



*Proven Expertise & Integrity*

January 15, 2025

Select Board  
Town of Richmond  
205 Bridge Street  
Richmond, Vermont 05477

### **MANAGEMENT LETTER**

In planning and performing our audit of the financial statements of the governmental activities, business-type activities each major fund and the aggregate remaining fund information of the Town of Richmond, accepted in the United States of America, we considered the Union's internal control. We did so to determine our auditing procedures for the purpose of expressing an opinion on the financial statements, but not for expressing our opinion on the effectiveness of the Town of Richmond's internal control over financial reporting or compliance.

During our audit we became aware of several matters referred to as "management letter comments" that offer opportunities for strengthening internal control and improving operating efficiencies of the Town of Richmond. The following pages summarize our comments and suggestions on those matters.

This report is intended solely for the information and use of the Select Board, management and others within the entity, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

These matters do not modify our opinion on the financial statements for the year ended June 30, 2024, where we expressed an unmodified opinion on our independent auditor's report dated January 15, 2025.

**Outstanding Checks:**

While performing the audit for the above-mentioned fiscal year, we noted that the Town has outstanding checks remaining on the bank reconciliation that were longer than 6 months from the date of issuance. We recommend that management establish procedures that address all outstanding checks that are older than 6 months from the date of issuance to help ensure accuracy and completeness in the financial statements. (Some examples of ways to address these checks are; voiding and reissuing checks to the payee, contacting the payee directly, submitting the payment information through the State's Unclaimed Property Program for payees who cannot be contacted or who do not respond.)

**Capital Assets:**

While performing the audit for the above-mentioned fiscal year, we noted that the Town did not identify capital assets accurately for appropriate presentation in their financial statements. We recommend that management review and revise its procedures to ensure that all capital assets are identified and properly presented in compliance with generally accepted accounting principles (GAAP) and help avoid material misstatement in the financial statements.

We would like to thank Connie and the entire staff of the Town of Richmond for their cooperation throughout this audit process.

If there are any questions regarding this letter, please do not hesitate to call.

Very Best,

A handwritten signature in black ink that reads "RHR Smith & Company". The signature is written in a cursive, flowing style.

RHR Smith & Company, CPAs