

**BIG CORKSCREW ISLAND FIRE CONTROL
AND RESCUE DISTRICT**

**BASIC FINANCIAL STATEMENTS
TOGETHER WITH REPORTS OF
INDEPENDENT AUDITOR**

YEAR ENDED DECEMBER 31, 2014

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INDEPENDENT AUDITORS' REPORT

Board of Fire Commissioners
Big Corkscrew Island Fire Control and Rescue District
13240 Immokalee Road
Naples, FL 34120

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities for the Big Corkscrew Island Fire Control and Rescue District (the "District") as of and for the three months ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the District's basic 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

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit 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 of America. Those standards require that we plan and perform the audit 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 entity'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 entity'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 opinions.



Summary of Opinions

Governmental Activities - Qualified
General Fund – Unmodified
Impact Fee Fund – Unmodified

Basis of Qualified Opinion on Governmental Activities

Management had not yet implemented GASB Statement No. 68 “Accounting and Financial Reporting for Pensions – An Amendment to GASB No. 27”. Accounting principles generally accepted in the United States of America required that this Statement be implemented by entities to which the Statement was applicable within the entities’ financial statements for fiscal years beginning after June 15, 2014. The implementation of this Statement would increase the assets or liabilities and deferred inflows or outflows in the Governmental Activities. The amount by which this departure would affect the assets or liabilities and deferred inflows or outflows in the Governmental Activities had not been determined.

Qualified Opinion on Governmental Activities

In our opinion, except for the effects of the matter described in the “Basis for Qualified Opinion on Governmental Activities”, the financial statements referred to above present fairly, in all material respects, the financial position of the Big Corkscrew Island Fire Control and Rescue District as of December 31, 2014, and changes in the financial position thereof for the period then ended in accordance with accounting principles general accepted in the United States of America.

Unmodified Opinions

In our opinion, based on our audit the financial statements referred to above present fairly, in all material respects, the respective financial position of the general fund and impact fee fund of the Big Corkscrew Island Fire Control and Rescue District as of December 31, 2014, and the respective changes in financial position, for the three months then ended in accordance with accounting principles generally accepted in the United States of America.

Matters of Emphasis

On January 1, 2015, Big Corkscrew Island Fire Control and Rescue District merged into the newly created North Collier Fire Control and Rescue District. The financial statements referred to above reflect only the assets, liabilities, fund balance/net position, revenue and expenditures/expenses of Big Corkscrew Island Fire Control and Rescue District for the three months ended December 31, 2014. Additional information regarding the merger is presented in the accompanying note to the financial statements under the heading Subsequent Events.

Other Matters – Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis (MD&A) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

Other Matters – Required Supplementary Information (Continued)

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion of provide assurance.

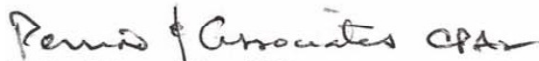
Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Big Corkscrew Island Fire Control and Rescue District’s basic financial statements. The required supplementary information other than MD&A consists of budgetary comparison information and is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the responsibility of management and was derived from and relates 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 in accordance with auditing standards generally accepted in the United States of America. In our opinion, this required supplementary information 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 August 27, 2015, on our consideration of the 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 District’s internal control over financial reporting and compliance.

Other Reporting Required by Section 218.415, Florida Statutes

In accordance with Section 218.415, Florida Statutes, we have issued a report dated August 27, 2015, on our consideration of Big Corkscrew Island Fire Control and Rescue District’s compliance with the provisions of this section. The purpose of the report is to describe the scope of our testing of compliance and the results of that testing, and to provide an opinion on compliance. That report is an integral part of an audit performed in accordance with Sections 218.39 and 218.415, Florida Statutes.



PERRINO & ASSOCIATES, CPAS, PA
Naples, Florida
August 27, 2015

**MANAGEMENT'S DISCUSSION
AND ANALYSIS (MD&A)**

**Management's Discussion and Analysis of Financial Statements
For The Three Months Ended December 31, 2014**

The Discussion and Analysis of the Big Corkscrew Island Fire Control and Rescue District's ("the District") basic financial statements is provided to assist the reader in understanding the District's financial activities and significant changes in ending financial position for the three months ended December 31, 2014.

Contained within are the basic financial statements, consisting of the government-wide financial statements, governmental fund financial statements and notes to the financial statements. The Discussion and Analysis will also provide an analytical overview of these statements, including comparisons of the District's financial position at September 30, 2014, September 30, 2013, and December 31, 2014.

District Highlights

1. The District's assets exceeded its liabilities at September 30, 2014 resulting in a net position of \$5,698,316 as compared to a net position of \$6,151,610 at September 30, 2013. The District's net position at December 31, 2014 was \$7,413,098.
2. The District's net position decreased by \$453,294 during fiscal year 2014 as compared to a decrease of \$310,172 during the fiscal year 2013. The District's net position increased \$1,714,782 during the three months ended December 31, 2014.
3. The District had \$1,921,982 of unrestricted net assets at September 30, 2014 that could be used to meet the District's ongoing obligations, as compared to \$2,529,962 at September 30, 2013. This is a decrease of \$607,980. The District had unrestricted net assets of \$3,533,443 at December 31, 2014 which represented an increase of \$1,611,461 (84%) over the three month period.
4. The District's total revenue on the government-wide basis increased \$34,393 during fiscal year 2014 as compared to an increase of \$72,602 during fiscal year 2013. The District's total revenue on the government-wide basis was \$2,959,313 during the three months ended December 31, 2014. During this three month period, the District had recorded 80% of the total revenue that was recorded for the entire fiscal year ended September 30, 2014.
5. The District's total expenses on the government-wide basis increased \$177,515 during fiscal year 2014 as compared to an increase of \$484,473 during fiscal year 2013. The District's total expenses on the government-wide basis were \$1,244,531 during the three months ended December 31, 2014. During the three month period, the District had recorded 30% of the total expenses that were recorded for the entire fiscal year ended September 30, 2014.

Government-wide Financial Statements

Government-wide financial statements are intended to allow a reader to assess a government's operational accountability. Operational accountability is defined as the extent to which the government has met its operating objectives efficiently and effectively, using all resources available for that purpose, and whether it can continue to meet its objectives for the foreseeable future. Government-wide financial statements concentrate on the District as a whole and do not emphasize fund types.

The Statement of Net Position presents information on all the District's assets and liabilities, with the difference between the two reported as net position. The District's capital assets are included in this statement and reported net of accumulated depreciation.

The Statement of Activities presents revenue and expense information showing how the District's net assets changed during the fiscal year. Both statements are measured and reported using the economic resource measurement focus (revenues and expenses) and the accrual basis of accounting (revenue recognized when earned and expense recognized when incurred).

Governmental Fund Financial Statements

The accounts of the District are organized on the basis of governmental funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that consist of assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

Governmental fund financial statements are prepared on the modified accrual basis of accounting using the current financial resources measurement focus. Under this basis of accounting, revenues are recognized when they become measurable and available as current net assets.

Notes to the Financial Statements

The notes to the financial statements explain in detail some of the data contained in the preceding statements. The notes are essential to a full understanding of the data provided in the government-wide and fund financial statements.

Government-wide Financial Analysis

The government-wide financial statements are designed so that the reader can determine if the District's financial condition is better or worse than the prior year.

