

CANTERBURY FIRE DISTRICT  
General Fund Financial Statements  
December 31, 2015 and 2014  
(With Independent Auditors' Report Thereon)

CANTERBURY FIRE DISTRICT

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## INDEPENDENT AUDITORS' REPORT

The Board of Commissioners  
Canterbury Fire District:

### Report on the Financial Statements

We have audited the accompanying financial statements of the general fund of Canterbury Fire District (the Fire District), as of and for the years ended December 31, 2015 and 2014 and the related notes to financial statements, as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility for the Financial Statements

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Fire District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fire District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the general fund of Canterbury Fire District, as of December 31, 2014 and the related statement of revenue, expenditures and change in fund balance for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Emphasis of Matter

As discussed in note 1, the financial statements present only the general fund and do not purport to, and do not present fairly the financial position of the Fire District, as of December 31, 2014, and the changes in its financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

### Other Information

Our audit was conducted for the purpose of forming an opinion on the fund financial statements that collectively comprise the Fire District's general fund financial statements. The schedule of revenue, expenditures and changes in fund balance - budget and actual is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The schedule of revenue, expenditures and changes in fund balance - budget and actual is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the procedures performed as described above, the schedule of revenue, expenditures and changes in fund balance - budget and actual is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated July 28, 2016, on our consideration of the Fire District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Fire District's internal control over financial reporting and compliance.

EFPR Group, CPAs, PLLC  
(Formerly Toski & Co., CPAs, P.C.)

Williamsville, New York  
July 28, 2016

CANTERBURY FIRE DISTRICT  
 Balance Sheets  
 General Fund  
 December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Assets:		
Cash and equivalents	\$ 211,265	181,764
Cash - restricted	<u>452,265</u>	<u>368,048</u>
Total assets	<u>\$ 663,530</u>	<u>549,812</u>
Liabilities - accounts payable and accrued liabilities	<u>21,490</u>	<u>48,207</u>
Fund balance:		
Restricted	452,265	368,048
Unassigned	<u>189,775</u>	<u>133,557</u>
Total fund balance	<u>642,040</u>	<u>501,605</u>
Total liabilities and fund balance	<u>\$ 663,530</u>	<u>549,812</u>

See accompanying notes to financial statements.

CANTERBURY FIRE DISTRICT  
 Statements of Revenue, Expenditures and Change in Fund Balance  
 General Fund  
 Years ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Revenue:		
Real property taxes	\$ 782,650	783,700
Use of money and property	660	815
Sale of property and compensation for loss	<u>17,000</u>	<u>4,181</u>
Total revenue	<u>800,310</u>	<u>788,696</u>
Expenditures:		
Public safety	323,246	356,625
Capital outlay	138,485	1,083,968
Employee benefits	63,962	60,625
LOSAP contribution	102,330	104,217
Debt service - principal	27,523	26,215
Debt service - interest	<u>4,329</u>	<u>5,637</u>
Total expenditures	<u>659,875</u>	<u>1,637,287</u>
Net change in fund balance	140,435	(848,591)
Fund balance at beginning of year	<u>501,605</u>	<u>1,350,196</u>
Fund balance at end of year	<u><u>\$ 642,040</u></u>	<u><u>501,605</u></u>

See accompanying notes to financial statements.

# CANTERBURY FIRE DISTRICT

## Notes to Financial Statements

December 31, 2015 and 2014

### (1) Summary of Significant Accounting Policies

A summary of the significant accounting policies consistently applied in the preparation of the accompanying general fund financial statements follows.

#### (a) Organization

Canterbury Fire District (the Fire District) provides fire protection services for a portion of the Town of Cornwall, New York. The Fire District is a political subdivision distinct from the municipality in which it is located. The Fire District is governed by an elected Board of Commissioners and is required to have a treasurer and secretary. The Fire District has the power to require the levy of taxes on real property and to borrow in its own name.

