

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA

*Financial Statements*  
*For the Year Ended December 31, 2014*

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners  
Lincoln Parish Fire Protection District No. 1  
Ruston, Louisiana

### ***Report on the Financial Statements***

I have audited the accompanying financial statements of the governmental activities of the Lincoln Parish Fire Protection District No. 1, as of and for the year 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 controls 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***

My responsibility is to express opinions on these financial statements based on my audit. I conducted my 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. Those standards require that I 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

To the Board of Commissioners  
Lincoln Parish Fire Protection District No. 1  
Ruston, Louisiana

### ***Opinions***

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the Lincoln Parish Fire Protection District No. 1, as of December 31, 2014, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Budgetary Comparison Information on pages 3-5 and 19-22 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. I 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

The Schedule of Compensation, Reimbursements, Benefits and Other Payments to Agency Head, Political Subdivision Head, or Chief Executive Officer is the responsibility of management and was derived directly from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the Schedule of Compensation, Reimbursements, Benefits and Other Payments to Agency Head, Political Subdivision Head, or Chief Executive Officer is fairly stated in all material respects in relation to the financial statements as a whole.

#### ***Other Reporting Required by Government Auditing Standards***

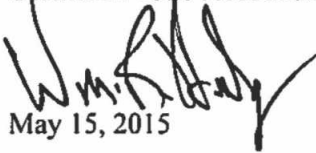
In accordance with *Government Auditing Standards*, I have also issued my report dated May 15, 2015 on my consideration of the District's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of the testing, and not to provide an opinion on internal control over financial reporting or on compliance.



To the Board of Commissioners  
Lincoln Parish Fire Protection District No. 1  
Ruston, Louisiana

That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Lincoln Parish Fire Protection District No. 1's internal control over financial reporting and compliance.

WILLIAM R. HULSEY (APAC)  
Certified Public Accountant



May 15, 2015

**REQUIRED SUPPLEMENTAL INFORMATION (PART A)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**LINCOLN PARISH FIRE PROTECTION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**

Our discussion and analysis of the Lincoln Parish Fire Protection District provides an overview of the District's activities for the year ended December 31, 2014 as compared to 2013. Please read it in conjunction with the District's financial statements.

**USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the Fire District as a whole.

**Reporting the District as a Whole  
The Statement of Net Position and the Statement of Activities**

These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector entities. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report to the District's net position and changes in them. The District's net position (the differences between assets and liabilities) measure the District's financial position. The increases or decreases in the District's net position are an indicator or whether its financial position is improving or not.

**THE FIRE DISTRICT AS A WHOLE**

For the year ended December 31, 2014 and 2013, net position changed as follows:

	<u>2014</u>	<u>2013</u>
Beginning Net Position	\$3,446,805	\$ 3,379,021
Increase in Net Position	<u>99,257</u>	<u>67,784</u>
Ending Net Position	\$3,546,062	\$ 3,446,805

### The Fire District's FUNDS

The following schedule presents a summary of revenues and expenditures for the years ended December 31, 2014 and 2013:

Revenues	2014 Amount	Percent Of Total	2013 Amount	Percent Of Total
Sales Tax	\$ 783,297	52.99%	\$ 567,971	45.87%
Structure Fees	593,650	40.16%	572,622	46.25%
Grants	-	0%	-	0%
Other revenues	101,192	6.85%	97,518	7.88%
<b>Total Revenues</b>	<b>\$1,478,139</b>	<b>100.00%</b>	<b>\$1,238,111</b>	<b>100.00%</b>

Expenditures	2014 Amount	Percent Of Total	2013 Amount	Percent Of Total
Public Safety	\$ 1,378,882	100.00%	\$1,170,327	100.00%
Capital Outlay	-	0%	-	0%
<b>Total Expenditures</b>	<b>\$1,378,882</b>	<b>100.00%</b>	<b>\$1,737,757</b>	<b>100.00%</b>

### GENERAL FUND BUDGETARY HIGHLIGHTS

The Fire District's General Fund revenues were above the final budgeted amount by \$95,545 while expenditures had an unfavorable variance of \$23,588.