The following is a condensed summary Statement of Net Position for the District at December 31, 2014, September 30, 2014 and September 30, 2013:

**Summary Statement of Net Position
December 31, 2014, September 30, 2014 and September 30, 2013**

	<u>12/31/2014</u>	<u>9/30/2014</u>	<u>9/30/2013</u>
Assets:			
Current and Other Assets	\$ 5,245,315	\$3,516,805.00	\$3,593,259.00
Capital Assets	3,604,314	3,577,395	3,793,922
Total Assets	<u>8,849,629</u>	<u>7,094,200</u>	<u>7,387,181</u>
Liabilities:			
Current Liabilities	178,968	179,559	173,345
Noncurrent Liabilities	1,257,563	1,216,325	1,062,226
Total Liabilities	<u>1,436,531</u>	<u>1,395,884</u>	<u>1,235,571</u>
Net Position:			
Net Investment in Capital Assets	3,144,314	3,059,895	3,218,922
Restricted	735,341	716,439	402,726
Unrestricted	3,533,443	1,921,982	2,529,962
Total Net Position	<u>\$ 7,413,098</u>	<u>\$ 5,698,316</u>	<u>\$ 6,151,610</u>

Current and Other Assets represent 59% of the District's total assets at December 31, 2014 as compared to 49.6% at September 30, 2014 and 48.6% at September 30, 2013. Current assets at December 31, 2014 consisted of unrestricted cash in the amount of \$4,366,074, restricted cash in the amount of \$728,282, receivables in the amount of \$109,592, and prepaid expenses in the amount of \$41,367. The unrestricted cash represents amounts that are available for spending at the discretion of the Board of Fire Commissioners of the District. The restricted cash represents amounts that are restricted for the purchase of capital assets associated to growth within the District boundaries.

Capital assets represents 41% of the District's total assets at December 31, 2014 as compared to 50.4% at September 30, 2014 and 51.2% at September 30, 2013.

The following is a condensed summary of Revenue, Expenses, and Changes in Net Position for the three months ended December 31, 2014 and fiscal years ended September 30, 2014 and 2013:

Summary of Revenues, Expenses and Changes in Net Position For the Three Months Ended December 31, 2014 and Fiscal Years Ended September 30, 2014 and 2013

Revenues:	12/31/2014	9/30/2014	9/30/2013
General Revenues			
Ad Valorem Taxes	\$ 2,847,614	\$ 3,180,464	\$ 3,033,517
Impact Fees	98,762	404,142	218,909
Interest Income	358	1,307	3,735
Gain on Sale of Assets	-	800	-
Other Revenues	4,546	70,537	42,419
Program Revenues	8,033	30,856	355,133
Total Revenues	2,959,313	3,688,106	3,653,713
Expenses:			
Public Safety - Fire Protection	1,244,531	4,141,400	3,963,885
Change in Net Position	1,714,782	(453,294)	(310,172)
Net Position - Beginning of the Year	5,698,316	6,151,610	6,461,782
Net Position - End of the Year	\$ 7,413,098	\$ 5,698,316	\$ 6,151,610

Fund Balance – Governmental Fund Financial Statements

The District utilizes only Governmental Funds, which include a General Fund and an Impact Fee Fund.

The focus of the District's Governmental Funds is to provide information on near-term inflows, outflows, and balances of spendable resources. This information is useful in assessing the District's financing requirements. The unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The General Fund is the operating fund for the District. The total fund balance of the General Fund was \$4,388,507 at December 31, 2014 as compared to \$2,678,308 at September 30, 2014 and \$3,076,128 at September 30, 2013. \$1,764,102 of the General Fund balance has been assigned by the Board of Commissioners to cover specific needs of the District in future years. The following is a schedule of the assigned fund balance at December 31, 2014, September 30, 2014, and 2013.

**Assigned Fund Balance
December 31, 2014**

<u>Assigned Fund Balance</u>	<u>12/31/2014</u>	<u>9/30/2014</u>	<u>9/30/2013</u>
General Fund - Fiscal Year Startup	\$ 700,000	\$ 750,000	\$ 750,000
General Fund - Fleet Reserves	150,000	100,000	100,000
General Fund - Facility Reserves	655,000	45,000	45,000
General Fund - GASB Reserves	259,102	230,000	230,000
Total Assigned Fund Balance	<u>\$1,764,102</u>	<u>\$1,125,000</u>	<u>1,125,000</u>

The Impact Fee Fund is a restricted fund for the District. The total fund balance of the Impact Fee Fund was \$735,341 at December 31, 2014, as compared to \$716,439 at September 30, 2014 and \$402,726 at September 30, 2013. Impact Fee Fund cash and cash equivalents was \$728,282 at December 31, 2014 as compared to \$669,927 at September 30, 2014 and \$311,553 at September 30, 2013. Impact Fee funds are restricted for the acquisition, construction, or purchase of assets required to provide fire protection and emergency services and any related debt service.

General Fund Budgetary Highlights

Budget versus actual comparisons are reported as required supplementary information other than management's discussion and analysis. The final budgeted General Fund revenues were \$6,423,159 for the fiscal year ending September 30, 2015 as compared to \$6,391,154 for September 30, 2014. The final budgeted Impact Fee Fund revenues were \$907,225 for the fiscal year ending September 30, 2015 as compared to \$465,275 for September 30, 2014. The original budgets can be amended throughout the fiscal year by approval of the Board of Commissioners to reflect changes in financial information that the District becomes aware of.

During the three months ended, December 31, 2014, the District Board approved a budget amendment that reduced the fiscal year fund balance carryover for both the General and Impact Fee Funds and a corresponding reduction in Reserve expenses.

Capital Assets

The District's investment in capital assets, net of accumulated depreciation and related debt was \$3,144,314 at December 31, 2014 as compared to \$3,059,895 at September 30, 2014 and \$3,218,922 at September 30, 2013. The investment in capital assets includes land, buildings and improvements, equipment, vehicles, and construction in progress. The District's investment in capital assets increased by \$84,419 during the three months ended December 31, 2014 as a result of capital asset acquisitions made during the period.

The following is a schedule of Capital Assets at December 31, 2014 and September 30, 2014 and 2013:

**Capital Assets
September 30**

	<u>12/31/2014</u>	<u>9/30/2014</u>	<u>9/30/2013</u>
Capital Assets			
Land	\$ 765,081	\$ 765,081	\$ 765,081
Construction in Progress	<u>1,009,289</u>	<u>1,007,790</u>	<u>1,002,437</u>
Total Capital Assets not Depreciated	1,774,370	1,772,871	1,767,518
Buildings and Improvements	1,721,095	1,721,095	1,721,095
Equipment and Furniture	653,715	615,403	605,453
Vehicles	<u>1,445,763</u>	<u>1,398,697</u>	<u>1,398,697</u>
Total Capital Assets being Depreciated	3,820,573	3,735,195	3,725,245
Accumulated Depreciation			
Buildings and Improvements	605,407	593,173	544,230
Equipment and Furniture	495,248	479,560	424,375
Vehicles	<u>889,974</u>	<u>857,938</u>	<u>730,236</u>
Total Accumulated Depreciation	<u>1,990,629</u>	<u>1,930,671</u>	<u>1,698,841</u>
Total Capital Assets being Depreciated, Net	1,829,944	1,804,524	2,026,404
Capital Assets Net of Depreciation	3,604,314	3,577,395	3,793,922
Notes Payable	<u>(460,000)</u>	<u>(517,500)</u>	<u>(575,000)</u>
Investment in Capital Assets Net of Related Debt	<u>\$3,144,314</u>	<u>\$3,059,895</u>	<u>\$3,218,922</u>

Debt Administration

The District had long-term obligations of \$1,257,563 at December 31, 2014, as compared to \$1,216,325 at September 30, 2014 and \$1,062,226 at September 30, 2013. The increase is primarily due to the increase in the liabilities for OPEB and Compensated Absences. Included in the long-term obligations is a note payable with a balance at December 31, 2014 of \$402,500. The principal balance on the note is being reduced by \$57,500 annually.

Economic Factors and Next Year's Budget and Rates

The three months ended December 31, 2014 was the final operating period for Big Corkscrew Island Fire Control and Rescue District. Effective January 1, 2015, the District has merged with North Naples Fire Control and Rescue District to create the North Collier Fire Control and Rescue District. The accounting records for the new District will separately report the activities of the Big Corkscrew Island service delivery area from the activities of the North Naples service delivery area. Each service delivery area is governed by its separately approved budgets for the fiscal year ending September 30, 2015.

Requests for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Becky Bronsdon, Assistant Chief of Administrative Services, North Collier Fire Control and Rescue District, 1885 Veterans Park Drive, Naples, Florida 34109.

