



STATE OF INDIANA
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June 24, 2009

Board of Directors
French Lick Fire Department, Inc.
8589 West Main Street
French Lick, IN 47432

We have reviewed the audit report prepared by Rodefer Moss & Co., PLLC, Independent Public Accountants, for the period January 1, 2007 to December 31, 2007. 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 the French Lick Fire Department, Inc., as of December 31, 2007, 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.

STATE BOARD OF ACCOUNTS

Audited Financial Statements

French Lick Fire Department, Inc.

December 31, 2007

FRENCH LICK FIRE DEPARTMENT, INC.
French Lick, Indiana

AUDITED FINANCIAL STATEMENTS
December 31, 2007

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INDEPENDENT AUDITOR'S REPORT

December 5, 2008

Officers and Directors
FRENCH LICK FIRE DEPARTMENT, INC.
8589 West Main Street
French Lick, Indiana 47432

We have audited the accompanying statement of cash receipts and disbursements of **FRENCH LICK FIRE DEPARTMENT, INC.** (a nonprofit organization) as of December 31, 2007, and the related statement of assets and net assets for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principals used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note A, these financial statements were prepared on the cash receipts and disbursements basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the statement of cash receipts and disbursements and the statement of assets and net assets referred to above presents fairly, in all material respects, the cash receipts and disbursements, assets and net assets of **FRENCH LICK FIRE DEPARTMENT, INC.** for the year ended December 31, 2007, on the basis of accounting described in Note A.

RODEFER MOSS & CO, PLLC

Rodefer Moss & Co. PLLC

FRENCH LICK FIRE DEPARTMENT, INC.
French Lick, Indiana

STATEMENT OF ASSETS AND NET ASSETS - CASH BASIS

	<u>December 31,</u> <u>2007</u>
<u>ASSETS</u>	
Cash	\$ <u>33,300</u>
 TOTAL ASSETS	 \$ <u><u>33,300</u></u>
 <u>NET ASSETS</u>	
Unrestricted Net Assets	<u>33,300</u>
 TOTAL NET ASSETS	 \$ <u><u>33,300</u></u>

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

FRENCH LICK FIRE DEPARTMENT, INC.

French Lick, Indiana

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

For the Year Ended December 31, 2007

CASH RECEIPTS

Contract Income	\$ 120,000
Grants	35,863
Program Service Income	4,450
Donations	<u>2,005</u>

Total Cash Receipts 162,318

CASH DISBURSEMENTS

Firefighter & Clothing Compensation	67,230
Uniforms and Protective Clothing	40,642
Salaries	25,220
Insurance	12,047
Repair & Maintenance	7,148
Communication Expenses	5,096
Supplies	4,765
Fuel	4,684
Administrative Expenses	4,400
Training and Education	4,110
New Fire Equipment	1,820
Telephone	890
Meetings	812
Payroll Taxes	320
Professional Dues	275
Firefighter Physicals	150
Postage and Shipping	<u>10</u>

Total Cash Disbursements 179,619

Net Decrease in Unrestricted Net Assets (17,301)

UNRESTRICTED NET ASSETS AT BEGINNING
OF YEAR 50,601

UNRESTRICTED NET ASSETS AT END OF YEAR \$ 33,300

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

FRENCH LICK FIRE DEPARTMENT, INC.
French Lick, Indiana

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2007

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

French Lick Fire Department, Inc. ("Organization") is an Indiana nonprofit corporation serving the fire and rescue needs for the Town of French Lick through a written contract. The Town of French Lick is located in Orange County, Indiana with an estimated population of approximately 1,925 individuals.

The Organization manages firefighting personnel that fight fires, maintains and utilizes rescue and fire fighting equipment, provides emergency rescue services, and also provides fire protection and prevention inside the corporate limits of the town of French Lick and, as need dictates, outside of these corporate limits.

The Organization has one salaried full-time firefighter. The other personnel are paid as contract labor on a per-run or per on-call basis.

The Organization's support for the year ended December 31, 2007 year was received from contributions, payments for program services (fire runs and rescues), a FEMA grant for protective clothing, and money received under the contract with the Town of French Lick.

Basis of Accounting

The accompanying financial statement has been prepared on the cash receipts and disbursements basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. Under that basis, the only asset recognized is cash, and no liabilities are recognized. All transactions are recognized as either cash receipts or disbursements, and noncash transactions are not recognized. The cash basis differs from generally accepted accounting principles primarily because the effects of any outstanding payables or any support receivable at the date of the financial statement are not included in the financial statement, nor are fixed assets owned by the Organization recorded as assets.

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

FRENCH LICK FIRE DEPARTMENT, INC.
French Lick, Indiana

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2007

NOTE A -- NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of 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 of 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. All of the Organization's net assets at December 31, 2007 were unrestricted.

NOTE B - ECONOMIC DEPENDENCY

The Organization is materially dependent on the Town of French Lick for its funding. The Organization received \$120,000 in funding from this contract for the year ended December 31, 2007, which constitutes 73.9% of its total support.