### CAPITAL ASSETS AND DEBT ADMINISTRATION

At December 31, 2014, the Fire District had \$6,046,714 (\$970,874, net of accumulated depreciation) invested in capital assets including buildings, vehicles, and machinery and equipment as shown below:

	December 31 2013	Additions	Disposals	December 31 2014
Vehicles	\$1,668,285	\$ 39,671	\$ -	\$1,724,956
Building	981,627	-	-	981,627
Machinery & Equipment	3,288,963	38,368	-	3,327,331
Land	12,800	-	-	12,800
Construction in Progress	-	-	-	-
<b>Totals at Historical Cost</b>	<b>\$5,968,675</b>	<b>78,039</b>		<b>6,046,714</b>
<b>Less Accumulated Depreciation</b>	<b>(4,948,122)</b>	<b>(127,718)</b>	<b>-</b>	<b>(5,075,840)</b>
<b>Totals, net</b>	<b>\$ 1,020,553</b>	<b>\$ (49,679)</b>	<b>\$ -</b>	<b>\$970,874</b>

## **Debt**

The District had a total liability for compensated absences of \$2,272 at year end.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The Fire District has continued to hire additional firefighter/operators in the last several years. The District has also within the last two years completed two additional fire stations and renovated another. At year end, the District had completed the construction adding on to its main facility. It is the goal of the District to provide the best fire protection possible for the citizens of Lincoln Parish and will continue to improve its fire rating.

## **CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions about the report or need additional information, contact the following:

Contact Person: Donnie Watson  
Title: Interim Fire Chief

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
STATEMENT OF NET POSITION  
DECEMBER 31, 2014

	<u>Governmental Activities</u>
<i>Assets</i>	
Cash	\$ 452,463
Investments	1,104,455
Accounts Receivable	612,270
Due from LPPJ	376,665
Non-Depreciable Assets	12,800
Depreciable Assets	<u>958,074</u>
Total Assets	<u>3,516,727</u>
 <i>Deferred Outflows of Resources</i>	
Prepaid Expenses	<u>66,931</u>
 <i>Liabilities</i>	
Accounts Payable	11,967
Due to LPPJ	22,907
Non-Current Liabilities	
Compensated Absences	<u>2,722</u>
Total Liabilities	<u>37,596</u>
 <i>Net Position</i>	
Net Investment in Capital Assets	970,874
Unrestricted	<u>2,575,188</u>
Total Net Position	<u>\$ 3,546,062</u>

The accompanying notes are an integral part of this financial statement.

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2014

Function/Program Activities	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position Governmental Activities</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>		<u>Capital Grants and Contributions</u>
Government Activities: Public Safety	<u>\$ 1,378,882</u>	<u>\$ 593,650</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (785,232)</u>

General Revenues:

Sales Tax	783,297
Fire Insurance Rebate	78,737
Interest Earned	22,455
Miscellaneous Revenue	-
Total General Revenues	<u>884,489</u>
Changes in Net Position	99,257
Net Position - Beginning	<u>3,446,805</u>
Net Position - Ending	<u>\$ 3,546,062</u>

The accompanying notes are an integral part of this financial statement.



**FUND FINANCIAL STATEMENTS**

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2014

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Equipment Reserve Fund</u>
<b>ASSETS:</b>			
Cash	\$ -	\$ -	\$ 353,022
Investments	5,629	-	1,098,826
Accounts Receivable	612,270	-	-
Prepaid Expenses	66,931	-	-
Due from LPPJ	367,982	3,394	-
Due from Other Funds	8,454	-	194,788
	<hr/>	<hr/>	<hr/>
<b>TOTAL ASSETS</b>	<b>\$ 1,061,266</b>	<b>\$ 3,394</b>	<b>\$ 1,646,636</b>
	<hr/>	<hr/>	<hr/>
<b>LIABILITIES AND FUND EQUITY:</b>			
<b>LIABILITIES:</b>			
Accounts Payable	\$ 11,922	\$ -	\$ -
Due to LPPJ	-	-	22,907
Due to Other Funds	316,218	84,466	-
	<hr/>	<hr/>	<hr/>
<b>Total Liabilities</b>	<b>328,140</b>	<b>84,466</b>	<b>22,907</b>
	<hr/>	<hr/>	<hr/>
<b>FUND BALANCES:</b>			
Nonspendable	66,931	-	-
Restricted	-	(81,072)	1,623,729
Committed	-	-	-
Assigned	-	-	-
Unassigned	666,195	-	-
	<hr/>	<hr/>	<hr/>
<b>Total Fund Balances</b>	<b>733,126</b>	<b>(81,072)</b>	<b>1,623,729</b>
	<hr/>	<hr/>	<hr/>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 1,061,266</b>	<b>\$ 3,394</b>	<b>\$ 1,646,636</b>
	<hr/>	<hr/>	<hr/>

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
RECONCILIATION OF TOTAL GOVERNMENTAL  
FUND BALANCES TO NET POSITION OF  
GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2014

