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October 6, 2016

Board of Directors
Scott Township Volunteer Fire Department, Inc.
1540 E. Baseline Road
Evansville, IN 47725

We have reviewed the audit report prepared by Krueger & Associates, CPA's, LLC, Independent Public Accountant, for the period July 1, 2014 to June 30, 2015. In our opinion, the audit report was prepared in accordance with the guidelines established by the State Board of Accounts. Per the Independent Public Accountants' opinion, the financial statements included in the report present fairly the financial condition of Scott Township Volunteer Fire Department, Inc., as of June 30, 2015, and the results of its operations for the period then ended, on the basis of accounting described in the report.

The Independent Public Accountants' report is filed with this letter in our office as a matter of public record.

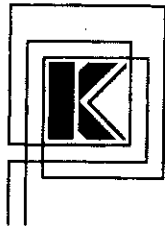
Paul D. Joyce
Paul D. Joyce, CPA
State Examiner

**SCOTT TOWNSHIP VOLUNTEER
FIRE DEPARTMENT, INC.
Evansville, Indiana**

**FINANCIAL STATEMENTS
For the Years Ended June 30, 2015 and 2014**

SCOTT TOWNSHIP VOLUNTEER FIRE DEPARTMENT, INC.
Evansville, Indiana

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Krueger & Associates, CPA's, LLC

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Scott Township Volunteer Fire Department, Inc.

We have audited the accompanying financial statements of Scott Township Volunteer Fire Department, Inc. (a nonprofit organization), which comprise the statements of assets, liabilities, and net assets—cash basis as of June 30, 2015 and 2014, and the related statements of support, revenue, and expenses—cash basis for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting as described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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 an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of Scott Township Volunteer Fire Department, Inc. as of June 30, 2015 and 2014, and its support, revenue, and expenses for the years then ended in accordance with the cash basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Krueger & Associates, CPA's, LLC
Krueger & Associates, CPA's, LLC

Jasper, Indiana
December 16, 2015

SCOTT TOWNSHIP VOLUNTEER FIRE DEPARTMENT, INC.
Evansville, Indiana

EXHIBIT A

STATEMENTS OF ASSETS, LIABILITIES AND
NET ASSETS-CASH BASIS
JUNE 30, 2015 and 2014

ASSETS

	2015	2014
CURRENT ASSETS		
Cash - payroll	\$0	\$0
Cash - checking	0	5,358
Cash - public fund savings	20,854	192,143
Cash - special	0	7
TOTAL ASSETS	\$20,854	\$197,508

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Checks in process	\$64,021	\$427
TOTAL LIABILITIES	64,021	427
NET ASSETS		
Unrestricted		
Undesignated	(43,167)	197,081
TOTAL NET ASSETS	(43,167)	197,081
TOTAL LIABILITIES AND NET ASSETS	\$20,854	\$197,508

The accompanying notes are an integral part of the financial statements.

SCOTT TOWNSHIP VOLUNTEER FIRE DEPARTMENT, INC.
Evansville, Indiana

EXHIBIT B

STATEMENTS OF REVENUE, EXPENSES AND
 CHANGES IN NET ASSETS - CASH BASIS
 For the Years Ended June 30,

	2015	2014
SUPPORT AND REVENUE		
Support:		
Grants and contributions	\$906	\$414,882
	906	414,882
Revenue:		
Governmental contracts	1,052,887	658,952
Ambulance transports	149,587	184,475
Recovery services	32,952	17,317
Fundraising	51,857	57,277
Other	9,868	37,867
Interest	77	112
	1,297,228	956,000
Total Support and Revenue	1,298,134	1,370,882
 EXPENSES		
Program Services:		
Equipment and vehicle maintenance	119,959	89,787
Fuel and oil	20,639	20,748
Supplies	16,184	11,804
Training	32,327	14,484
Member social expense	11,516	11,651
Member incentives	168	1,945
Protective clothing	47,572	22,264
Other	127	581
	248,492	173,264

SCOTT TOWNSHIP VOLUNTEER FIRE DEPARTMENT, INC.
Evansville, Indiana

EXHIBIT B (CONTINUED)

**STATEMENTS OF REVENUE, EXPENSES AND
 CHANGES IN NET ASSETS - CASH BASIS**
 For the Years Ended June 30,

	2015	2014
Supporting Services:		
Insurance	275,785	223,776
Professional fees	30,626	23,065
Dues and subscriptions	18,282	7,914
Office supplies and equipment	56,163	30,734
Payroll and related	775,122	769,027
Utilities and telephone	31,051	33,412
Building maintenance	70,042	60,491
Travel	14,788	8,947
Other	18,031	4,474
	1,289,890	1,161,840
Total Expenses	1,538,382	1,335,104
Increase (Decrease) in Net Assets	(240,248)	35,778
Net Assets - Unrestricted - Beginning of Year	197,081	161,303
Net Assets - Unrestricted - End of Year	(\$43,167)	\$197,081

The accompanying notes are an integral part of the financial statements

SCOTT TOWNSHIP VOLUNTEER FIRE DEPARTMENT, INC.

Notes to Financial Statements

NOTE 1–NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES:

Nature of Activities

Scott Township Volunteer Fire Department, Inc. was established to provide fire, emergency medical and rescue services to governmental units located in Vanderburgh County, Indiana. The Department's primary source of revenue is from contracts with these governmental units.

Basis of Accounting

The accompanying financial statements have been prepared on the cash basis of accounting; consequently, certain revenues are recognized when received rather than when earned, and certain expenses and purchases of assets are recognized when cash is disbursed rather than when the obligation is incurred.

Financial Statement Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements for Not-for-Profit Organizations*. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. No temporarily or permanently restricted assets were held during 2015 and 2014, and accordingly, these financials do not reflect any activity related to these classes of net assets for 2015 and 2014.

Contributions

Contributions are recorded as made. All contributions are available for unrestricted use unless specifically restricted by the donor. The Department has not received any contributions with donor imposed restrictions.

Income Taxes

The Department is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. There are no material tax provisions taken by the organization which require recognition or disclosure under the provisions of FASB ASC 740 (formerly FIN 48) "Accounting for Uncertainty in Income Taxes". The organization's federal and state income tax returns for all years after 2012 are subject to examination by taxing authorities.

SCOTT TOWNSHIP VOLUNTEER FIRE DEPARTMENT, INC.

Notes to Financial Statements

**NOTE 1–NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED):**

Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Date of Management’s Review

Management has evaluated subsequent events through December 16, 2015, the date of which the financial statements were available to be issued.

NOTE 2–CASH RECEIVED FROM GOVERNMENTAL UNITS:

<u>Governmental Unit</u>	<u>2015</u>	<u>2014</u>
Scott Township	\$925,077	\$537,100
Armstrong Township	48,510	46,200
Town of Darmstadt	79,300	75,652

NOTE 3–CONCENTRATION OF CREDIT RISK:

Approximately 71% and 39% of support and revenue in 2015 and 2014, respectively, was from a contract with Vanderburgh County Indiana township. See Note 2.

The Department maintains their cash in bank deposit accounts at quality financial institutions. The balances, at times, may exceed federally insured limits. At June 30, 2015 and 2014, the balances exceeded federally insured limits by approximately \$ 0.