BIG CORKSCREW ISLAND FIRE CONTROL & RESCUE DISTRICT
STATEMENT OF NET POSITION
December 31, 2014

	<u>Governmental Activities</u>
ASSETS	
Current Assets	
Cash and cash equivalents	\$ 4,366,074
Restricted cash and cash equivalents	728,282
Due from other governments	109,379
Other Receivables	213
Prepaid Expenses	41,367
Total Current Assets	<u>5,245,315</u>
Noncurrent Assets	
Capital Assets	
Land	765,081
Construction in Progress	1,009,289
Depreciable Assets (net of accumulated depreciation \$1,990,630)	1,829,944
Total Noncurrent Assets	<u>3,604,314</u>
TOTAL ASSETS	<u><u>8,849,629</u></u>
LIABILITIES	
Current Liabilities	
Accounts payable and accrued expenses	121,468
Current portion of long-term obligations	57,500
Total Current Liabilities	<u>178,968</u>
Noncurrent Liabilities	
Noncurrent portion of long-term obligations	1,257,563
Total Noncurrent Liabilities	<u>1,257,563</u>
TOTAL LIABILITIES	<u><u>1,436,531</u></u>
NET POSITION	
Net investment in capital assets	3,144,314
Restricted	735,341
Unrestricted	3,533,443
TOTAL NET POSITION	<u><u>\$ 7,413,098</u></u>

The accompanying notes are an integral part of this statement.

BIG CORKSCREW ISLAND FIRE CONTROL & RESCUE DISTRICT
STATEMENT OF ACTIVITIES
Three Months Ended December 31, 2014

	<u>Governmental Activities</u>
EXPENSES	
Governmental Activities	
Public Safety - Fire Protection	
Personnel Services	\$ 991,100
Operating Expenses	174,029
Depreciation	59,960
Interest and fiscal charges	19,442
TOTAL EXPENSES - GOVERNMENTAL ACTIVITIES	<u>1,244,531</u>
PROGRAM REVENUES	
Charges for services	5,882
Operating grants and contributions	2,151
TOTAL PROGRAM REVENUES	<u>8,033</u>
GENERAL REVENUES	
Ad Valorem Taxes	2,847,614
Impact Fees	98,762
Interest Income	358
Gain on Sale of Assets	-
Other Revenues	4,546
TOTAL GENERAL REVENUES	<u>2,951,280</u>
CHANGE IN NET POSITION	1,714,782
NET POSITION - September 30, 2014	<u>5,698,316</u>
NET POSITION - December 31, 2014	<u><u>\$ 7,413,098</u></u>

The accompanying notes are an integral part of this statement.

**BIG CORKSCREW ISLAND FIRE CONTROL & RESCUE DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
December 31, 2014**

	General Fund	Impact Fee Fund	Total Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and cash equivalents	\$4,366,074	\$ -	\$ 4,366,074
Restricted Cash and cash equivalents	-	728,282	728,282
Due from other governments	102,053	7,326	109,379
Other Receivables	213	-	213
Prepaid Expenses	41,367	-	41,367
TOTAL ASSETS	<u>\$4,509,707</u>	<u>\$735,608</u>	<u>\$ 5,245,315</u>
 LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable and accrued expenses	\$ 121,200	\$ 267	\$ 121,467
TOTAL LIABILITIES	<u>121,200</u>	<u>267</u>	<u>121,467</u>
 FUND BALANCES			
Nonspendable	41,367	-	41,367
Restricted	-	735,341	735,341
Assigned	1,764,102	-	1,764,102
Unassigned	2,583,038	-	2,583,038
TOTAL FUND BALANCES	<u>4,388,507</u>	<u>735,341</u>	<u>5,123,848</u>
TOTAL LIABILITES AND FUND BALANCES	<u>\$4,509,707</u>	<u>\$735,608</u>	<u>\$ 5,245,315</u>

The accompanying notes are an integral part of this statement.

**BIG CORKSCREW ISLAND FIRE CONTROL & RESCUE DISTRICT
RECONCILIATION OF THE BALANCE SHEET
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
December 31, 2014**

	<u>Amount</u>
Total fund balance of governmental funds	\$ 5,123,848
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.	
Capital assets not being depreciated	
Land	765,081
Construction in Progress	<u>1,009,289</u>
	1,774,370
Governmental capital assets being depreciated	
Buildings, improvements, equipment, and vehicles	3,820,573
Accumulated Depreciation	<u>(1,990,630)</u>
	1,829,943
Long-term obligations are not due and payable in the current period and therefore are not reported in the funds.	
Notes Payable	(460,000)
Net OPEB obligation	(466,203)
Compensated absences	<u>(388,860)</u>
	<u>(1,315,063)</u>
Total net position of governmental activities	<u>\$ 7,413,098</u>

The accompanying notes are an integral part of this statement.

BIG CORKSCREW ISLAND FIRE CONTROL & RESCUE DISTRICT
STATEMENT OF REVENUES, EXPENSES, & CHANGES IN
FUND BALANCE - GOVERNMENTAL FUNDS
Three Months Ended December 31, 2014

	General Fund	Impact Fee Fund	Total Governmental Funds
REVENUES			
Ad Valorem Taxes	\$ 2,847,614	\$ -	\$ 2,847,614
Charges for Services	5,882	-	5,882
Impact Fees	-	98,762	98,762
Operating grants and contributions	2,151	-	2,151
Interest income	233	125	358
Gain on sale of assets	-	-	-
Other Revenues	4,546	-	4,546
TOTAL REVENUES	<u>2,860,426</u>	<u>98,887</u>	<u>2,959,313</u>
EXPENDITURES			
Current			
Public Safety - Fire Protection	-	-	-
Personnel Services	892,362	-	892,362
Operating expenditures	172,486	1,543	174,029
Debt Service	-	-	-
Principal reduction	-	57,500	57,500
Interest and fiscal charges	-	19,442	19,442
Capital Outlay	85,379	1,500	86,879
TOTAL EXPENDITURES	<u>1,150,227</u>	<u>79,985</u>	<u>1,230,212</u>
Excess or (Deficiency) of Revenues Over Expenditures	1,710,199	18,902	1,729,101
Fund Balance, September 30, 2014	<u>2,678,308</u>	<u>716,439</u>	<u>3,394,747</u>
Fund Balance, December 31, 2014	<u>\$ 4,388,507</u>	<u>\$ 735,341</u>	<u>\$ 5,123,848</u>

The accompanying notes are an integral part of this statement.

**BIG CORKSCREW ISLAND FIRE CONTROL & RESCUE DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURE AND CHANGES IN FUND BALANCE OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Three Months Ended December 31, 2014**

	<u>Amount</u>
Net Changes in Fund Balances of Total Governmental Funds	\$ 1,729,101
<p>The decrease (change) in net position reported for governmental activities in the Statement of Activities is different because:</p>	
<p>Governmental funds report capital outlays as expenditures. In the Statement of Activities; however, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>	
Expenditures for capital assets	86,879
Less - current year depreciation	<u>(59,960)</u>
	26,919
<p>Repayment of principal is an expenditure in the governmental funds but reduces the liability in the Statement of Net Position.</p>	
Repayments (principal retirement)	
Notes Payable	57,500
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.</p>	
Increase in the Net OPEB obligation	(36,116)
Increase in compensated absences	<u>(62,622)</u>
	(98,738)
Change in net position of governmental activities	<u>\$ 1,714,782</u>

The accompanying notes are an integral part of this statement.

BIG CORKSCREW ISLAND FIRE CONTROL AND RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2014

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Big Corkscrew Island Fire Control and Rescue District (the “District”) is an independent special taxing district located in Collier County, Florida. The District was originally established June 24, 1977 by Florida Legislature to provide fire and rescue services to a certain prescribing area in Collier County, Florida. The District is an independent special authorized and existing under the Laws of Florida Chapter 77-535. The District is governed by three (3) member elected Board of Commissioners.

The District operates and maintains two (2) stations, an administration facility, and a shop for equipment repairs and maintenance. As a result of the decline in property values within the District over the past several years, the construction of a third station has been postponed.