<u>Fire Training Center</u>	<u>Total Governmental Funds</u>		
		Total Governmental Fund Balances	\$ 2,577,910
		<i>Amounts reported for governmental activities in the statement of net position are different because:</i>	
\$ 99,441	\$ 452,463		
-	1,104,455		
-	612,270		
-	66,931		
5,289	376,665		
<u>204,698</u>	<u>407,940</u>		
<u>\$ 309,428</u>	<u>\$ 3,020,724</u>	Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	970,874
\$ 45	\$ 11,967	Compensated absences are not due and payable in the current period and therefore are not reported in the funds.	<u>(2,722)</u>
-	22,907		
<u>7,256</u>	<u>407,940</u>	Net Position of Governmental Activities	<u>\$ 3,546,062</u>
<u>7,301</u>	<u>442,814</u>		
-	66,931		
-	1,542,657		
-	-		
302,127	302,127		
-	666,195		
<u>302,127</u>	<u>2,577,910</u>		
<u>\$ 309,428</u>	<u>\$ 3,020,724</u>		

The accompanying notes are an integral part of this financial statement.

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Equipment Reserve Fund</u>
Revenues:			
Structure Fees	\$ 593,650	\$ -	\$ -
Sales Tax	783,297	-	-
Insurance Rebate	78,737	-	-
Other Revenues	392	-	11,913
Total Revenues	<u>1,456,076</u>	<u>-</u>	<u>11,913</u>
Expenditures:			
Public Safety			
Salaries and Benefits	973,548	-	-
Insurance and Surety Bonds	61,056	-	-
GIS Mapping	20,000	-	-
Professional Services	32,025	600	-
Uniforms	10,457	-	-
Utilities	41,496	-	-
Vehicle Expenditures	48,340	-	-
Maintenance	47,525	-	-
Education and Training	2,079	-	-
Telephone	1,613	-	-
Office Supplies	2,404	-	-
Dues and Subscriptions	1,434	-	-
Equipment Rental	1,377	-	-
Travel	1,301	-	-
Miscellaneous	5,984	16	-
Leases and Taxes	679	-	-
Materials and Supplies	9,103	-	-
Capital Outlay	-	83,942	-
Total Expenditures	<u>1,260,421</u>	<u>84,558</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	195,655	(84,558)	11,913
Other Financing Sources (uses):			
Operating Transfers In	-	-	-
Operating Transfers Out	(10,000)	-	-
Total Other Financing Sources(Uses)	<u>(10,000)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	185,655	(84,558)	11,913
Fund Balances, Beginning	<u>547,471</u>	<u>3,486</u>	<u>1,611,816</u>
Fund Balances, Ending	<u>\$ 733,126</u>	<u>\$ (81,072)</u>	<u>\$ 1,623,729</u>

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
RECONCILIATION OF THE STATEMENT OF  
REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES OF GOVERNMENTAL FUNDS TO  
THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2014

Fire Training Center	Total Governmental Funds		
\$ -	\$ 593,650	Net Change in Fund Balances - Total	
-	783,297	Governmental Funds	\$ 122,182
-	78,737		
<u>10,150</u>	<u>22,455</u>	<i>Amounts reported for governmental</i>	
<u>10,150</u>	<u>1,478,139</u>	<i>activities in the statement of activities</i>	
		<i>are different because:</i>	
		Government funds report capital outlays	
		as expenditures while governmental	
-	973,548	activities report depreciation expense to	
383	61,439	allocate those expenditures over the life	
-	20,000	of the assets:	
7,380	40,005	Capital asset purchases capitalized	78,039
-	10,457	Depreciation expense	<u>(127,718)</u>
2,484	43,980		<u>(49,679)</u>
-	48,340		
296	47,821	Some expenses reported in the statement of activities	
-	2,079	do not require the use of current financial	
-	1,613	resources and therefore are not reported as	
-	2,404	expenditures in governmental funds	<u>26,754</u>
-	1,434		
-	1,377	Change in Net Position in Governmental	
-	1,301	Activities	<u>\$ 99,257</u>
66	6,066		
-	679		
369	9,472		
-	83,942		
<u>10,978</u>	<u>1,355,957</u>		
(828)	122,182		
10,000	10,000		
-	(10,000)		
<u>10,000</u>	<u>-</u>		
9,172	122,182		
<u>292,955</u>	<u>2,455,728</u>		
<u>\$ 302,127</u>	<u>\$ 2,577,910</u>		

The accompanying notes are an integral part of this financial statement.

