-701-024010-0001	Use of Money and Property			33,786.00
Total			**33,786.00**	**33,786.00**
Adjusting Journal Entries JE # 88		**4610**		
To record RHA fund depreciation.				
0-701-000300-0100	Fund Balance		478,364.00	
4-701-024010-0003	Depreciation Expense		39,135.00	
0-701-000170-1700	Accumulated Depreciation			517,499.00
Total			**517,499.00**	**517,499.00**
Adjusting Journal Entries JE # 93		**4610**		
To record EDA property in the EDA fund.				
0-025-000170-0001	Land Purchase		25,539.00	
0-025-000170-0002	Buildings		485,624.00	
4-025-000400-0028	Depreciation Expense		12,174.00	
0-025-000170-0003	Accumulated Depreciation - Buildings			87,213.00
0-025-000300-0100	Fund Balance			436,124.00
Total			**523,337.00**	**523,337.00**
	Total Adjusting Journal Entries		**39,803,405.00**	**39,040,698.00**
	Total All Journal Entries		**39,803,405.00**	**39,040,698.00**

Client:	***1600336.500 - City of Emporia, Virginia***
Engagement:	***AUD 24 - City of Emporia, Virginia***
Period Ending:	***6/30/2024***
Trial Balance:	***3001.1 - Governmental TBD***
Workpaper:	***3701 - GASB Journal Entries***
Fund Level:	***All***
Index:	***All***

Account	Description	W/P Ref	Debit	Credit
GASB Entries				
GASB Entries JE # 8		**5210**		
To establish compensated absences liablity and restate net position				
LTD-97	Salaries		7,270.00	
NP	Net Position		483,800.00	
LTD-01	Compensated Absences			491,070.00
Total			**491,070.00**	**491,070.00**
GASB Entries JE # 10		**4610**		
To record fixed asset balances for the governmental fund during the year.				
BE13	GGA Depreciation expense		487,590.00	
BE14	Public Works Depreciation expense		341,790.00	
BE15	Public Safety Depreciation expense		309,147.00	
BE16	Community Development Depreciation expense		53,961.00	
LTA-0101	Buildings		7,202,770.00	
LTA-0102	Infrastructure		22,105,993.00	
LTA-0103	Land		2,277,333.00	
LTA-0104	Furniture, equipment, and vehicles		12,846,994.00	
LTA-0109	Construction in process		400,146.00	
LTA-0111	Accumulated depreciation - buildings			4,921,885.00
LTA-0112	Accumulated depreciation - infrastructure			17,670,231.00
LTA-0114	Accumulated depreciation - furniture, equipment, and vehicles			9,799,530.00
LTA-20	Capital Outlay			1,358,688.00
NP	Net Position			12,275,390.00
Total			**46,025,724.00**	**46,025,724.00**
GASB Entries JE # 12		**5614**		
To record SBITA's as of 6/30/2023 and activity for FY24.				
LTA-03	SBITA ROU Asset		35,303.00	
LTA-03	SBITA ROU Asset		539,921.00	
LTD-02	Subscription Liability		76,855.00	
LTD-02	Subscription Liability		103,095.00	
LTD-102	Proceeds From Debt Issuance		34,828.00	
LTD-98	SBITA - Amortization Expense		202,756.00	
LTD-99	SBITA - Interest Expense		3,313.00	
LTA-04	SBITA - Accumulated Amortization			202,756.00
LTA-04	SBITA - Accumulated Amortization			92,063.00
LTA-20	Capital Outlay			35,303.00
LTD-02	Subscription Liability			34,828.00
LTD-02	Subscription Liability			215,279.00
LTD-05	Susbcription Liability - Short-term			76,855.00
LTD-06	Accrued Interest			3,313.00
LTD-100	SBITA - Principal Outlay			103,095.00
NP	Net Position			232,579.00
Total			**996,071.00**	**996,071.00**
GASB Entries JE # 15		**5703.1**		
To record acitvity for govt GASB 68 penson and true up balances.				
LTA-05	Deferred Outflows - Pension		1,049,821.00	
NP	Net Position		504,961.00	
BE1	General Pension Expense			39,728.00
BE2	Public safety pension expense			112,765.00
BE3	Public works pension expense			47,794.00
BE4	Judicial admin pension expense			23,621.00
BE5	Parks and rec pension expense			6,348.00
BE6	Community development pension expense			7,240.00
LTD-03	Deferred Inflows - Pension			600,429.00
LTD-04	Net Pension Liability			716,857.00
Total			**1,554,782.00**	**1,554,782.00**