On February 6, 2014, the District entered into an Interlocal Agreement with North Collier Fire Control and Rescue District to merge the two Districts. Each Board adopted a resolution identifying their intent to initiate the voluntary merger process pursuant to Florida Statute 189.074. The two Districts created a proposed Joint Merger Plan which was adopted by both Boards and ultimately put before the voters of each District by referendum. On November 4, 2014, voters from both Districts approved the referendum to merge the Districts into one called the North Collier Fire Control and Rescue District. On June 10, 2015, the Governor signed into legislation the official enabling act of the new District under the Laws of Florida, Chapter 2015-191. On January 1, 2015, the North Collier Fire Control and Rescue District officially began operating. There is no effect of the merger on these financial statements.

As of December 31, 2014, the District had not implemented GASB Statement No. 68 “Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27”. Accounting principles generally accepted in the United States of America required this Statement be implemented by the District for fiscal years beginning after June 15, 2014. The implementation would increase the assets or liabilities and deferred inflows or outflows in the District’s Governmental Activities. With the upcoming merger of the Districts, it was decided to begin implementation of the Statement with the initial reporting period for North Collier Fire Control and Rescue District as of and for the nine months ended September 30, 2015.

Reporting Entity

The District adheres to Governmental Accounting Standards Board (GASB) Statement No. 14, “Financial Reporting Entity”, as amended by GASB Statement No. 39, “Determining Whether Certain Organizations Are Component Units” and GASB Statement No. 61, “The Financial Reporting Omnibus – An Amendment of GASB Statements No. 14 and No. 34.

BIG CORKSCREW ISLAND FIRE CONTROL AND RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2014

Reporting Entity, continued

This Statement requires the basic financial statements of the District (the primary government) to include its component units, if any. The District administration had entered into a contract with the Immokalee Fire District to provide mechanic services. This agreement ceased in April 2014. The Immokalee Fire District has its own separate Board of Commissioners who are charged with governance of their District. In evaluating how to define the District for financial reporting purposes, management has considered its relationship with the Immokalee Fire District as well as other potential component units in applying the criteria set forth in GASB Statement No. 14, "The Financial Reporting Entity". The basic criterion for including a component unit within the District's reporting entity is (1) the governing body's ability to exercise oversight responsibility, (2) the scope of public services provided, and (3) the existence of special financing relationships, regardless of whether the District is able to exercise oversight responsibility. Based on the application of these criterion, the District has no component units required to be included in the District's basic financial statements.

Government-wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the District and do not emphasize fund types. These governmental activities comprise the primary government. General governmental and intergovernmental revenues support the governmental activities. The purpose of the government-wide financial statements is to allow the user to be able to determine if the District is in a better or worse financial position than the prior year. The effect of all interfund activity between governmental funds has been removed from the government-wide financial statements.

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the pension fund financial statements. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement Number 34, "Accounting and Financial Reporting for Nonexchange Transactions" (GASB 34).

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements rather than reported as expenditures. Proceeds of long-term debt are recorded as liabilities in the government-wide financial statements rather than as other financing sources. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability in the government-wide financial statements rather than as expenditures.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and 2) grants and contributions that are restricted to meeting the operational or capital improvements of a particular function. Taxes and other items not properly.

BIG CORKSCREW ISLAND FIRE CONTROL AND RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2014

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Fund Financial Statements

The District adheres to GASB Number 54, "Fund Balance Reporting and Governmental Fund Type Definitions" that required a change in the reporting format of fund balances in the governmental fund statements. Essentially, the implementation resulted in adoption of a fund balance policy and reclassification of the components within fund balance.

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity or retained earnings, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the District's governmental funds are presented after the government-wide financial statements. These statements display information about major funds individually.

Governmental Funds

When both restricted and unrestricted resources are combined in a fund, expenditures are considered to be paid first from restricted resources, as appropriate, and then from unrestricted resources. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are considered to be available when they are collected within the current period or soon thereafter to pay liabilities of the current period.

The District's major funds are presented in separate columns on the governmental fund financial statements. The definition of a major fund is one that meets certain criteria set forth in GASB Statement Number 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments" (GASB 34). The funds that do not meet the criteria of a major fund are considered non-major funds and are combined into a single column on the governmental fund financial statements.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported in separate columns on the fund financial statements.

Measurement Focus and Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the basic financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

BIG CORKSCREW ISLAND FIRE CONTROL AND RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2014

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Measurement Focus and Basis of Accounting, continued

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available.

Revenues are considered to be available when they are collectible within the current period and soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers tax revenues to be available if they are collected within sixty days of the end of the current fiscal period.

Revenues susceptible to accrual are property taxes, interest on investments, and intergovernmental revenues. Property taxes are recorded as revenues in the fiscal year in which they are levied, provided they are collected in the current period or within sixty days thereafter.

Interest on invested funds is recognized when earned. Intergovernmental revenues that are reimbursements for specific purposes or projects are recognized when all eligibility requirements are met.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include: (1) principal and interest on long-term debt, if any, is recognized when due; and (2) expenditures are generally not divided between years by the recording of prepaid expenditures.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Non-current Government Assets/Liabilities

GASB 34 requires non-current governmental assets, such as land and buildings, and non-current governmental liabilities, such as notes payable and capital leases, to be reported in the governmental activities column in the government-wide Statement of Net Position.

BIG CORKSCREW ISLAND FIRE CONTROL AND RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2014

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Major Funds

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund.

The Impact Fee Fund (a special revenue fund) consists of fees imposed and collected by Collier County based on new construction within the District. The fees are restricted and can only be used for certain capital expenditures associated with growth within the District.

Budgetary Information

The District has elected to report budgetary comparisons of its major funds as required supplementary information (RSI).

Capital Assets

Capital assets, which include land, construction in progress, buildings, equipment and vehicles, are reported in the government-wide Statement of Net Assets.

The District follows a capitalization policy which calls for capitalization of all capital assets that have a cost or donated value of \$1,000 or more and have a useful life in excess of one year.

All capital assets are valued at historical cost, or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair market value on the date donated. Public domain (infrastructure) capital assets consisting of certain improvements other than building, including curbs, gutters and drainage systems, are not capitalized, as the District generally does not acquire such assets. No debt-related interest expense is capitalized as part of capital assets in accordance with GASB 34.

Maintenance, repairs and minor renovations are not capitalized. The acquisition of land and construction projects utilizing resources received from Federal and State agencies are capitalized when the related expenditure is incurred.

Expenditures that materially increase values, change capacities or extend useful lives are capitalized. Upon sale or retirement, the cost is eliminated from the respective accounts.

Expenditures for capital assets are recorded in the fund statements as current expenditures. However, such expenditures are not reflected as expenditures in the government-wide statements, but rather are capitalized and depreciated.

BIG CORKSCREW ISLAND FIRE CONTROL AND RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2014

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Capital Assets, continued

Depreciable capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Capital Asset</u>	<u>Years</u>
Buildings	15-30
Capital Assets acquired under Capital Lease	6
Office Equipment	3-30
Vehicles	3-10
Equipment and Machinery	3-15

Budgets and Budgetary Accounting

The District adopted an annual budget for the General Fund.

The District adopted annual budgets for the Special Revenue Funds - Impact Fee Fund.

The District follows these procedures in establishing budgetary data for the General Fund and the Impact Fee Fund:

1. During the summer of each year, the District Fire Chief submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing on the upcoming October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain citizen comments.
3. The budget is adopted by approval of the Board of Commissioners.
4. Budget amounts, as shown in these basic financial statements, are as originally adopted or as amended by the Board of Commissioners.
5. The budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America.
6. The level of control for appropriations is exercised at the fund level.
7. Appropriations lapse at year-end.

A budget amendment was approved by the Board of Commissioners at their October 10, 2014 meeting. The General Fund budgeted revenue was reduced by \$72,465 while Reserves expenditures were reduced by the same amount. The Impact Fee Fund budgeted revenue was reduced by \$30,075 while the Reserve expenditures were reduced by the same amount. There were no other amendments during the three months ended December 31, 2014.