All activities and functions performed for the Fire District are its direct responsibility. No other organizations have been included or excluded from the reporting entity. The financial reporting entity includes organizations, functions and activities over which elected officials exercise oversight responsibility. Oversight responsibility is determined on the basis of financial interdependency, selection of governing authority, designation of management and accountability for fiscal matters.

#### (b) Measurement Focus, Basis of Accounting and Financial Statement Presentation

The Fire District has not adopted the reporting requirements of Government Accounting Standards Board (GASB) Statement No. 34 - "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments," which is required by accounting standards generally accepted in the United States of America.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The general fund is accounted for on the modified accrual basis using a current financial resources measurement focus. With this measurement focus, generally, only current assets and current liabilities are included on the balance sheet. Operating statements of this fund present increases (i.e. revenue and other financing sources) and decreases (i.e. expenditures and other financing uses) in net current assets.

Under the modified accrual basis of accounting, governmental fund revenues are recognized when susceptible to accrual (i.e. when they become both measurable and available). "Measurable" means the amount of the transaction can be reasonably determined and "available" means the related cash resources are collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

General fund expenditures are recorded when the liability is incurred except that:

- Payment of prepaid expenses and the purchase of inventory type items are recorded as expenditures at the time the related amounts are due and payable.
- Payments for principal and interest on indebtedness are recorded as expenditures when the related debt service amounts are due and payable, which normally approximates the date the debt is paid.



CANTERBURY FIRE DISTRICT  
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(b) Measurement Focus, Basis of Accounting and Financial Statement Presentation, Continued

- Compensated absences, such as annual leave, which vest or accumulate with eligible employees, are recorded as expenditures in the payroll period in which the earned leave is used by the employee.
- Pension and Length of Service Awards Program (LOSAP) costs are recognized as expenditures when paid.
- Costs of acquiring capital assets are recorded as expenditures when due and payable.

(c) Fund Accounting and Funds Included in These Financial Statements

Governmental Fund Financial Statements - The Fire District has implemented GASB Statement No. 54 - "Fund Balance Reporting and Governmental Type Definitions." This improves the usefulness and clarity of fund balance categories by making the nature and extent of the constraints placed on a Fire District's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used.

Nonspendable Fund Balance - amounts that are not in spendable form (such as inventory and prepaids) or are required to be maintained intact.

Restricted Fund Balance - amount constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments.

Committed Fund Balance - amounts constrained to specific purposes by a government itself, using its highest level of decision making authority. To be reported as committed, amounts cannot be used for any other purpose unless the government takes the same level of action to remove or change the constraint.

Assigned Fund Balance - amounts a government intends to use for a specific purpose. Intent can be expressed by the governing body or by an official or body to which the Board delegates the authority.

Unassigned Fund Balance - amounts that are available for any purpose.

A fund is a separate accounting entity with a self-balancing set of accounts.

The Fire District records its transactions in the fund type described below:

- General Fund - is the principal operating fund of the Fire District and includes all revenue and expenditures not required by law to be included in another fund. Revenue is classified by source. Real property taxes and payments in lieu of taxes are collected by the Town of Cornwall and remitted to the Fire District. Expenditures are classified to separately show the amounts expended for personal services, capital outlays, contractual expenditures, debt service and other expenditures, and other special items for which a separate classification is desired.

CANTERBURY FIRE DISTRICT  
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(d) Budget Basis of Accounting

Budgets are adopted on an annual basis consistent with accounting practices prescribed by New York State (the State) to demonstrate compliance with the State's budget laws.

(e) Cash and Equivalents

Cash and equivalents include amounts in demand deposits as well as certificates of deposit with an initial or remaining non-cancellable maturities of three months or less.

All deposits are required to be fully secured by insurance of the FDIC or by obligations of New York State, obligations of federal agencies, the principal and interest of which is guaranteed by the United States, or obligations of New York State local governments.

(f) Capital Assets

The Fire District does not record capital assets in its general fund, or recognize depreciation expense on these assets.