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Lincoln Parish Fire Protection District No. 1 (the District) of Ruston, Louisiana was created by resolution and adopted by the Police Jury on April 23, 1991. The governing body of the District consists of a seven member Board of Commissioners. Four of these commissioners are appointed by the municipalities of Downsville, Dubach, Simsboro, and the Town of Vienna. Three additional members are appointed by the Policy Jury.

The District complies with accounting principles generally accepted in the United States of America (GAAP). GAAP includes all relevant Government Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989 have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent sections of this note.

Basis of Presentation

In June, 1999, the GASB unanimously approved statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. Certain of the significant changes in the presentation of its funds financial information include, for the first time a Management Discussion and Analysis (MD&A) section providing an analysis of the District’s overall financial position and results of operations and financial statements prepared using full accrual accounting for all fund activities. These and other changes are reflected in the accompanying financial statements including the notes to the financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

*Government-Wide Financial Statements* – The governmental-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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

*Governmental Fund Financial Statements* – The 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, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year end

Principal revenue sources considered susceptible to accrual include ad valorem taxes, structure fees, sales tax, and interest on investments. Some revenue items that are considered measurable and available to finance operations during the year from an accounting perspective are not available for expenditure due to the District’s present appropriation system.

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

These revenues have been accrued in accordance with accounting principles generally accepted in the United States of America since they have been earned and are expected to be collected within sixty days of the end of the period. Other revenues are considered to be measurable and available only when cash is received by the District. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Modifications to the accrual basis of accounting include:

- Employees' vested annual leave is recorded as an expenditure when utilized. The amount of accumulated annual leave unpaid at December 31, 2014 has been reported only in the government-wide financial statements.
- Interest on general long-term obligations is recognized when paid.
- Debt service expenditures are recorded only when payment is due.

Fund Accounting

The financial activities of the District are recorded in individual funds, each of which is deemed to be a separate accounting entity. The District uses fund accounting to report on its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Governmental Funds

*General Fund* – This fund is established to account for resources devoted to financing the general services that the District performs. Fees and other revenues used to finance the fundamental operation of the District are included in this fund. The fund is charged with all costs of operating the District for which a separate fund has not been established.

*Debt Service* – This fund is established for the purpose of accumulating resources for the payment of interest and principal on long-term general obligation debt other than those payable from Enterprise Funds and Special Assessment Funds.

*Equipment Reserve Fund* – This fund is established to reserve funds for the replacement of equipment when necessary.

*Fire Training Center Fund* - This fund is established for the purpose of constructing and maintaining a building for training of firefighters.

Use of 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 and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgeting Procedures

The budgets for the funds are proposed by the Director and formally adopted by the Commissioners. The budget is prepared on a basis consistent with generally accepted accounting principles. Budgetary amendments involving the transfer of funds from one function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require approval of the Commissioners. At year end, all appropriations lapse.

Cash and Cash Equivalents

Cash includes demand deposits and money market accounts. Under state law, the Lincoln Parish Fire Protection District No. 1 may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union or the laws of the United States. Further, the Lincoln Parish Fire Protection District No. 1 may invest in the time deposits or certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

The District's policy is to include short-term interest bearing deposits having a maturity of three months or less as cash equivalents in the financial statements.

Valuation of Carrying Amounts and Deposits

Cash is reported at net book value – the year-end bank balance plus any deposits in transit and less any outstanding checks that have not cleared the bank as of that date.

Fund Equity

GASB Statement No. 54 establishes standards for five fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in government funds. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned and unassigned.

*Restricted Fund Balance* – This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

*Committed Fund Balance* – These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the commissioners – the government's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the police jurors remove the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.



LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Equity (Continued)

*Assigned Fund Balance* – This classification reflects the amounts constrained by the District’s “intent” to be used for specific purposes, but are neither restricted nor committed. The commissioners and management have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the general fund, that are not classified as nonspendable and are neither restricted nor committed.

*Unassigned Fund Balance* – This fund balance is the residual classification for the general fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the District’s policy to use externally restricted resources first, then unrestricted resources – committed, assigned and unassigned – in order as needed.

Receivables

All receivables are recorded at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Short-term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet. In the process of aggregating data for the statements of net position and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified.

Quasi-external transactions are accounted for as revenue and expenditures. Transactions that constitute reimbursements to a fund are recorded as expenditures in the reimbursing fund and as a reduction of expenditures in the fund that is reimbursed. All other interfund transactions that are not to be repaid are recorded as transfers.