BIG CORKSCREW ISLAND FIRE CONTROL AND RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2014

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Impact Fees/Deferred Revenue

The District levies an impact fee on new construction within the District. The intent of the fee is for growth within the District to pay for capital improvements needed due to the growth. The fee is imposed and collected by Collier County and remitted to the District.

Net Assets

In governmental fund statements net assets are identified as restricted when there are externally imposed constraints as to their use, such as through debt covenants, by grantors, or by law.

Fund Balances

The governmental fund financial statements the District maintains include nonspendable, restricted, assigned, and unassigned fund balances. Nonspendable fund balances are those that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Criteria include items that are not expected to be converted into cash, for example prepaid expenses.

Restricted fund balances are those that are restricted by a third party. Restricted fund balances can only be spent for the stipulated purposes.

The District's assigned fund balances are a result of the actions of the District's Board. The assigned fund balance includes the District's operational and capital reserves. At December 31, 2014, fund balance is also assigned for a variety of specific items by District Board action. Any use of the assigned fund balance requires the District's Board approval.

Compensated Absences

The District's employees accumulate annual leave based on the number of years of continuous service. Upon termination of employment, employees can receive payment of accumulated annual leave if certain criteria are met. The costs of accumulated annual leave benefits (compensated absences) are expended in the respective operating funds when payments are made to employees. However, the liability for all accrued vacation and personal leave benefits is recorded in the government-wide Statement of Net Position.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the District because, at present, it is not necessary in order to assure effective budgetary control or to facilitate effective cash planning and control.

BIG CORKSCREW ISLAND FIRE CONTROL AND RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2014

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent assets and 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.

Subsequent Events

Subsequent events have been evaluated through August 27, 2015, which is the date the basic financial statements were available to be issued.

NOTE B – CASH AND CASH EQUIVALENTS

Cash and cash equivalents of the primary government were \$5,094,356 at December 31, 2014, of which \$728,282 was restricted. The total cash and cash equivalents included cash on hand in the amount of \$150.

Deposits

The District's deposit policy allows deposits to be held in demand deposit accounts, money market accounts, and the Florida State Board of Administration – Local Government Surplus Trust Fund. All depositories are institutions designated as qualified public depositories by the State Treasurer. The District's deposits were entirely covered by federal depository insurance of by collateral pursuant to the Public Depository Security Act (Florida Statute 280) of the State of Florida. Bank balances approximate market value.

The District held no other types of deposits during the three months ended December 31, 2014. The Local Government Surplus Fund is not required to be categorized because the investments are not evidenced by securities that exist in physical or book entry form.

Deposits consist of the following at December 31, 2014:

	<u>Carrying Amount</u>	<u>Bank Balance</u>
<u>Unrestricted cash and cash equivalents</u>		
<u>General Fund</u>		
Depository Accounts	<u>\$4,365,924</u>	<u>\$4,408,281</u>
<u>Restricted cash and cash equivalents</u>		
<u>Impact Fee Fund</u>		
Depository Accounts	<u>\$ 728,282</u>	<u>\$ 729,782</u>

BIG CORKSCREW ISLAND FIRE CONTROL AND RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2014

NOTE B – CASH AND CASH EQUIVALENTS, CONTINUED

Restricted Cash and Cash Equivalents

The Impact Fee Fund account is used to account for the deposit of impact fees received and is restricted for certain capital asset acquisition associated with growth within the District boundaries. Impact Fees are collected by Collier County on behalf of the District pursuant to County ordinance and District resolution.

NOTE C – CAPITAL ASSETS ACTIVITY

The following is a summary of the changes in capital assets for the three months ended December 31, 2014:

	<u>9/30/2014</u>	<u>Additions</u>	<u>Dispositions</u>	<u>12/31/2014</u>
Governmental Activities				
Capital Assets not being depreciated				
Land	\$ 765,081	\$ -	\$ -	\$ 765,081
Construction In Progress	1,007,789	1,500	-	1,009,289
Total Capital Assets not being depreciated	<u>1,772,870</u>	<u>1,500</u>	<u>-</u>	<u>1,774,370</u>
Capital Assets being depreciated				
Buildings and Improvements	1,721,095	-	-	1,721,095
Equipment and Furniture	615,402	38,313	-	653,715
Vehicles and Trucks	1,398,697	47,066	-	1,445,763
Total Capital Assets being depreciated	<u>3,735,194</u>	<u>85,379</u>	<u>-</u>	<u>3,820,573</u>
Accumulated Depreciation				
Buildings and Improvements	593,171	12,236	-	605,407
Equipment and Furniture	479,560	15,688	-	495,248
Vehicles and Trucks	857,938	32,036	-	889,974
Total Accumulated Depreciation	<u>1,930,669</u>	<u>59,960</u>	<u>-</u>	<u>1,990,629</u>
Total Capital Assets being depreciated, net	<u>1,804,525</u>	<u>25,419</u>	<u>-</u>	<u>1,829,944</u>
Governmental Activities Capital Assets, net	<u>\$ 3,577,395</u>	<u>\$ 26,919</u>	<u>\$ -</u>	<u>\$ 3,604,314</u>
Notes Payable				<u>(460,000)</u>
Net investment in capital assets				<u>\$ 3,144,314</u>

BIG CORKSCREW ISLAND FIRE CONTROL AND RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2014

NOTE D - LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations for the year ended December 31, 2014:

	Balance			Amounts	
	9/30/2014	Additions	Reductions	Balance 12/31/2014	Due Within One Year
Net OPEB obligation	\$ 430,087	\$ 36,116	\$ -	\$ 466,203	\$ -
Notes Payable	517,500	-	(57,500)	460,000	57,500
Compensated Absences	326,238	119,921	(57,299)	388,860	-
	<u>\$ 1,273,825</u>	<u>\$ 156,037</u>	<u>\$ (114,799)</u>	<u>\$ 1,315,063</u>	<u>\$ 57,500</u>

	<u>Amount</u>
Net OPEB obligation. Cumulative difference between annual between annual OPEB cost and District payments toward the cost of post employment benefits other than pensions since GASB No. 45 transition date of October 1, 2012.	\$ 466,203
\$1,150,000 bank note payable to Suntrust Bank over a 20-year period ending November 1, 2024 in equal annual principal payments of \$57,500 plus accrued interest at a rate of 3.75%.	460,000
Compensated absences. Employees of the District are entitled to paid time off based on length of service and job classification.	<u>388,860</u>
	<u>\$ 1,315,063</u>

The following is a schedule of the present value of net future minimum payments on the District's debt as of December 31, 2014:

Year Ended September 30,	<u>Amount</u>
2016	\$ 74,750
2017	72,594
2018	70,438
2019	68,281
2020-2023	<u>251,562</u>
Total minimum payments	537,625
Less: Amount representing interest of net minimum payments	<u>77,625</u>
	<u>\$ 460,000</u>

BIG CORKSCREW ISLAND FIRE CONTROL AND RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2014

NOTE E - RETIREMENT PLANS

Florida Retirement System

All District personnel employed prior to January 1, 1996 and all other District personnel (other than firefighters) including the Board of Commissioners, hired on or after January 1, 1996, are participants in to the statewide Florida Retirement System (FRS) under the authority of Article X, Section 14 of the State Constitution and Florida Statutes, Chapters 112 and 121. The FRS Plan (the "Plan") was noncontributory prior to July 1, 2011. Beginning July 1, 2011, FRS required a participant contribution equal to 3% of eligible compensation for all classes of employees except for those enrolled in the DROP program, which requires no employee contribution. The FRS is administered by the State of Florida. The District contributed 100% of the required contributions for the three months ended December 31, 2014 and the years ended September 30, 2014, 2013, and 2012. The District's contributions to the Plan for the three months ended December 31, 2014 was \$107,507 and the years ended September 30, 2014, 2013, and 2012 were \$348,049, \$311,123, and \$251,490, respectively, which represents 18%, 18%, 15%, and 22%, respectively, of covered payroll. The pension cost for the District ranged between 6.95% and 19.82% for the three months ended December 31, 2014.