Client: *1600336.500 - City of Emporia, Virginia*
Engagement: *AUD 24 - City of Emporia, Virginia*
Period Ending: *6/30/2024*
Trial Balance: *3001.1 - Governmental TBD*
Workpaper: *3701 - GASB Journal Entries*
Fund Level: *All*
Index: *All*

Account	Description	W/P Ref	Debit	Credit
GASB Entries JE # 16		**5801**		
To establish and record govt activity for OPEB.				
BE7	General OPEB expense		7,710.00	
LTA-06	Deferred Outflows - OPEB		103,364.00	
NP	Net Position		699,659.00	
LTD-07	Deferred Inflows - OPEB			194,953.00
LTD-08	Net OPEB Liability			615,780.00
Total			**810,733.00**	**810,733.00**
GASB Entries JE # 28		**5330**		
Entry to record debt balances/acitivity.				
LTD-105	Interest Expense From LTD		70,949.00	
NP	Net Position		8,120,317.00	
NP	Net Position		180,623.00	
CL-1	Govt Accrued Interest Expense			70,949.00
LTD-09	GO Bonds			7,212,593.00
LTD-10	Unamoritzed Premium			169,676.00
LTD-103	Principal			498,853.00
LTD-104	Amortization			10,947.00
LTD-11	Capital Leases			408,871.00
LTD-102	Proceeds From Debt Issuance			
Total			**8,371,889.00**	**8,371,889.00**
GASB Entries JE # 66		**5951**		
To record the 6/30/23 lease balances and FY24 lease activity for gov't activities.				
LTA-03.01	Equipment, leased		482,358.00	
LTA-03.02	Vehicles, leased		733,029.00	
LTD-02.1	Lease Liability		208,932.00	
LTD-05.1	Lease Liability - Short Term		44,479.00	
LTD-98.1	Amortization Expense - Leases		252,343.00	
LTD-99.1	Interest Expense - Leases		431.00	
NP	Net Position		9,584.00	
LTA-04.01	Accum amort, leased equipment			312,509.00
LTA-04.02	Accum amort, leased vehicles			465,914.00
LTD-02.1	Lease Liability			445,480.00
LTD-05.1	Lease Liability - Short Term			253,411.00
LTD-06.1	Accrued Interest Payable - Leases			431.00
LTD-100.1	Expenditure: Lease Financing Principal			253,411.00
Total			**1,731,156.00**	**1,731,156.00**
GASB Entries JE # 76		**5101**		
To record deferred revenue related to taxes.				
LTD-20	Deferred Revenue - Taxes		275,893.00	
LTD-21	Change in Deferred Revenue - Taxes		123,271.00	
NP	Net Position			399,164.00
Total			**399,164.00**	**399,164.00**

Client: ***1600336.500 - City of Emporia, Virginia***
Engagement: ***AUD 24 - City of Emporia, Virginia***
Period Ending: ***6/30/2024***
Trial Balance: ***3001.1 - Governmental TBD***
Workpaper: ***3701 - GASB Journal Entries***
Fund Level: ***All***
Index: ***All***

Account	Description	W/P Ref	Debit	Credit
GASB Entries JE # 91		**4610**		
To move capital additions to capital outlay				
CA-CA	Capital outlay-govt-wide		1,413,800.00	
CA-CD	Capital asset contra-CD			54,000.00
CA-CD	Capital asset contra-CD			29,200.00
CA-CD	Capital asset contra-CD			34,240.00
CA-H&W	Capital asset contra-H&W			5,300.00
CA-ND	Capital asset contra-ND			80,316.00
CA-P&R	Capital asset contra-P&R			270,524.00
CA-PS	Capital asset contra-PS			239,431.00
CA-PS	Capital asset contra-PS			177,013.00
CA-PW	Capital asset contra-PW			265,497.00
CA-PW	Capital asset contra-PW			85,952.00
CA-PW	Capital asset contra-PW			172,327.00
Total			**1,413,800.00**	**1,413,800.00**
GASB Entries JE # 92		**FS**		
true up				
LTD-102	Proceeds From Debt Issuance		474.00	
LTD-103	Principal		45,397.00	
LTD-97	Salaries		5,496.00	
LTA-20	Capital Outlay			51,367.00
Total			**51,367.00**	**51,367.00**
	Total GASB Entries		**61,845,756.00**	**61,845,756.00**
	Total All Journal Entries		**61,845,756.00**	**61,845,756.00**

