

**Mayer Fire Board**  
**Special Meeting Minutes**  
**February 24, 2017 3:30 PM**  
**Mayer Fire Administration Office**

**1 Call to order.**

Chairman Coe called the meeting to order at 3:34 P.M.

**2 Pledge of allegiance.**

**3 Roll Call of members.**

Present were Chairman Coe, Acting Clerk Wesolowski and Member Spendley. Member Dodge and Member Paterno were not present.

**4 Call to the public.** (The Fire Board can only respond to items on the Agenda. Comments limited to two minutes each.)  
There was no public comment.

**5 Presentation of the 2015 / 2016 Annual Audit by Jay Parke with Walker & Armstrong, LLP.**

Jay Parke with Walker and Armstrong said he was here to present the results of the 2015 / 2016 audit. He said you have two documents. One is the audited Financial Statements and the second is a report on Internal Control required by State Statutes. He said the audit went pretty well. He said there was an issue that we worked on for a couple of months and will talk more about it in detail (more of a communication issue). His experience working with Management is they want everything done right. He said we have seen an improvement in terms of internal controls. You report on cash basis accounting and any amounts that are owed to the District do not show up such as ambulance payments. Also any amounts that the District owes the vendors, employees or creditors do not show up (Bonds etc.). Some of that is put in a note disclosure. He said their opinion is that the financial statements are correct according to cash basis reporting. He went over the information on the report. He said that this District does not have a lot of cushion and it would be good to have some reserve. He didn't know how to address that but from an auditor's perspective it is a concern. There was discussion. Jay said in the document, Report on Internal Control they let the Board know if there are any problems that they should be aware of. It would be something of a significant deficiency. They did not find any significant deficiency or a material weakness and said overall the records were in good order. He talked about an issue with \$7,000 that went back several years to 2010 from a journal entry. He explained what they found and that it shouldn't have affected what they were auditing in terms of this year or previous years as it was a journal entry from 2010 that was an audit adjustment. It was an old audit adjustment that wasn't reversed out and it should have been and the way it was being adjusted threw off the cash basis accounting (it had no effect on the accrual basis accounting). Jay said there were some minor recommendations and we met with management to go over them. Chairman Coe said about the talks with Admin he would like to know what they were. Jay said because MFD reports on a cash basis we look for certain dollar amounts that might be related to accrual basis and aren't relevant for cash basis reporting. He explained about a payroll check that needed to be backed out. Suzanne said it was just a matter of getting the money logged in properly or accounted for properly. Chairman Coe said he has whole confidence in the staff and understood with an operation this big that mistakes would be made. He just wanted to see what we are fixing and what we are not. Jay said that Suzanne and Patricia are going to get with Angela (pre-audit work) before they (Walker & Armstrong) get the records and that way it will speed up the audit process. He said most of the accrual portion is payroll related and they have no relevance in terms of the audit unless it is cash. We need to have all the timing differences removed from the accounting records. There was discussion about the USDA loan amount.

**6 Acceptance of the 2015 / 2016 Annual Audit.**

**Member Spendley made a motion that we accept the Audit.** Acting Clerk Wesolowski seconded. The vote was Aye – three; No – zero. **Motion carried.**

**7 Adjournment.**

Chairman Coe called the meeting adjourned at 4:34.

  
Clerk Dodge

  
Date