Employees enrolled prior to July 1, 2011, who retire at or after age 62 with 6 years of creditable service (6 years for elected state officials), 6 years of senior management service and age 62, 6 years of special risk service and age 55, Or 30 years of service (25 years for special risk) regardless of age, are entitled to a retirement benefit, payable for life, equal to 1.6% to 3.0% per year of creditable service, depending on the class of employee (regular, special risk, etc.) based on average final compensation of the five (5) highest fiscal years' compensation. The benefit cannot exceed 100% of average final compensation.

Employees enrolled on or after July 1, 2011, who retire at or after age 65 with 8 years of creditable service, 8 years of senior management service and age 65, 8 years of special risk service and age 60, or 33 years of service (30 years for special risk) regardless of age, are entitled to a retirement benefit, payable for life, equal to 1.6% to 3.0% per year of creditable service, depending on the class of employee based on average final compensation of the eight (8) highest fiscal years' compensation. Benefit cannot exceed 100% of average final compensation.

Benefits vest after six years of creditable service for those enrolled prior to July 1, 2011, and after eight years for those enrolled on or after July 1, 2011. Vested employees may retire any time after vesting and incur a 5% benefit reduction for each year prior to normal retirement age.

Early retirement, disability, death and survivor benefits are also offered. Benefits are established by State statute. The Plan provides for a constant 3% cost-of-living adjustment for retirees.

The Plan also provides several other Plan investment options that may be elected by the employee. Each offers specific contribution and benefit options. The Plan documents should be referenced for complete detail.

**BIG CORKSCREW ISLAND FIRE CONTROL AND RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2014**

NOTE E - RETIREMENT PLANS, CONTINUED

Description of Funding Policy

The Plan is a cost sharing, multi-employer plan available to governmental units within the state of Florida. Actuarial information with respect to an individual participating entity is not available. Participating employers are required, by statute, to pay monthly contributions at actuarially determined rates that, expressed as percentages of annual eligible compensation, are adequate to accumulate sufficient assets to pay benefits when due.

Trend Information

A copy of the FRS's June 30, 2014 annual report can be obtained by writing to the Florida Division of Retirement, Cedars Executive Center, 2639-C North Monroe Street, Tallahassee, Florida 32399-1560, or by calling 850-488-5706.

Deferred Compensation Plan

The District's Board of Commissioners adopted GASB Statement No. 32, "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans" during the fiscal year ended September 30, 1998. This required the removal of the related asset and liability of the deferred compensation plan since the funds were not held in trust and were not the property of the District. The District makes no contributions to this Plan.

NOTE F - OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Defined Benefit Plan

Big Corkscrew Island Fire Control and Rescue District offers its retirees the opportunity to continue health and dental benefits for themselves, spouse, and eligible dependents. During the fiscal year ended September 30, 2014, one retiree participated in the District's OPEB arrangement. The retiree notified the District of his election to withdraw from the arrangement. As of December 31, 2014, the District has no retirees participating in this program.

Plan Contributions, Funding Policy, and Annual OPEB Cost

Retirees choosing to continue participating in the group health insurance plan offered by the District are required to contribute 100% of the active premium. The District made no premium payments for retired personnel during the three months ended December 31, 2014. In future years, retiree contributions are assumed to increase at the same rate as premiums increase. The projected employee contributions for the post-employment benefits are assumed to cover the entire cost of the program. No separate trust has been established for the Plan and the Plan does not issue a stand-alone financial report. The District Board of Commissioners has the authority to establish and amend benefit provisions.

BIG CORKSCREW ISLAND FIRE CONTROL AND RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2014

NOTE F - OTHER POST-EMPLOYMENT BENEFITS (OPEB), CONTINUED

Plan Contributions, Funding Policy, and Annual OPEB Cost, continued

The District obtained an actuarial valuation for its OPEB Plan to measure the current year's subsidies and project subsidies into the future, making an allocation of that cost to different years. The following schedule of funding progress is based on the initial actuarial valuation dated September 30, 2012.

The following schedule of funding progress is based on the initial actuarial valuation dated September 30, 2012.

Year Ended	Annual OPEB Cost	Contribution	Percentage of Annual OPEB Cost	Net OPEB Obligation
9/30/2014	\$ 150,884	\$ 8,284	5.50%	\$ 430,087
9/30/2013	\$ 154,884	\$ 13,723	8.90%	\$ 285,624
9/30/2012	\$ 158,186	\$ 13,723	8.70%	\$ 144,463

The annual OPEB cost is the amount that was expensed in the current year. Since the District's Plan is unfunded, the offset to that expense comes from subsidies paid on behalf of the current retirees and their dependents for the current year. The offset is called the expected cash payment. The cumulative difference between the annual OPEB cost for the year and the expected cash payment is called the net OPEB obligation (NOO). The net OPEB obligation is reflected as a liability in the Statement of Net Position. The following table shows the components of the District's annual OPEB cost for the year and the net OPEB obligation.

Three Months Ended December 31, 2014

	<u>Amount</u>
Normal Cost (Service Cost For One Quarter)	\$ 31,462
Amortization of Unfunded Actuarial Accrued Liability (UAAL)	8,085
Interest on Normal Cost and Amortization	<u>198</u>
Annual Required Contribution (ARC)	39,745
Interest on Net OPEB Obligation	357
Adjustment to Annual Required Contribution	<u>(3,986)</u>
Total OPEB Cost (Expense)	36,116
Age Adjusted Contributions Made	<u>-</u>
Change in Net OPEB Obligation	36,116
Net OPEB Obligation - September 30, 2014	<u>430,087</u>
Net OPEB Obligation - December 31, 2014	<u><u>\$ 466,203</u></u>

**BIG CORKSCREW ISLAND FIRE CONTROL AND RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2014**

NOTE F - OTHER POST-EMPLOYMENT BENEFITS (OPEB), CONTINUED

Plan Contributions, Funding Policy, and Annual OPEB Cost, continued

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trend. Amounts determined regarding the funding status of a plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Plan Contributions, Funding Policy, and Annual OPEB Cost, continued

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL	Funded Ratio	Annual Covered Payroll	Unfunded AAL as a Percentage of Covered Payroll
9/30/2012	-	\$ 1,303,353	\$ 1,303,353	0.00%	\$ 1,950,000	66.84%

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on substantive plan provisions, as understood by the employer and participating members, and include the type of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and participating members. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The September 30, 2012 OPEB actuarial valuation was calculated using the alternative measurement method in accordance with GASB No. 45 and GASB No. 43. Because the OPEB liability is unfunded, the actuarial assumptions included a discount rate of .50%, mortality rates as set forth in the RP2000 Mortality Table, standard turnover assumptions per GASB No. 45 paragraph 35b, average retirement age of 59, and healthcare cost trend rate of 8.00% in year 1 decreasing to 4.70%. The healthcare cost trend rates were developed consistent with the Getzen model promulgated by the Society of Actuaries for use in long-term trend projections. The unfunded actuarial accrued liability, as calculated, is being amortized over a period of 30 years as a level percentage of payroll.

NOTE G - HEALTH SAVINGS ACCOUNT PLAN

The District established an HSA plan for its employees. The District contributed \$1,500 per eligible participant to the plan for a total contribution of \$45,000 for the three months ended December 31, 2014. Participants may also elect to contribute to the plan on a pre-tax basis. HSA amounts that are not utilized by the year end are carried over and are the property of the participant per Internal Revenue Service regulation.

BIG CORKSCREW ISLAND FIRE CONTROL AND RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2014

NOTE H - RISK MANAGEMENT

The District is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District has obtained commercial insurance from independent third parties to mitigate the costs of these risks; coverage may not extend to all situations. There has been no significant decrease in coverage from the prior fiscal year. Settled claims from these risks have not exceeded commercial insurance coverage for the year ended September 30, 2011 through December 31, 2014.

