



Proven Expertise and Integrity

July 11, 2025

Board of Selectmen
Town of Vassalboro
P.O. Box 129
North Vassalboro, Maine 04962

MANAGEMENT LETTER

In planning and performing our audit of the financial statements of the Town of Vassalboro, Maine as of and for the year ended June 30, 2023, in accordance with auditing standards generally accepted in the United States of America, we considered the Town'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 Vassalboro, Maine'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 Vassalboro, Maine. The following page summarizes our comments and suggestions on those matters.

This report is intended solely for the information and use of the Board of Selectmen, management, others within the entity, and 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, 2023, where we expressed an unmodified opinion on our independent auditor report dated July 11, 2025.

TRIO Chart of Accounts:

While performing the audit for the above mentioned year ended, it was noted that the Town's capital projects, special revenue, and permanent funds are accounted for in the General Fund among departmental operations. Segregating fund activity in many instances was difficult. Similar to its TIF fund, we recommend that the Town establish separate funds including revenue and expenditure accounts, as well as automation of due to/due from accounts, to record the fiscal activity for the year. This would allow the Town to more easily see the flow of finances for each fund throughout the year. These modifications will also assist the Town in the timely and accurate reporting of these funds and avoid material misstatement of its financial information.

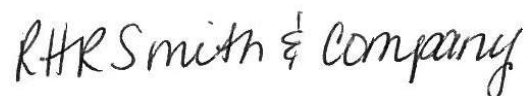
Bank Reconciliations:

While the Town did perform bank reconciliations in a timely manner, the reconciliations that were done were not signed and dated by the preparer. We consider this area crucial in the Town's processing of accurate financial information. We recommend that the Town continue to perform all cash reconciliations on its financial software within 21 days of month end and that the preparer sign and date the reconciliation form. We also recommend that the Town establish a procedure that incorporates these controls to ensure the continued timely and accurate completion of its bank reconciliations. Newly established policies and procedures should be given to the Board of Selectmen for approval.

We would like to thank Aaron, Dawn and all of the staff at the Town of Vassalboro 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 cursive script that reads "RHR Smith & Company".

RHR Smith & Company, CPAs