(g) Fund Equity

Reservations of fund balances are created either to satisfy legal restrictions or plan for future expenditures. Assignment of fund balances in governmental funds indicates the use of these resources in the ensuing year's budget or tentative plans for future use.

(h) Use of Estimates

In preparing financial statements in accordance with the accounting principles described above, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

(i) Insurance

The Fire District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, personal injury liability, and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Judgments and claims are recorded when it is probable that an asset has been impaired or a liability has been incurred and the amount of loss can be reasonably estimated. Settled claims, if any, from these risks have not exceeded commercial coverage.

(j) Expenditures in Excess of Budget

Certain individual budgetary expenditures exceeded their budgetary authorizations in the general fund.

(k) Subsequent Events

Management has evaluated subsequent events through the date of the report which is the date the financial statements were available to be issued.

CANTERBURY FIRE DISTRICT  
Notes to Financial Statements, Continued

(2) Stewardship, Compliance and Accountability

Budgetary Data

General Fund Budget process:

- No later than September 30<sup>th</sup> of each year the Fire District Treasurer submits to the Fire District Commissioners a proposed operating budget for the fiscal year commencing the following January 1<sup>st</sup>. The operating budget includes proposed expenditures and sources of financing.
- Public hearings are conducted to obtain taxpayers' comments.
- Prior to November 20<sup>th</sup>, the final Budget is adopted by the Fire District Commissioners. The Fire District Commissioners must approve all subsequent modifications of the budget.
- For year end financial reporting purposes, adjustments are made to actual results to conform to the modified budget classifications.

(3) Cash and Equivalents

State statutes govern the Fire District's investment policies. In addition, the Fire District has its own written investment policy. The statutes and policies require that Fire District monies be deposited in FDIC-insured commercial banks or trust companies located within the State.

Collateral is required for demand deposits and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies as well as obligations of the State and its municipalities and school districts.

Cash and cash equivalents at December 31, 2015 and 2014 were entirely covered by FDIC insurance and collateral held by the custodial bank.

(4) Long-term Debt

The Fire District issued a \$250,000 serial bond in 2006 to finance a new fire truck. The bond bore interest is 4.99% per annum. The expected interest to be paid on the bond is \$68,520. The expected year of pay-off is 2017. The Fire District's long-term debt is as follows:

<u>Year ended</u> <u>December 31,</u>	<u>Beginning</u> <u>balance</u>	<u>Principal</u> <u>payments</u>	<u>Ending</u> <u>balance</u>	<u>Current</u>	<u>Long-</u> <u>term</u>
2015	\$ 86,757	27,523	59,234	28,896	30,338

The maturity of the Fire District's bond payable at December 31, 2015 is as follows:

<u>Year ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 28,896	2,956	31,852
2017	<u>30,338</u>	<u>1,514</u>	<u>31,852</u>
	\$ <u>59,234</u>	<u>4,470</u>	<u>63,704</u>

CANTERBURY FIRE DISTRICT  
Notes to Financial Statements, Continued

(4) Long-term Debt, Continued

This serial bond is not reported on the balance sheet of the general fund because the fund is a governmental fund and reports on the modified accrual basis of accounting, and serial bond obligations are not reported as liabilities on this basis of accounting. Instead, principal payments on serial bonds are reported as expenditures on the statement of revenue, expenditures, and change in fund balance as paid.

(5) Length of Service Awards Program

The Fire District has established a defined benefit service award program (referred to as a "LOSAP") for the active volunteer firefighters of the Fire District. The program, which became effective on January 1, 1991, was established pursuant to Article 11-A of the General Municipal Law. The intent and purpose of the Program is to provide municipally-funded pension-like benefits to facilitate the recruitment and retention of active volunteer firefighters. The Canterbury Fire District is the sponsor of the Program.

