



**STATE OF INDIANA**  
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B38332

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January 13, 2011

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, 2008 to December 31, 2008. 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, 2008, 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

FRENCH LICK FIRE DEPARTMENT, INC.

Financial Statements

Year Ended December 31, 2008

FRENCH LICK FIRE DEPARTMENT, INC.  
Financial Statements  
Year Ended December 31, 2008

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### Independent Auditors' Report

To the Officers and Directors  
French Lick Fire Department, Inc.

We have audited the accompanying statement of cash receipts and disbursements of French Lick Fire Department, Inc. (a nonprofit organization) as of December 31, 2008, 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 1, these financial statements were prepared on the cash 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, 2008, on the basis of accounting described in Note 1.

RODEFER MOSS & CO, PLLC  
New Albany, Indiana  
March 16, 2010

FRENCH LICK FIRE DEPARTMENT, INC.  
Statement of Assets and Net Assets - Cash Basis  
December 31, 2008

ASSETS

Cash

\$ 18,230

Total assets

18,230

NET ASSETS

Unrestricted net assets

18,230

Total net assets

\$ 18,230

FRENCH LICK FIRE DEPARTMENT, INC.  
Statement of Cash Receipts and Disbursements  
Year Ended December 31, 2008

Cash Receipts	
Contract income	\$ 120,000
Donations	11,040
Miscellaneous income	3,120
Grant income	2,500
Program service income	<u>20</u>
Total cash receipts	<u>136,680</u>
Cash Disbursements	
Firefighter and clothing compensation	65,252
Salaries	26,000
Insurance	18,578
Other expense	9,458
Repair and maintenance	7,348
Fuel	5,701
Training and education	3,592
Payroll taxes	3,029
Supplies	2,683
Uniforms and protective clothing	2,332
Communication expenses	2,089
Annual service agreement	1,630
Administrative expenses	957
Telephone	873
Public education	694
New fire equipment	465
Postage and shipping	457
Meetings	345
Firefighter physicals	<u>267</u>
Total cash disbursements	<u>151,750</u>
Net change in unrestricted net assets	(15,070)
Unrestricted net assets at beginning of the year	<u>33,300</u>
Unrestricted net assets at the end of the year	<u>\$ 18,230</u>

See notes to financial statements.

FRENCH LICK FIRE DEPARTMENT, INC.  
Notes to Financial Statements  
December 31, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Organization 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 2,000 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, 2008 year was received from contributions, payments for program services (fire runs and rescues), 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 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.

**Basis of Presentation** - 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, 2008 were unrestricted.

NOTE 2 - 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, 2008, which constitutes 88% of its total support.