

GENE A. BESAW & ASSOCIATES, P.C.

Certified Public Accountants & Consultants

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Board of Selectmen
Town of Coventry
Coventry, VT

Dear Gentlemen,

As we discussed at your Board meeting last night, we have made the decision to not issue an audit report for the Town of Coventry year ended June 30, 2013. We are required to give an opinion on the financial statements as a whole and feel we are unable to do so based on the following reasons:

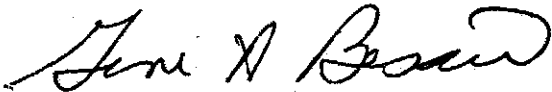
1. The bank statements and reconciliations do not reconcile to the general ledger for the year ended June 30, 2012 or June 30, 2013 by more than \$40,000.
2. The State Auditor issued a situation report in August 2012. None of the issues in that report have been addressed at this time.
3. We were unable to trace deposits or confirm when payments were received as no detail data was available for revenue or accounts receivables.

We also discussed the investment accounts and recommend the Town contact the Town Attorney to verify that the municipality can legally invest in annuitants with death benefits and if this would cause issues in the future.

Lastly, we want to reiterate due to the Town not having internal auditors, you are required by Vermont State Statute 2651b to have an independent audit annually.

If you have further questions, please do not hesitate to contact our office.

Very Truly Yours,



Gene A. Besaw, CPA

Cc: Wm Davies, Town Attorney
Michael Marcotte, Chair of Selectboard
Brad Maxwell, Selectboard
Scott Morley, Selectboard
Cynthia Diaz, Clerk/Treasurer

← Date →

March 2015
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