(a) Program Description

Participation, vesting and service credit - Active volunteer firefighters who have reached the age of 18 and who have completed one year of firefighting service are eligible to participate in the Program. Participants acquire a nonforfeitable right to a service award after being credited with five years of firefighting service or upon attaining the program's entitlement age. The program's entitlement age is 60. In general, an active volunteer firefighter is credited with a year of firefighting service for each calendar year after the establishment of the program in which he or she accumulates fifty points. Points are granted for the performance of certain activities in accordance with a system established by the sponsor on the basis of a statutory list of activities and point values. A participant may also receive credit for five years of firefighting service rendered prior to the establishment of the program.

(b) Benefits

A participant's benefit under the program is the actuarial equivalent of a monthly payment for life equal to \$20 multiplied by the person's total number of years of firefighting service. The number of years of firefighting service used to compute the benefit cannot exceed forty. Benefits are payable when a participant reaches entitlement age. The program provides for a minimum of 120 monthly payments once the participant reaches entitlement age. If the participant dies prior to receiving 120 payments, the remaining payments are made to the participant's designated beneficiary. In the event of death or permanent total disability prior to entitlement age, the participant will be paid a lump sum payment equal to the discounted actuarial present value of the participant's accrued service award through the year of death or permanent total disability.

CANTERBURY FIRE DISTRICT  
Notes to Financial Statements, Continued

(5) Length of Service Awards Program, Continued

(c) Fiduciary Investment and Control

Service credit is determined by the Board of Commissioners of the sponsor, based on information certified to the Board of Commissioners by the Fire District having members who participate in the Program. The Fire District must maintain all required records on forms prescribed by the Board of Commissioners.

The Board of Commissioners of the sponsor has retained and designated Penflex to assist in the administration of the Program. The designated Program administrator assists in the administration of the Program functions which include setting up automatic distributions at the beginning of the calendar year, payable to those participants that have reached the entitlement age. Penflex reports these to the Board of Commissioners of the sponsor as part of the annual report. Disbursements for the payment of administrative expenses are paid out of the general fund and are approved as part of the yearly meeting process.

Program assets are required to be held in trust by LOSAP legislation, for the exclusive purpose of providing benefits to participants and their beneficiaries or for the purpose of defraying the reasonable expense of the operation and administration of the Program.

Authority to invest Program assets is vested in the trustee. Subject to restrictions in the Program document, Program assets are invested in accordance with a statutory "prudent person" rule. The Board of Commissioners of the sponsor has approved an investment policy for the funds within the Program which provides guidance to the Penflex in performing the duties as investment manager of the funds. The investment policy requires that the investment manager maintain sufficient liquidity to pay the normal monthly benefits and additional funds in the event of death or disability of a participant.

The sponsor is required to retain an actuary to determine the amount of the sponsor's contributions to the plan. The actuary retained by the sponsor for this purpose is Penflex, Inc. The most recent report prepared by the actuary is dated January 1, 2015, and is available upon request.

Program Financial Condition

Assets and Liabilities

Actuarial present value of accrued service awards as of December 31, 2014	\$ 1,828,359
Total net assets available for benefits	<u>1,519,829</u>
Total unfunded benefits	308,530
Less unfunded liability for separately amortized costs	<u>99,788</u>
Unfunded normal benefits	\$ <u>208,742</u>

CANTERBURY FIRE DISTRICT  
Notes to Financial Statements, Continued

(5) Length of Service Awards Program, Continued

Separately Amortized Costs

Prior service costs have been amortized and paid. The unfunded liability for additional service awards earned after attainment of the entitlement age is being amortized over three years at 6.0% from the year they are accrued.

Receipts and Disbursements

Plan net assets, January 1, 2014	\$ 1,531,871
Changes during the year:	
Plan contributions	104,217
Investment income earned	70,612
Changes in fair market value of investments	(59,388)
Investment expense	(11,719)
Plan benefits paid/payable	(106,200)
Administrative fees	<u>(9,564)</u>
Plan net assets, January 1, 2015	\$ <u>1,519,829</u>

Contributions

Contribution recommended by actuary	\$ <u>104,217</u>
Amounts of sponsor's actual contribution	\$ <u>104,217</u>

Sponsor's actual contribution represents amounts contributed per the latest actuarial report. Sponsor's actual contribution in 2015 was \$102,330.