NOTE I - PROPERTY TAXES

Property taxes are levied after formal adoption of the District's budget and become due and payable on November 1 of each year and considered delinquent if not paid by April 1 of the following year. Discounts on property taxes are allowed for payments made prior to the April 1 date. Tax certificates are sold to the public for the full amount of any unpaid taxes and must be sold no later than June 1 of each year. The billing, collection, and related record keeping of all property taxes is performed for the District by the Collier County Tax Collector. No accrual for the property tax levy becoming due in November is included in the accompanying basic financial statements, since such taxes are collected to finance expenditures of the subsequent period.

Procedures for collecting delinquent taxes, including applicable tax certificate sales and tax deed sales, are provided for by Florida Statutes. The enforceable lien date is approximately two years after taxes become delinquent and occurs only upon request of a holder of a delinquent tax certificate. As of December 31, 2014, \$100,391 was recorded in the General Fund and was due from Collier County Tax Collector to the District for ad valorem taxes and county held amounts.

Important dates in the property tax cycle are as follows:

Assessment roll certified	July 1
Millage resolution approved	No later than 93 days following certification of assessment roll.
Taxes due and payable (Levy date)	November/with various discount provisions through March 31.
Property taxes payable - maximum discount (4 percent)	30 days after levy date
Beginning of fiscal year for which taxes have been levied	October 1
Due date	March 31
Taxes become delinquent (lien date)	April 1
Tax certificates sold by the Collier County Tax Collector	Prior to June 1

BIG CORKSCREW ISLAND FIRE CONTROL AND RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2014

NOTE I - PROPERTY TAXES, CONTINUED

For the year ending September 30, 2015, the Board of Commissioners levied ad valorem taxes at a millage rate of \$3.50 per \$1,000 (3.5 mills) of the 2014 net taxable value of real property located within the District.

NOTE J – ASSIGNED FUND BALANCE

A portion of the General Fund balance was assigned at December 31, 2014 for the following specific purposes:

	<u>Amount</u>
<u>Nonspendable</u>	
General Fund Prepaid Expenses	<u>\$ 41,367</u>
 <u>Assigned Fund Balance</u>	
General Fund - Fiscal Year Startup	\$ 700,000
General Fund - Fleet Reserves	150,000
General Fund - Facility Reserves	655,000
General Fund - GASB Reserves	<u>259,102</u>
Total General Fund Assigned Fund Balance	<u>\$ 1,764,102</u>

NOTE K - IMPACT FEE FUND ACTIVITY

During the three months ended December 31, 2014, the Impact Fee Fund reported the following activity:

	<u>Amount</u>
Impact Fee Revenues	\$ 98,762
Interest Income	125
Operating Expenditures - Collection Fees	(1,481)
Operating Expenditures - Bank Fees	(62)
Capital Outlay - Construction in Progress	(1,500)
Debt Service - Principal Reduction	(57,500)
Debt Service - Interest and Fiscal Charges	<u>(19,442)</u>
Excess of Revenues over Expenditures	<u>\$ 18,902</u>

**BIG CORKSCREW ISLAND FIRE CONTROL AND RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2014**

NOTE L - COMMITMENTS AND CONTINGENCIES

The District is involved from time to time in certain routine litigation, the substance of which either as liabilities or recoveries, would not materially affect the financial position of the District. Although the final outcome of the lawsuits, assertions, and claims or the exact amount of costs and/or potential recovery is not presently determinable, in the opinion of the District's legal counsel, the resolution of these matters will not have a materially adverse effect of the financial condition of the District. As a general policy, the District plans to vigorously contest any such matters.

NOTE M - SUBSEQUENT EVENT

On December 9, 2014, the District Board approved resolution 15-3 authorizing District management to sign the amended lease with American Tower. The amendment extends the lease to May 26, 2031 and provides the District a one-time payment to the District of \$60,000. The funds had not yet been received as of December 31, 2014.

On January 1, 2015, Big Corkscrew Island Fire Control and Rescue District officially merged into the newly created North Collier Fire Control and Rescue District. The assets, liabilities, and net position of the District was transferred into the new District. The new District will encompass 264 square miles and revenues and expenses will be separately accounted for as the Big Corkscrew Island Service Delivery Area and the North Naples Service Delivery Area.

**REQUIRED SUPPLEMENTARY INFORMATION
OTHER THAN MD&A**

BIG CORKSCREW ISLAND FIRE CONTROL & RESCUE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
Three Months Ended December 31, 2014

	Original Budget	Final Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Ad Valorem Taxes	\$ 3,463,569	\$ 3,463,569	\$ 2,847,614	\$ (615,955)
Intergovernmental Revenue				
State Revenue Sharing - FF Supplemental	8,500	8,500	2,151	(6,349)
Operating Grants and Contributions	62,000	62,000	-	(62,000)
Charges for Services	10,800	10,800	5,882	(4,918)
Miscellaneous				
Interest Income	3,250	3,250	233	(3,017)
Other Income	102,625	102,625	4,546	(98,079)
Subtotal Revenues	3,650,744	3,650,744	2,860,426	(790,318)
Cash Brought Forward	2,844,880	2,772,415	-	(2,772,415)
Total Revenues	6,495,624	6,423,159	2,860,426	(3,562,733)
EXPENDITURES				
Current				
Public Safety				
Personnel Services				
Salaries	2,253,349	2,253,349	558,470	1,694,879
Taxes	199,499	199,499	44,242	155,257
Benefits	991,722	991,722	289,650	702,072
Subtotal Personnel Services	3,444,570	3,444,570	892,362	2,552,208
Operating Expenditures				
Volunteer Services	2,500	2,500	1,110	1,390
Professional Services	15,000	15,000	-	15,000
Audit Services	10,900	10,900	-	10,900
Advertising	4,000	4,000	1,668	2,332
Property Appraiser	33,000	33,000	3,744	29,256
Collection Fees	74,588	74,588	58,701	15,887
Travel	5,000	5,000	1,567	3,433
Communications	26,000	26,000	5,898	20,102
Postage and Delivery	750	750	-	750
Subtotal Operating Expenditures	171,738	171,738	72,688	99,050

BIG CORKSCREW ISLAND FIRE CONTROL & RESCUE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
Three Months Ended December 31, 2014

	Original Budget	Final Adjusted Budget	Actual	Variance Favorable (Unfavorable)
EXPENDITURES, CONTINUED				
Operating Expenditures - continued				
Utilities	22,500	22,500	4,635	17,865
Rentals	6,000	6,000	1,446	4,554
General Liability Insurance	45,520	45,520	12,648	32,872
Repairs and Maintenance	95,995	95,995	35,692	60,303
Printing	1,000	1,000	-	1,000
Bank Fees	6,000	6,000	1,214	4,786
Supplies	36,500	36,500	5,928	30,572
Fuels and Lubricants	42,000	42,000	9,371	32,629
Uniforms and Bunker Gear	31,725	31,725	10,056	21,669
Dues and Subscriptions	7,150	7,150	2,617	4,533
Training and Education	31,760	31,760	12,930	18,830
Small Equipment	16,500	16,500	3,261	13,239
Subtotal Operating Expenditures	<u>342,650</u>	<u>342,650</u>	<u>99,798</u>	<u>242,852</u>
Capital Outlay				
Other Improvements	7,000	7,000	-	7,000
Vehicles	46,000	46,000	47,066	(1,066)
Communication Technology	62,000	62,000	38,313	23,687
Office Equipment	-	-	-	-
Operating Equipment	8,000	8,000	-	8,000
Medical Equipment	-	-	-	-
Subtotal Capital Outlay	<u>123,000</u>	<u>123,000</u>	<u>85,379</u>	<u>37,621</u>
Reserves				
Reserves	2,413,666	2,341,201	-	2,341,201
Total Expenditures	<u>6,495,624</u>	<u>6,423,159</u>	<u>1,150,227</u>	<u>5,272,932</u>
Excess of Revenues Over (Under)				
Expenditures	<u>\$ -</u>	<u>\$ -</u>	1,710,199	<u>\$ 1,710,199</u>
FUND BALANCE - September 30, 2014			<u>2,678,308</u>	
FUND BALANCE - December 31, 2014			<u>\$ 4,388,507</u>	