Appendix C

Uncorrected Misstatements

City of Emporia, Virginia
PAJE Form - Governmental
June 30, 2024

Scope: All known and projected misstatements and/or classification errors over
(Scope should generally not exceed 5% of planning materiality). (1)

SUMMARY OF ADJUSTMENTS PASSED AND EVALUATION
OF ALLOWANCE FOR UNDETECTED ERROR

Opinion Unit: Governmental ***PAJE*** $ - ***Planning Materiality:***

			Pretax effect Debit (Credit) (2) of Misstatement and Classification Errors On:												
	W/P	Type	Assets		Deferred	Liabilities		Deferred	Income Statement						
Description	Reference	(3)	Current	Long-term	Outflows	Current	Long-term	Inflows	Revenue	C of Sales	G & A	Selling	Other	Income (5)	Equity
Reversed opening R/E misstatements (4)														-	
Nonreversed opening R/E misstatements (4)														-	
														-	
Expenditure related to a capital asset in accounts payable at year-end that was not capitalized.		KM		76,926							(76,926)			(76,926)	
														-	
Virginia Opioid Settlement Payment Receivable		KM		83,007					15,873					15,873	(98,880)
														-	
Payroll amounts in FY24 and FY23 are not clearing properly out of liability account. (TM N)		KM				146,708					(80,894)			(80,894)	(65,814)
														-	
														-	
														-	
Total (6)			-	159,933	-	146,708	-	-	15,873	-	(157,820)	-	-	(141,947)	(164,694)
														(7)	(141,947)
Cumulative Misstatement Errors															(306,641)

Misstatements of Disclosures:
Accumulate and describe any misstatements of disclosures that are not considered trivial (clearly inconsequential), including qualitative and quantitative disclosures, that entered into your evaluation of whether uncorrected accumulated misstatements are material, individually or in the aggregate, in relation to specific accounts and disclosures and to the financial statements as a whole.

None noted

City of Emporia, Virginia
PAJE Form - General
June 30, 2024

Scope: All known and projected misstatements and/or classification errors over
(Scope should generally not exceed 5% of planning materiality). (1)

SUMMARY OF ADJUSTMENTS PASSED AND EVALUATION OF ALLOWANCE FOR UNDETECTED ERROR

Opinion Unit: General Fund ***PAJE*** $ - ***Planning Materiality:***

Description	W/P Reference	Type (3)	Assets: Current	Assets: Long-term	Deferred Outflows	Liabilities: Current	Liabilities: Long-term	Deferred Inflows	Income Statement: Revenue	C of Sales	G & A	Selling	Other	Income (5)	Equity
			Pretax effect Debit (Credit) (2) of Misstatement and Classification Errors On:												
Reversed opening R/E misstatements (4)														-	
Nonreversed opening R/E misstatements (4)														-	
														-	
Payroll amounts in FY24 and FY23 are not clearing properly out of liability account. (TM N)		KM				146,708					(80,894)			(80,894)	(65,814)
														-	
Virginia Opioid Settlement Payment Receivable		KM		83,007				(76,920)	15,874					15,874	(21,961)
														-	
														-	
														-	
														-	
														-	
Total (6)			-	83,007	-	146,708	-	(76,920)	15,874	-	(80,894)	-	-	(65,020)	(87,775)
														(7)	(65,020)
Cumulative Misstatement Errors															(152,795)

Misstatements of Disclosures:
Accumulate and describe any misstatements of disclosures that are not considered trivial (clearly inconsequential), including qualitative and quantitative disclosures, that entered into your evaluation of whether uncorrected accumulated misstatements are material, individually or in the aggregate, in relation to specific accounts and disclosures and to the financial statements as a whole.

None noted