Fixed Assets

Fixed assets of the District are stated at cost and are reported in the government-wide financial statements. Depreciation of all exhaustible fixed assets is charged as an expense against operations. Depreciation is computed using the straight-line method over the estimated useful lives of 5 years.

Compensated Absences

Employees accrue from 18 to 30 days of annual leave each year depending on years of service with the District. Firemen may receive up to one year’s sick leave per illness as prescribed under Louisiana law.

A provision of \$2,722 has been made for the compensated absences and vacation in these financial statements.

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 2 – CASH AND CASH EQUIVALENTS

*Custodial Credit Risk – Deposits.* The custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's policy to ensure there is no exposure to this risk is to require each financial institution to pledge its' own securities to cover any amount in excess of Federal Depository Insurance Coverage. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District that the fiscal agent bank has failed to pay deposited funds upon demand. Accordingly, the District had no custodial credit risk related to its deposits at December 31, 2014. The District had cash and cash equivalents in demand deposits, totaling \$452,463 at December 31, 2014.

These deposits are stated at cost, which approximates market. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Cash and cash equivalents (bank balances other than these backed by the U.S. government) at December 31, 2014, are secured, as follows:

Bank Balances	\$ <u>492,889</u>
FDIC Insurance	250,000
Pledged Securities (uncollateralized)	<u>1,231,817</u>
Total	\$ <u>1,481,817</u>

NOTE 3 – PROPERTY AND EQUIPMENT

Capital asset activity for the year ended December 31, 2014 is as follows:

	December 31, 2013	Additions	Disposals	December 31, 2014
	<u>Balance</u>			<u>Balance</u>
<b>Assets:</b>				
Land	\$ 12,800	\$ -	\$ -	\$ 12,800
Construction in Process	-	-	-	-
Vehicles	1,685,285	39,671	-	1,724,956
Building	981,627	-	-	981,627
Machinery & Equipment	<u>3,288,963</u>	<u>38,368</u>	-	<u>3,327,331</u>
Totals at Historical Cost	<u>5,968,675</u>	<u>78,039</u>	-	<u>6,046,714</u>
<b>Less Accumulated Depreciation for:</b>				
Vehicles	( 1,673,350)	( 26,739)	-	( 1,700,089)
Building	( 62,820)	( 24,541)	-	( 87,361)
Machinery & Equipment	<u>( 3,211,952)</u>	<u>( 76,438)</u>	-	<u>( 3,288,390)</u>
Total Accumulated Depreciation	<u>( 4,948,122)</u>	<u>( 127,718)</u>	-	<u>( 5,075,840)</u>
<b><u>CAPITAL ASSETS, NET</u></b>	<u>\$ 1,020,553</u>	<u>\$ ( 49,679)</u>	<u>\$ -</u>	<u>\$ 970,874</u>

Depreciation was charged to the Public Safety function of the District for \$127,718.

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 4 – INVESTMENTS

*Custodial Credit Risk – Investments.* The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District’s investments in United States government securities are held by the District’s agent in the District’s name. Therefore, the District had no custodial credit risk related to its investments at December 31, 2014.

Under state law, the District may invest funds in obligations of the United States, in federally-insured investments, or in time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. At December 31, 2014, the District had the following investments stated at cost, which approximates market:

United States Government Securities	<u>\$ 1,104,455</u>
-------------------------------------	---------------------

*Interest Rate Risk.* In accordance with its investments policy, the District manages its exposure to declines in fair market values by limiting investment portfolio to “money market investments” which are defined as creditworthy, highly liquid investments with maturities of one year or less. Although there may be certain circumstances in which longer-term securities are utilized, the general use of long-term securities shall be avoided.

*Credit Risk.* The District’s investment policy limits investments to fully insured and/or fully-collateralized certificates of deposits and direct and indirect obligations of U.S. government agencies.

*Concentration of Credit Risk.* The District’s investment policy limits the District’s investment instruments to: 1) certificates of deposit; 2) certain direct obligations of the U.S. Government; 3) bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by federal agencies and provided such obligations are backed by the full faith and credit of the United States of America; and 4) the Louisiana Asset Management Pool.

NOTE 5 – ACCOUNTS RECEIVABLE

The receivable of \$612,270 on December 31, 2014, are detailed as follows:

	<u>Total</u>
Structure Fees	\$ 508,831
Sales Tax	101,278
Other Receivables	<u>2,161</u>
Total	<u>\$ 612,270</u>

Based on prior experience, the uncollectible ad valorem taxes net of proceeds from the sheriff’s sale of property is immaterial, thus no provision has been made for such loss.