BIG CORKSCREW ISLAND FIRE CONTROL & RESCUE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - IMPACT FEE FUND
Three Months Ended December 31, 2014

	Original Budget	Final Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Fees				
Impact Fees	\$ 237,025	\$ 237,025	\$ 98,762	\$ (138,263)
Miscellaneous				
Interest Income	275	275	125	(150)
Subtotal Revenues	237,300	237,300	98,887	(138,413)
Cash Brought Forward	700,000	669,925	-	(669,925)
Total Revenues	937,300	907,225	98,887	(808,338)
EXPENDITURES				
Current				
Public Safety				
Operating Expenditures				
Collection Fees	3,555	3,555	1,481	2,074
Bank Fees	-	-	62	(62)
Subtotal Operating Expenditures	3,555	3,555	1,543	2,012
Capital Outlay				
Medical Equipment	-	-	-	-
Construction in Progress	5,000	5,000	1,500	3,500
Subtotal Capital Outlay	5,000	5,000	1,500	3,500
Debt Service				
Principal reduction	57,500	57,500	57,500	-
Interest and fiscal charges	31,000	31,000	19,442	11,558
Subtotal Debt Service	88,500	88,500	76,942	11,558
Reserves				
Reserves	840,245	810,170	-	810,170
Total Expenditures	937,300	907,225	79,985	827,240
Excess of Revenues Over (Under)				
Expenditures	\$ -	\$ -	18,902	\$ 18,902
FUND BALANCE - September 30, 2014			716,439	
FUND BALANCE - December 31, 2014			<u>\$ 735,341</u>	

**ADDITIONAL REPORTS OF
INDEPENDENT AUDITOR**

PERRINO & ASSOCIATES, CPAS, PA

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

Board of Fire Commissioners
Big Corkscrew Island Fire Control and Rescue District
13240 Immokalee Road
Naples, FL 34120

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 governmental activities of Big Corkscrew Island Fire Control and Rescue District, (the "District") as of and for the three months ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated August 27, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity'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.

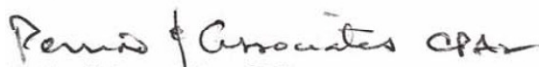


Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatements, we performed tests of its compliance with certain provisions or 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



PERRINO & ASSOCIATES, CPAS, PA
Naples, Florida
August 27, 2015

PERRINO & ASSOCIATES, CPAS, PA

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MANAGEMENT LETTER

Board of Fire Commissioners
Big Corkscrew Island Fire Control and Rescue District
13240 Immokalee Road
Naples, FL 34120

Report on the Financial Statements

We have audited the financial statements of the Big Corkscrew Island Fire Control and Rescue District, Florida, as of and for the three months ended December 31, 2014, and have issued our report thereon dated August 27, 2015.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America and Chapter 10.550, Rules of the Florida Auditor General.

Other Reports

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters based on an audit of the financial statements performed in accordance with *Government Auditing Standards* and Chapter 10.550, Rules of the Florida Auditor General. Disclosures in that report, which was dated August 27, 2015, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10,554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

- Finding 13-14-1
During the testing of capital assets, it was noted that the District did not provide us with evidence that a physical inspection of capital assets was performed as required by Article D of the Fixed Assets Accounting and Control Policy. During the testing of capital assets for the three month ended December 31, 2014, District staff provided us a copy of the inspection report performed. This finding was corrected during the three months ended December 31, 2014.



- **Finding 13-14-2**
During the testing of payroll, it was noted that the District had recorded a journal entry for the change in other post-employment benefits (OPEB) for the fiscal year ended September 30, 2014 to an incorrect account. We provided the District with a correcting entry. The District needs to review its controls over the recording of journal entries to ensure there is a timely detection of incorrect postings. During our testing of payroll for the three months ended December 31, 2014, District staff provided us a copy of the journal entry for posting the change in OPEB. This finding was corrected during the three months ended December 31, 2014.

Official Title and Legal Authority

Section 10.554(1)(i)(4)., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. There are no component units related to the District. The information required by this section can be found in NOTE A to the financial statements.

Financial Condition

Section 10.554(1)(i)5.a., Rules of the Auditor General, requires that we report the results of our determination as to whether or not the Big Corkscrew Island Fire Control and Rescue District has met one of more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, require that we apply financial condition assessment procedures. It is management's responsibility to monitor the District's financial condition, and our financial condition assessment was based in part of the representations made by management and the review of financial information provided by same. We applied the procedures as required. The District had reported a loss in its General Fund in the amounts of \$397,820 and \$377,116 for the fiscal years ended September 30, 2014 and September 30, 2013, respectively. For the three months ended December 31, 2014, the District's General Fund showed revenues in excess of expenses in the amount of \$1,710,199. The District merged into North Collier Fire Control and Rescue District effective January 1, 2015.

Annual Financial Report

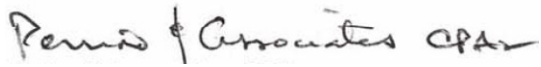
Section 10.554(1)(i)5.b., Rules of the Auditor General, require that we report the results of our determination as to whether the annual financial report for the District for the fiscal year ended September 30, 2014, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the three months ended December 31, 2014. In connection with our audit, we determined that these two reports were in agreement.

Other Matters

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. No such recommendations were noted. The District merged into the North Collier Fire Control and Rescue District effective January 1, 2015.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Board of Commissioners, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Perrino & Associates CPAs". The signature is written in a cursive, slightly slanted style.

PERRINO & ASSOCIATES, CPAS, PA
Naples, Florida
August 27, 2015

PERRINO & ASSOCIATES, CPAS, PA

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INDEPENDENT AUDITOR'S COMPLIANCE REPORT

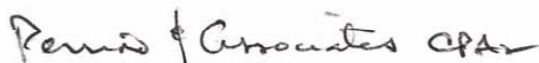
Board of Fire Commissioners
Big Corkscrew Island Fire Control and Rescue District
13240 Immokalee Road
Naples, FL 34120

We have examined the Big Corkscrew Island Fire Control and Rescue District's (the "District") compliance with Section 218.415, Florida Statutes, Local Government Investment Policies, for the three months ended December 31, 2014. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we consider necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

In our opinion, the Big Corkscrew Island Fire Control and Rescue District complied, in all material respects, with the aforementioned requirements for the three months ended December 31, 2014.

This report is intended solely for the information and use of the District and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.



PERRINO & ASSOCIATES, CPAS, PA
Naples, Florida
August 27, 2015



NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT

BOARD OF FIRE COMMISSION

J. Christopher Lombardo, Chairman ■ Norman E. Feder, Vice Chairman ■ Richard Hoffman, Secretary-Treasurer
James Burke ■ Ramon E. Chao ■ Christopher L. Crossan ■ Margaret Hanson ■ John O. McGowan

September 2, 2015

Auditor General's Office
Local Government Audits/342
Claude Pepper Building, Room 401
111 West Madison Street
Tallahassee, FL 32399-1450

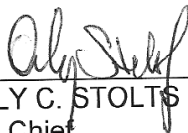
We are pleased to note that the audit report for the period ended December 31, 2014 for the Big Corkscrew Island Fire Control and Rescue District reflected no current year or prior comments which require management's response.

The Board of Fire Commissioners and management staff of the Big Corkscrew Island Fire Control and Rescue District have worked diligently to resolve all past audit comments and address deficiencies in internal controls, and policy and procedures to insure compliance with all requirements and maintain financial stability and fiscal responsibility.


The audit report for the period ended December 31, 2014 reflects the commitment of the Board and staff to successfully resolve any and all prior year issues.

Sincerely,

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
BIG CORKSCREW ISLAND SERVICE DELIVERY AREA



ORLY C. STOLTS
Fire Chief



REBECAH BRONSDON
Assistant Chief of Administrative Services