

ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

DATE: December 9, 2016

MEMORANDUM TO: Keith Barker, City Manager
Judy Taylor-Gallimore, Finance Director
City of Galax, Virginia

FROM: Robinson, Farmer, Cox Associates

REGARDING: Audit Comments

In planning and performing our audit of the City of Galax, Virginia, for the year ended June 30, 2016, we considered the City of Galax, Virginia's internal control structure to plan our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

However, during our audit, we noted certain matters involving the internal control structure and other operational matters that are presented for your consideration. We will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

Welfare Accounting: The audit identified several adjusting entries related to the welfare and CSA programs. We have provide staff with our workpapers supporting those entries and recommend that the City begin performing reconciliations annually of the activity in these programs to supporting documentation.

Statements of Economic Interest: In our review of the School Board's statements or economic interest, we noted that one member of the Board did not complete the form correctly and failed to date and sign the form. In the future, these statements should be completed properly and signed as required by the State.