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 6 – DUE TO/FROM OTHER FUNDS

Individual fund balances due to/from other funds at December 31, 2014, are as follows:

<u>Fund</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Major Funds:		
General Fund	\$ 8,454	\$ 316,218
Debt Service Fund	-	84,466
Fire Training Center	204,698	7,256
Equipment Reserve Fund	<u>194,788</u>	<u>-</u>
Totals	<u>\$ 407,940</u>	<u>\$ 407,940</u>

These balances resulted from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system and payments between funds are made.

NOTE 7 - PENSION PLAN

Plan Description

The Firefighters' Retirement System is a defined benefit pension plan covering firefighters employed by any municipality, parish, or fire protection district of the State of Louisiana under the provisions of Louisiana Revised Statutes 11:2251 through 2269.

Under the Firefighters' Retirement System, a member is eligible for normal retirement if he has:

- 20 or more years of service and has attained age 50 or
- 12 years of service and has attained age 55 or
- 25 years of service at any age

Those employees meeting one of these requirements are entitled to annual pension benefits equal to 3 1/3% of their average final compensation based on the 36 consecutive months of highest pay multiplied by their total years of service, not to exceed 100%. Benefits vest upon rendering 12 years of service to the District. Employees may elect to receive their pension benefits in the form of joint and survivor annuity. The District has nine employees covered under this retirement system.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Firefighters Retirement System, 3100 Brentwood Drive, Baton Rouge, Louisiana 70809-1752, or by calling (225) 925-4060.

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 7 - PENSION PLAN (continued)

Funding Policy

Under the plan, members are required by state statute to contribute 10% of their annual covered salary and the Fire Protection District #1 is required to contribute at an actuarially determined rate. The current rate is 29.25% of annual covered payroll which went into effect in July of 2013. The previous rate was 28.25%. The District's contributions to the System under for the years ending December 31, 2014, 2013, and 2012 were \$164,336, \$164,945, and \$147,991, respectively, equal to the required contributions for each year.

NOTE 8 - LEASE OBLIGATIONS

The Lincoln Parish Fire Protection District No. 1 has entered into twenty leases for real property on which to locate fire stations. The leases have various commencing dates beginning in April 1993, and running through April 1994. All leases run for twenty-five years following the commencing date with an option for the district to renew the lease for an additional twenty-five years thereafter. All leases are for \$1 per year. Leases shall expire on their own terms if a fire station, fire protection facility or similar structure is not constructed on the leased premises within twenty-four months from the date the agreement is executed by the lessor. Additionally, leases shall expire if the fire station, fire protection facility or other similar structure is not equipped with appropriate fire protection equipment or ceases to be used as a fire protection facility for the period of twenty-four consecutive months.

Because the leases are operating leases, no provision for the underlying property has been made in general fixed assets nor have the leases been reflected as general long-term debt. The following is a schedule of future minimum lease payments:

<u>Year Ending</u> <u>December 31,</u>	<u>Amount</u>
2015	\$ 20
2016	20
2017	20
2018	20
2019	20
2020	<u>20</u>
Total minimum payments required	<u>\$ 120</u>

NOTE 9 - LONG-TERM DEBT

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Reduction</u>	<u>Ending</u> <u>Balance</u>	<u>Amounts Due</u> <u>Within</u> <u>One Year</u>
Government Activities:					
Accrued Vacation and Sick Time	<u>\$ 29,476</u>	<u>\$ -</u>	<u>\$ 26,754</u>	<u>\$ 2,722</u>	<u>\$ 2,722</u>

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE 10 - DEFERRED COMPENSATION PLAN

Employees of the Lincoln Parish Fire Protection District No. 1 may participate in a deferred compensation plan adopted under the provisions of Internal Revenue Code Section 457 (Deferred Compensation Plans with Respect to Service for State and Local Governments).

The deferred compensation plan is available to all employees of the Lincoln Parish Fire Protection District No. 1. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or unforeseeable emergency. In accordance with the provisions of GASB Statement No. 32 and No. 34, plan balances and activities are not reflected in the financial statements of the Lincoln Parish Fire Protection District No. 1.

NOTE 11 - LITIGATION AND CLAIMS

According to the Parish District Attorney, the Lincoln Parish Fire Protection District No. 1 had no pending or threatened litigation as of December 31, 2014.

NOTE 12 - COMPENSATION FOR THE BOARD OF COMMISSIONERS

The members of the Board for the Fire Protection District No. 1 receive no compensation.

