



ROBINSON, FARMER, COX ASSOCIATES, PLLC

Certified Public Accountants

DATE: November 17, 2023

MEMORANDUM TO: Mr. Aaron Grisdale, Town Manager
Town of Woodstock, Virginia

FROM: Robinson, Farmer, Cox Associates

REGARDING: FY23 Audit

In planning and performing our audit of the financial statements of Town of Woodstock, Virginia for the year ended June 30, 2023, we considered the Town's internal controls to plan our auditing procedures for the purpose of expressing our opinions 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 controls and other operational matters that are presented for your consideration. This letter does not affect our report dated November 17, 2023, on the financial statements of the Town of Woodstock, Virginia. Our comments and recommendations are intended to improve the internal controls or result in other operating efficiencies. 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.

Payroll Deductions

During our audit, we noted that the Town's software appeared to be incorrectly interfaced to the general ledger for certain payroll deductions. More specifically, the health insurance liability and VRS retirement liability accounts. At June 30, 2023 the health insurance liability account showed a receivable balance of over \$81,000 and the VRS liability account appeared to be incorrect as well. We recommend staff investigate the reason for these inaccurate liability balances.

Governmental Accounting Standards Board Pronouncements

In order to assist your staff in preparing for upcoming accounting changes, we have included the following summary of Governmental Accounting Standards Board (GASB) pronouncements that will affect the Town in upcoming years.

Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*, provides more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability for accounting changes and error corrections. The requirements of this Statement are effective for fiscal years beginning after June 15, 2023.

Statement No. 101, *Compensated Absences*, updates the recognition and measurement guidance for compensated absences. It aligns the recognition and measurement guidance under a unified model and amends certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023.