Date: November 25, 2019

Memorandum to: Tom Rose, County Administrator

From: Robinson, Farmer, Cox Associates

Regarding: Audit Recommendations

In planning and performing our audit of the financial statements of County of Patrick, Virginia for the year ended June 30, 2019, we considered the County's internal control structure 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 control structure and other operational matters that are presented for your consideration. Our comments and recommendations, all of which have been discussed with appropriate members of management, are intended to improve the internal control structure or result in other operating efficiencies. We will be pleased to discuss these comments in further detail at your convenience.

County:

Budget

As discussed in prior years verbally, the County continues to operate on an unbalanced budget. We recommend the County implement a plan to operate on a balanced budget.

Procurement

During our review of procurement, we found the County had not obtained bids/quotes for waste hauling. We recommend the County obtain bids as required by the Virginia Public Procurement Act.

PSA:

Billings and Collections

During our test of water and sewer billings, we found 1 of 40 bills to be calculated incorrectly. We recommend the PSA periodically spot check their billing register by recalculating the bill with the current rate structure.

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PSA: (Continued)

Billings and Collections

During our audit, we noted the Town of Stuart, Virginia handles the billing and collections for the PSA. Their most recent audit was conducted for fiscal year 2014. Since the Town is not getting regular audits we recommend the PSA increase the level of review regarding their billings in comparison to their collections. It would be a good practice to compare the listing of customer deposits on file to the billing reports and collections against the billing reports to ensure everyone is getting billed properly and the collections received from the Town appear reasonable.