Administration Fees

Fees paid to administrative/actuarial service provider	\$ <u>8,377</u>
Fees paid for investment management	\$ <u>1,187</u>

Funding Methodology and Actuarial Assumptions - Normal costs

The actuarial valuation methodology used by the actuary to determine the sponsor's contribution is the Attained Age Normal Frozen Initial Liability method. The assumptions used by the actuary to determine the sponsor's contribution and the actuarial present value of benefits are:

Assumed rates of return on program investment	6.00%
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Tables used for:

Post-Entitlement age mortality:	UP94
*Pre-Entitlement age mortality	None
*Pre-Entitlement age disability	None
*Pre-Entitlement age withdrawal	None
*Pre-Entitlement age service credit accruals	100%

\* For programs cost calculation purposes, all Pre-Entitlement age active volunteer firefighter participants are assumed to: survive to the Entitlement Age, remain active and earn fifty points each year, and begin to be paid service awards upon attainment of the Entitlement Age.

CANTERBURY FIRE DISTRICT  
Notes to Financial Statements, Continued

(6) Reserves

Restricted fund balances consists of amounts reserved for the following purposes:

	<u>2015</u>	<u>2014</u>
Apparatus purchases	\$ 220,185	155,968
Major apparatus repair	59,269	59,269
Firehouse construction	<u>172,811</u>	<u>152,811</u>
	<u>\$ 452,265</u>	<u>368,048</u>

(7) Commitments and Contingencies

The Fire District is exposed to various risks of loss related to general liability, property and casualty, workers' compensation, unemployment claims, employee health and accident and environmental liability. The Fire District purchases commercial insurance coverage to protect itself against the risks of loss to which it is exposed.

SUPPLEMENTARY INFORMATION



CANTERBURY FIRE DISTRICT  
 Supplementary Schedule  
 Schedule of Revenue, Expenditures and Change in Fund Balance -  
 Budget and Actual - General Fund  
 Year ended December 31, 2015

	<u>Budgeted Amounts</u>			Variance Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final to Actual</u>
Revenue:				
Real property taxes	\$ 782,650	782,650	782,650	-
Use of money and property	800	800	660	(140)
Sale of property and compensation for loss	-	-	17,000	17,000
Total revenue	<u>783,450</u>	<u>783,450</u>	<u>800,310</u>	<u>16,860</u>
Expenditures:				
Public safety	494,450	494,450	323,246	171,204
Capital outlay	88,000	88,000	138,485	(50,485)
Employee benefits	66,500	66,500	63,962	2,538
LOSAP contribution	102,500	102,500	102,330	170
Debt service - principal	27,600	27,600	27,523	77
Debt service - interest	4,400	4,400	4,329	71
Total expenditures	<u>783,450</u>	<u>783,450</u>	<u>659,875</u>	<u>123,575</u>
Net change in fund balance	-	-	140,435	<u>140,435</u>
Fund balance at beginning of year	<u>501,605</u>	<u>501,605</u>	<u>501,605</u>	
Fund balance at end of year	<u>\$ 501,605</u>	<u>501,605</u>	<u>642,040</u>	

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Board of Commissioners  
Canterbury Fire District:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the general fund of Canterbury Fire District (the Fire District), as of and for the year ended December 31, 2015, and the related notes to financial statements, which collectively comprise the Fire District's general fund financial statements and have issued our report thereon dated July 28, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Fire District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Fire District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Fire District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Fire District's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and other Matters

As part of obtaining reasonable assurance about whether the Fire District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Fire District's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Fire District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

EFPR Group, CPAs, PLLC

Williamsville, New York  
July 28, 2016