NOTE 13 - SUBSEQUENT EVENTS

Subsequent events have been evaluated through May 15, 2015, which the day the financial statements were available to be issued, and it has been determined that no significant events have occurred for disclosure.

**REQUIRED SUPPLEMENTAL INFORMATION (PART B)  
BUDGETARY COMPARISON SCHEDULES**

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues (Inflows):</u></b>				
Intergovernmental:				
Local Grant	\$ -	\$ -	\$ -	\$ -
State Grant	131,386	-	-	-
Taxes - Sales	425,000	720,000	783,297	63,297
Structure Fees	562,168	562,168	593,650	31,482
Other Revenues	69,125	78,363	79,129	766
Total Revenues	<u>1,187,679</u>	<u>1,360,531</u>	<u>1,456,076</u>	<u>95,545</u>
<b><u>Expenditures (Outflows):</u></b>				
Public Safety				
Salaries and Benefits	810,732	977,332	973,548	3,784
Insurance and Surety Bonds	53,998	53,998	61,056	(7,058)
GIS Mapping	20,000	20,000	20,000	-
Professional Services	26,500	26,500	32,025	(5,525)
Uniforms	7,500	10,500	10,457	43
Utilities	35,000	35,000	41,496	(6,496)
Vehicle Expenditures	33,000	47,000	48,340	(1,340)
Maintenance	27,600	43,500	47,525	(4,025)
Education and Training	2,000	2,000	2,079	(79)
Telephone	1,450	1,450	1,613	(163)
Office Supplies	2,000	2,000	2,404	(404)
Dues and Subscriptions	430	970	1,434	(464)
Equipment Rental	850	1,200	1,377	(177)
Travel	1,250	1,250	1,301	(51)
Miscellaneous	6,330	7,730	5,984	1,746
Leases and Taxes	1,403	1,403	679	724
Materials and Supplies	5,000	5,000	9,103	(4,103)
Election Expenses	-	-	-	-
Capital Outlay	131,386	-	-	-
Total Expenditures	<u>1,166,429</u>	<u>1,236,833</u>	<u>1,260,421</u>	<u>(23,588)</u>
<b><u>Excess Expenditures Over Revenues</u></b>	21,250	123,698	195,655	71,957
<b><u>Other Financing Uses</u></b>				
Transfers In (Out)	<u>(10,000)</u>	<u>(10,000)</u>	<u>(10,000)</u>	<u>-</u>
<b><u>Fund Balance at Beginning of Year</u></b>	<u>547,471</u>	<u>547,471</u>	<u>547,471</u>	<u>-</u>
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<u>\$ 558,721</u>	<u>\$ 661,169</u>	<u>\$ 733,126</u>	<u>\$ 71,957</u>

The accompanying notes are an integral part of this financial statement.



LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
BUDGETARY COMPARISON SCHEDULE - EQUIPMENT RESERVE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues (Inflows):</u>				
Other Revenues	\$ 16,500	\$ 11,920	\$ 11,913	\$ (7)
Total Revenues	<u>16,500</u>	<u>11,920</u>	<u>11,913</u>	<u>(7)</u>
<u>Expenditures (Outflows):</u>				
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Excess (Deficiency) of Revenues</u>				
Over Expenditures	16,500	11,920	11,913	(7)
<u>Other Financing Sources</u>				
Transfers In (Out)	-	-	-	-
<u>Fund Balance at Beginning of Year</u>	<u>1,611,816</u>	<u>1,611,816</u>	<u>1,611,816</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 1,628,316</u>	<u>\$ 1,623,736</u>	<u>\$ 1,623,729</u>	<u>\$ (7)</u>

The accompanying notes are an integral part of this financial statement.

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
BUDGETARY COMPARISON SCHEDULE - FIRE TRAINING CENTER  
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues (Inflows):</u></b>				
Grant Revenue	\$ 20,000	\$ 20,000	\$ -	\$ (20,000)
Other Revenues	465	140	10,150	10,010
<b>Total Revenues</b>	<b>20,465</b>	<b>20,140</b>	<b>10,150</b>	<b>(9,990)</b>
<b><u>Expenditures (Outflows):</u></b>				
Maintenance	6,000	487	296	191
Utilities	2,600	2,600	2,484	116
Materials & Supplies	500	40	369	(329)
Insurance	2,285	1,082	383	699
Miscellaneous Costs	10,050	405	66	339
Professional Services	-	7,380	7,380	-
<b>Total Expenditures</b>	<b>21,435</b>	<b>11,994</b>	<b>10,978</b>	<b>1,016</b>
<b><u>Excess (Deficiency) of Revenues Over Expenditures</u></b>				
	(970)	8,146	(828)	(8,974)
<b><u>Other Financing Sources</u></b>				
Transfers In (Out)	20,000	20,000	10,000	(10,000)
<b>Fund Balance at Beginning of Year</b>	<b>292,955</b>	<b>292,955</b>	<b>292,955</b>	<b>-</b>
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<b><u>\$ 311,985</u></b>	<b><u>\$ 321,101</u></b>	<b><u>\$ 302,127</u></b>	<b><u>\$ (18,974)</u></b>

The accompanying notes are an integral part of this financial statement.

