

Robert T. Bishop, CPA  
Elaine F. Farmer, CPA

Harry B. F. Franklin, Jr., CPA  
Harry D. Dickinson, Ph.D., CPA



Members  
American Institute of  
Certified Public Accountants

To the Board of Trustees  
Central Rappahannock Regional Library  
125 Olde Greenwich Drive, Suite 160  
Fredericksburg, Virginia 22408

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Central Rappahannock Regional Library (the Library) for the year ended June 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, Government Auditing Standards and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated August 2, 2024. Professional standards also require that we communicate to you the following information related to our audit.

### **Significant Audit Findings**

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Central Rappahannock Regional Library are described in Note 1 to the financial statements. We noted no transactions entered into by the governmental unit 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 financial statements were:

The capitalized collection and equipment are significant assets; therefore, depreciation expense calculated over estimated asset lives is a significant estimate.

Actuarial estimates are made concerning the pension liability and the OPEB liability. The financial statement disclosures include information about the sensitivity of these estimates.

In FY22, the adoption of GASB 87, Leases, required management's determination of interest rates pertaining to lease agreements and various assumptions in order to calculate lease assets and liabilities. In FY23, the adoption of GASB 96, SBITA's, required management's determination of interest rates and various assumptions in order to calculate SBITA assets and liabilities. Development of the various assumptions includes significant estimates, subject to change based upon future events.

Calculation of accrued leave requires estimates of current liability amounts and leave usage.

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

- a. The disclosures for SBITAs, leases, pension and OPEB liabilities are subject to complex and extensive disclosures. Disclosures for each of these items include information concerning significant estimates and assumptions. Notes to the financial statements are designated for each of these items.

The financial statement disclosures are neutral, consistent, and clear.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

#### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no misstatements.

#### *Disagreements with Management*

For purposes of this letter, professional standards define 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 in the management representation letter dated January 31, 2025.

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*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 governmental unit'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 governmental unit'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 Pension and OPEB Schedules which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We obtained various Pension and OPEB data provided by the Virginia Retirement System (VRS) and noted for consistency of the data provided. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI for the pension and OPEB schedules.

*Restriction on Use*

This information is intended solely for the use of the Board of Trustees and management of Central Rappahannock Regional Library and is not intended to be and should not be used by anyone other than these specified parties.



Certified Public Accountants

Fredericksburg, Virginia  
January 31, 2025