



ROBINSON, FARMER, COX ASSOCIATES, PLLC
Certified Public Accountants

DATE: October 14, 2025

MEMORANDUM TO: Leeanne Regon, Manager
The Town of Tazewell, Virginia

FROM: Robinson, Farmer, Cox Associates

REGARDING: Audit Recommendations

In planning and performing our audit of the Town of Tazewell, Virginia, for the year ended June 30, 2025, we considered the Town of Tazewell, 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.

Highway Funding Program:

The Town participates in the Virginia Department of Transportation's (VDOT) Urban Highway Maintenance Program (Program). The Town receives annual funding from the State and subsequently provides a report to the State on how funds were spent. The Town maintains specific departments and expense lines to track allowable expenditures. During the reporting process the Town included the payment for striping twice. We recommend that the Town schedule eligible expenditures from the prior period accounting system and compare same against the prior period auditing trial balance.

Water and Sewer Reconciliations:

In the prior year, we recommended the Town begin preparing a monthly reconciliation of billings and collections as an added internal control measure. The Town is currently preparing a monthly reconciliation; however, during our review of the monthly reconciliation, we noted several variances in the reconciliation. We recommend the Town review the monthly reconciliation and investigate any variances. Adjustments should be posted as necessary and documentation should be maintained for audit purposes.

Credit Card Documentation:

We tested 2 months of credit cards and were unable to locate sufficient, detailed receipts for purchases totaling \$1,572.53. Total purchases for the 2 months selected for testing were \$17,359.19. We recommend that care be taken to ensure that detailed receipts exist for all purchases.