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
NOTES TO BUDGETARY COMPARISON SCHEDULES  
FOR THE YEAR ENDED DECEMBER 31, 2014

The budgets for the funds are proposed by the Director and formally adopted by the Commissioners. The budget is prepared on a basis consistent with generally accepted accounting principles. Budgetary amendments involving the transfer of funds from one function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated, require approval of the Commissioners. At year end, all appropriations lapse.

State law requires the District to amend its budgets when revenues plus projected revenues within a fund are expected to fall short from budgeted revenues by five percent or more and when expenditures and other uses of a fund are expected to exceed budgeted amounts by five percent or more.

**OTHER SUPPLEMENTAL INFORMATION**

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO  
AGENCY HEAD OR CHIEF EXECUTIVE OFFICER  
FOR THE YEAR ENDED DECEMBER 31, 2014

	Donnie Watson Acting Fire Chief	
<b><i>Purpose:</i></b>		
Salary	\$	41,200
Benefits - Insurance		-
Benefits - Retirement		-
Benefits - Dental		-
Travel Reimbursements		-
Cell Phone Reimbursements		-
Total	\$	41,200

MEMBER  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

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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 FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Commissioners  
Lincoln Parish Fire Protection District No. 1  
Ruston, Louisiana

I 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 the Lincoln Parish Fire Protection District No. 1, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued my report thereon dated May 15, 2015.

***Internal Control Over Financial Reporting***

In planning and performing my audit of the financial statements, I 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 my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, I 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, 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 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.

My 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

To the Board of Commissioners  
Lincoln Parish Fire Protection District No. 1  
Ruston, Louisiana

***Compliance and Other Matters***

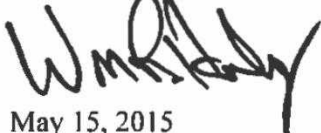
As part of obtaining reasonable assurance about whether the Lincoln Parish Fire Protection District No. 1's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which 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 my audit, and accordingly, I do not express such an opinion. The results of my 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 my 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.

This report is intended for the use of management of the Lincoln Parish Fire Protection District No. 1 and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

WILLIAM R. HULSEY (APAC)  
Certified Public Accountant



May 15, 2015

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2014

Board of Commissioners  
Lincoln Parish Fire Protection District No. 1  
Ruston, Louisiana

I have audited the financial statements of the Lincoln Parish Fire Protection District No. 1 (the District) as of and for the year ended December 31, 2013, and have issued my report thereon dated May 15, 2015. I conducted my 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. My audit of the financial statements as of December 31, 2014, resulted in an unqualified opinion.

**SECTION I - Summary of Auditor's Results**

A. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weakness \_\_\_ yes X no

Significant Deficiencies not considered to be  
Material Weaknesses \_\_\_ yes X no

Compliance

Compliance Material to Financial Statements \_\_\_ yes X no

B. Federal Awards

Material Weakness Identified \_\_\_ yes X no

Significant Deficiencies not considered to be  
Material Weaknesses \_\_\_ yes X no

Type of Opinion on Compliance For Major Programs (No Major Programs)

Unqualified \_\_\_ Qualified \_\_\_

Disclaimer \_\_\_ Adverse \_\_\_

Are their findings required to be reported in accordance with Circular A-133, Section .510 (a)? N/A

C. Identification of Major Programs: N/A

Name of Federal Program (or cluster)  
CFDA Number(s)

Dollar threshold used to distinguish between Type A and Type B Programs. N/A

Is the auditee a "low-risk" auditee, as defined by OMB Circular A-133? N/A

**SECTION II - Financial Statement Findings**

No matters were reported.

**SECTION III - Federal Award Findings and Questioned Costs**

No matters were reported.



LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2014

Internal Control and Compliance Material to Federal Awards

There were no findings for this category.

Internal Control and Compliance Material to the Financial Statements

There were no findings for this category.

Management Letter Comments

There were no findings for this category.