



ROBINSON, FARMER, COX ASSOCIATES, PLLC
Certified Public Accountants

DATE: June 26, 2026

MEMORANDUM TO: Board of Supervisors
County of Isle of Wight
Isle of Wight, Virginia

FROM: Robinson, Farmer, Cox Associates (RFC)

REGARDING: FY 25 Audit of County of Isle of Wight, Virginia

In planning and performing our audit of the financial statements of the County of Isle of Wight, Virginia for the year ended June 30, 2025, we considered the County'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 controls of the County.

However, during our audit, we noted certain matters that are opportunities for strengthening internal controls and operating efficiencies. Said matters are not deemed to be material weaknesses or significant deficiencies in internal control. Further, this letter does not affect our report dated June 26, 2026 on the financial statements of the County of Isle of Wight, Virginia.

We have already discussed these comments and recommendations with appropriate members of management and we will review the status of these comments during our next audit engagement.

Security for Public Deposits Requirements

Effective July 1, 2023, the Commonwealth of Virginia amended the Security for Public Deposits Act (SPDA) regulations to begin requiring that Virginia public depositors use the Virginia Treasury web-based Public Search feature to confirm balances on a quarterly basis. This is to ensure that banks used are accurately reporting their public funds to the Virginia Treasury Board. This was not performed during the fiscal year ending June 30, 2025, with the exception of accounts maintained by the School Board. All accounts need to be confirmed on a quarterly basis.

General Fund Pooled Cash Deficit

The General Fund's portion of the pooled cash has a deficit balance of \$28,065,638. This results in no cash being reported in the General fund, but rather an amount due to other funds. The County should investigate this cash deficit in the General Fund and determine if a cash adjustment/transfer needs to be made from other funds.

Utility Billing Rate Error

During our test of utility bills, we noted an error in the rate being used for services > 50,000. The approved rate is \$7.75 per gallon, however a rate of \$9.92 per gallon was being utilized. We recommend that the County correct this billing rate in their accounting system.