

## Tilton-Northfield Fire & EMS Commissioners' Meeting

Meeting Called By:	Commissioners	Date, Time:	March 2, 2010 at 16:00
Transcribed By:	Kathy Tobine	Place:	12 Center Street, Tilton

Commissioner Waldron called the meeting to order at 4:00 PM.

Present from the Board: Commissioner Paul Auger, Commissioner Tom Gallant and Commissioner Kevin Waldron.

Commissioner Waldron stated they were meeting with Sheryl Stephens Burke from Melanson Heath & Company for the purpose of discussing what the Fire District might need from them should the vote be in the affirmative for dissolution of the District.

Commissioner Gallant asked Sheryl if she understood the possibility of dissolution of the Fire District. Sheryl replied that she was. Kathy had brought her up to speed and she had seen some articles in local papers as well about what is going on.

Commissioner Gallant stated that in the event of dissolution they will need the services of both legal counsel and their firm. The purpose at this point would be to establish a monetary value for their services so that could be added to their proposed budget. He asked Sheryl how she would see their role in that regard.

Sheryl responded that right now they are having a reviewed financial statement prepared which is not close to the level of service they would receive in an audit. The review is \$6,500. Based on what they have seen the past couple of years she feels the audit would probably be \$2,000 more than that. She asked if the audit would be at the end of the fiscal year.

Commissioner Gallant stated that in the event of dissolution the option of a review or audit would be at the option of the parties. If Tilton and Northfield were fine with a review then there would be no need to have an audit done. If they weren't then you go the distance to satisfy everyone. What they want to do is use the worst case scenario.

Commissioner Auger asked if they shouldn't have a full audit in case something happens so everything is out there. Commissioner Gallant responded that was dependant on the parties. In the case of dissolution, let the two parties decide what they want to do.

Commissioner Gallant asked what additional procedures would be necessary to complete an audit for 2010 where a review was done in 2009. Sheryl explained they would have to go back to the 2009 numbers and audit them. They have already done a lot of the work. They have a lot of the information. It would be just a matter of testing. They would have to test those numbers, the beginning balances, in order to give them a clean opinion on the 2010 audit.

Commissioner Gallant stated they made a decision to go with a review based on financial concern. If it had only been a \$2,000 spread they probably would have voted to go with an audit. They will at some point discuss how they want to make the addition to the budget.

Commissioner Gallant stated that if passed, the dissolution will take place effective 12/31/2010; however, there will be a continuation thereafter. There will be final payrolls to do for both the full-time people and call people, final disbursements to make, final distributions to take care. He thought they would want Melanson Heath & Company to take a look at that as well. The confusing part for him is that there will no longer be a District on January 1<sup>st</sup>. How is all this going to take place? Sheryl replied that she had a solid waste management district that dissolved a couple years ago. She explained how that was handled. They did the audit as of the date they ceased operation. The parties involved did not require any further work. If they did she might not recommend a full blown audit but maybe what they call agreed upon procedures. Specific procedures applied to specific accounts and activities, something on a much lesser scale.

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Commissioner Gallant remarked when they come down to the final distribution he would think the parties would want to be sure that somebody looks at it and puts their stamp on it. The final distribution is done and there is no argument on it then or in the future. They will need an estimate for that. It will be very limited in scope. They anticipate that the parties will have agreed by December 31<sup>st</sup> on the separation of assets. That would be the hard assets. Sheryl commented that if they could have that off their balance sheet by the end of the year that would leave a few payables, a little bit of payroll to pay out and receivables to collect if there are any still.

Commissioner Gallant told Commissioners Waldron and Auger that this is how he envisioned it happening. All of that would take place before December 31<sup>st</sup>. They talked last week about who was going to do this. One thing they are going to have is a continuing payroll for at least one person. He feels they would want to have the same person who has done the payroll do that wrap up. Kathy would carry that out another week or 10 days. They could do that on an hourly basis with her. Then he sees the firm coming in and taking a look at the entire picture. If everything is copasetic then they would do the distribution. They would put a rubber stamp on it, go ahead and go forward.

Commissioner Gallant stated one of the things they need to clarify is the terms. The terms of officers need to carry until March of next year. There would be no District to administer except to wrap up those final things. The Commissioners would be responsible for the ultimate distribution of the assets. If the final distribution of the assets is not until after the end of the year then the terms need to continue.

Discussion ensued about the COMSTAR receivables. Sheryl recommended they have COMSTAR handle the disbursement of the monies to each town after an agreed upon date.

Sheryl stated that the solid waste management district dissolution that she was involved had an administrator, a consultant that was working to do the final wrap up. All of the communities agreed that that individual would make all the final decisions and was paid as a contractor. Commissioner Gallant suggested that if the Treasurer of the District was an acceptable individual to both Towns then he could handle that and be paid for his time and/or a totally impartial individual, the person whose been handling it right along. That is something that is the responsibility of the Commissioners but he wanted Sheryl's ideas on it. Commissioner Waldron asked if there was any advantage to make the date the end of the first quarter. Sheryl suggested they do everything at once to keep costs down.

Commissioner Gallant stated his concern is that on January 1, 2011, there will be two independent entities that need to function on day one and they are going to need money to function. They, as Commissioners, would be less than responsible if that distribution did not follow Melanson Heath & Company's review. He would look to a limited review/audit that the scope would include cash only immediately following December 31<sup>st</sup>. There is a lot of cash to be distributed. Sheryl stated other than the fixed assets, which will be gone at that point, this is the biggest asset. Commissioner Gallant stated the fixed assets may be tied to cash. Sheryl stated they can audit cash pretty quickly, probably within a couple weeks after year end.

Commissioner Gallant asked what their experience has been. They are going to be sitting with this big pool of assets that needs to be distributed. They need to determine the fair market value of those assets in order for the distribution to take place. They are going to need to contact someone who is independent. Who can they go to as an independent source that can do that? Sheryl stated she has not been involved in that, mostly just real estate. Commissioner Auger asked if they couldn't get a value on them whether they make them or work around them. Sheryl stated they probably could. Further discussion ensued.

Commissioner Gallant requested a quote in writing. Sheryl stated she would email to Kathy. Commissioner Gallant asked when they would have 2009. Sheryl replied that she reviewed it today. It has to go through their quality control process. Hopefully he's not too backed up. In a day or two they should get drafts out. They are clean. She does a nice job.

The Commissioners thanked Sheryl for meeting with them. They will let her know the results right after the annual meeting.

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Commissioner Gallant requested a meeting for next Monday, the 8<sup>th</sup>, to put the pieces together. Commissioners Auger and Waldron agreed to meet at 6:00 PM.

Commissioner Gallant requested that each of them look at the warrant and do a what if, what if warrant article 6 passes. The agenda would be matters dealing with the possible dissolution.

Meeting adjourned at 4:36 P.M.

Respectfully submitted,

Kathy Tobine  
Administrative Assistant

**Next Meeting Date, Time, Place:** March 8, 2010 at 18:00. Meeting to be held at Tilton School, new Academic Building, School Street, 2<sup>nd</sup> Floor, Room 213, Tilton.