

November 3, 2015

The Board of Directors
East Montpelier Volunteer Fire Department, Inc.

In connection with audit engagements, we are required by auditing standards generally accepted in the United States of America to communicate certain matters with those charged with governance. The term “those charged with governance” means the persons with responsibility for overseeing the strategic direction of the entity and obligations related to the accountability of the entity, for example, the Board of Directors (the Board) or a designated Board officer or committee. This communication is provided in connection with our audit of financial statements of the East Montpelier Volunteer Fire Department, Inc. (the Department) as of and for the year ended June 30, 2015.

These standards require us to communicate with you any matters related to the financial statement audit that are, in our professional judgment, significant and relevant to your responsibilities in overseeing the financial reporting process. They also set the expectation that our communication will be two way, and that the Board or their designee will communicate with us matters you consider relevant to the audit. Such matters might include strategic decisions that may significantly affect the nature, timing, and extent of audit procedures.

This letter summarizes those matters which we are required by professional standards to communicate to you in your oversight responsibility for the Department’s financial reporting process.

The Auditor’s Responsibility Under Professional Standards

Our responsibility under auditing standards generally accepted in the United States of America was described in our arrangement letter dated May 4, 2015.

An Overview of the Planned Scope and Timing of the Audit

The scope of the audit was also described in our arrangement letter dated May 4, 2015. The audit was conducted in August and September 2015; draft reports were provided to management in October 2015.

Accounting Practices

- **Adoption of, or Change in, Accounting Policies**

Management and the Board have ultimate responsibility for the appropriateness of the accounting policies used by the Department. The Department did not adopt any significant new accounting policies nor have there been any changes in existing significant accounting policies during the current period.

- **Significant or Unusual Transactions**

We did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

- **Alternative Treatments Discussed with Management**

We did not discuss with management any alternative treatments within the cash basis of accounting described in note 1 to the financial statements for accounting policies and practices related to material items.

Accounting Estimates

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events and certain assumptions about future events. The significant accounting estimate reflected in the Department's 2015 financial statements is the allocation of functional expenses.

Audit Adjustments

We did not propose any audit adjustments to the original trial balance presented to us to begin our audit.

Uncorrected Misstatements

We did not identify any material misstatements which remained uncorrected at the conclusion of the audit.

Disagreements with Management

We encountered no disagreements with management over the application of the cash basis of accounting described in note 1 to the financial statements, the basis for management's judgments on any significant matters, the scope of the audit, the significant disclosures to be included in the financial statements, or other matters.

Consultations with Other Accountants

We are aware that management has retained an accounting firm for assistance with their bookkeeping and may have consulted with those accountants about accounting or auditing matters.

Significant Issues Discussed with Management

We did not have correspondence with management regarding significant issues arising from the audit. We have discussed accounting matters relating to the Department's accounting estimates.

Difficulties Encountered in Performing the Audit

We did not encounter any difficulties during the audit.

Material Weaknesses

We did not identify any material weaknesses in the Department's system of internal control over financial reporting during our audit of the financial statements.

East Montpelier Volunteer Fire Department, Inc.
November 3, 2015
Page 3

Certain Written Communications between Management and Our Firm

Management provided written representations in connection with the audit in a letter to our firm dated November 3, 2015. A copy of the letter is available upon your request.

This report is intended solely for the information and use of the Board of Directors and management of East Montpelier Volunteer Fire Department, Inc. and is not intended to be and should not be used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have regarding this letter. We appreciate the opportunity to be of service to the Department.

Very truly yours,
Mudgett, Jennett & Krogh-Wisner, P.C.

*Mudgett, Jennett &
Krogh-Wisner, P.C.*