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May 25, 2018

Board of Directors
Sellersburg Volunteer Fire Department, Inc.
426 E. Utica St.
Sellersburg, IN 47172

We have reviewed the report prepared by Sellersburg Volunteer Fire Department, Inc. and opined upon by Rodefer Moss & Co, PLLC, Independent Public Accountants, for the period April 1, 2016 to March 31, 2017. Per the *Independent Auditors' Report* the financial statements included in the report present fairly the financial condition of Sellersburg Volunteer Fire Department, Inc. as of March 31, 2017 and the results of its operations for the period then ended, on the basis of accounting described in the report.

In our opinion, Rodefer Moss & Co, PLLC prepared all required independent auditor's reports in accordance with generally accepted auditing standards and guidelines established by the State Board of Accounts.

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

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

SELLERSBURG VOLUNTEER FIRE DEPARTMENT, INC.

Financial Statements

March 31, 2017 and 2016

SELLERSBURG VOLUNTEER FIRE DEPARTMENT, INC.
Financial Statements
March 31, 2017 and 2016

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Independent Auditors' Report

To the Officers and Directors
Sellersburg Volunteer Fire Department, Inc.

We have audited the accompanying financial statements of Sellersburg Volunteer Fire Department, Inc. (a nonprofit organization), which comprise the statements of financial position as of March 31, 2017 and 2016, and the related statements of activities and cash flows 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 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.

Auditors' 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 auditors' 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 auditors consider 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 financial position of Sellersburg Volunteer Fire Department, Inc. as of March 31, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Rodefer Moss & Co, PLLC

Rodefer Moss & Co, PLLC
New Albany, Indiana
July 13, 2017

SELLERSBURG VOLUNTEER FIRE DEPARTMENT, INC.
 Statements of Financial Position
 March 31, 2017 and 2016

	2017	2016
ASSETS		
Cash	\$ 403,209	\$ 539,103
Accounts receivable	10,859	34,196
Prepaid expenses	13,493	9,852
Investments	1,662,443	1,508,171
Property and equipment, net	1,688,674	1,303,888
Total assets	\$ 3,778,678	\$ 3,395,210
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable	\$ 2,634	\$ 39,794
Accrued expenses	6,493	4,848
Accrued interest	2,716	1,431
Notes payable	632,346	820,116
Total liabilities	644,189	866,189
Net Assets		
Unrestricted		
Unrestricted	976,001	776,885
Board designated	1,662,443	1,508,171
Total Unrestricted	2,638,444	2,285,056
Temporarily restricted	496,045	243,965
Total net assets	3,134,489	2,529,021
Total liabilities and net assets	\$ 3,778,678	\$ 3,395,210

SELLERSBURG VOLUNTEER FIRE DEPARTMENT, INC.
 Statements of Activities
 For the Year Ended March 31, 2017

	Unrestricted	Temporarily Restricted	Total
Revenue, gains, and other support			
Contract services	\$ 1,343,434	\$ -	\$ 1,343,434
In-kind contributions	25,838	409,314	435,152
Realized and unrealized gain (loss) on investments	119,436	-	119,436
Interest and dividends	56,309	-	56,309
Gain (loss) on disposal of property and equipment	17,031	-	17,031
Fire/Haz Mat runs	15,269	-	15,269
Rent	8,116	-	8,116
Grants	-	5,000	5,000
Other	2,991	-	2,991
Ambulance services	75	-	75
Refunds	-	-	-
	<u>1,588,499</u>	<u>414,314</u>	<u>2,002,813</u>
Net assets released from restrictions	<u>162,234</u>	<u>(162,234)</u>	<u>-</u>
Total revenue, gains, and other support	<u>1,750,733</u>	<u>252,080</u>	<u>2,002,813</u>
Expenses			
Salaries	459,677	-	459,677
Depreciation	247,023	-	247,023
Fire and ambulance supplies	162,799	-	162,799
Employee benefits	64,054	-	64,054
Utilities and telephone	63,187	-	63,187
Insurance	61,538	-	61,538
In-kind	50,020	-	50,020
Payroll taxes	45,713	-	45,713
Interest	39,728	-	39,728
Incentive pay	30,845	-	30,845
Repair and maintenance	28,265	-	28,265
Fuel and oil	22,942	-	22,942
Uniforms and protective clothing	21,990	-	21,990
Miscellaneous	19,235	-	19,235
Investment fees	18,117	-	18,117
Professional fees	17,743	-	17,743
IT supplies and services	12,073	-	12,073
Radios and pagers	10,037	-	10,037
Office	8,694	-	8,694
Dues and subscriptions	4,125	-	4,125
Vending and food supplies	3,681	-	3,681
Training	3,446	-	3,446
Advertising	1,980	-	1,980
Travel	229	-	229
Amortization	204	-	204
Billing services	-	-	-
Total expenses	<u>1,397,345</u>	<u>-</u>	<u>1,397,345</u>
Change in net assets	<u>353,388</u>	<u>252,080</u>	<u>605,468</u>
Net assets at beginning of year	<u>2,285,056</u>	<u>243,965</u>	<u>2,529,021</u>
Net assets at end of year	<u>\$ 2,638,444</u>	<u>\$ 496,045</u>	<u>\$ 3,134,489</u>

See notes to financial statements.

SELLERSBURG VOLUNTEER FIRE DEPARTMENT, INC.

Statements of Activities

For the Year Ended March 31, 2016

	Unrestricted	Temporarily Restricted	Total
Revenue, gains, and other support			
Contract services	\$ 1,305,917	\$ 7,480	\$ 1,313,397
In-kind contributions	42,035	51,540	93,575
Realized and unrealized gain (loss) on investments	(93,844)	-	(93,844)
Interest and dividends	62,930	-	62,930
Gain (loss) on disposal of property and equipment	(10,542)	-	(10,542)
Fire/Haz Mat runs	21,100	-	21,100
Rent	13,671	-	13,671
Grants	-	-	-
Other	11,248	5,000	16,248
Ambulance services	1,620	-	1,620
Refunds	38,194	-	38,194
	<u>1,392,329</u>	<u>64,020</u>	<u>1,456,349</u>
Net assets released from restrictions	<u>64,359</u>	<u>(64,359)</u>	<u>-</u>
Total revenue, gains, and other support	<u>1,456,688</u>	<u>(339)</u>	<u>1,456,349</u>
Expenses			
Salaries	441,828	-	441,828
Depreciation	226,102	-	226,102
Fire and ambulance supplies	85,569	-	85,569
Employee benefits	60,095	-	60,095
Utilities and telephone	51,438	-	51,438
Insurance	61,100	-	61,100
In-kind	42,035	-	42,035
Payroll taxes	38,863	-	38,863
Interest	38,284	-	38,284
Incentive pay	28,804	-	28,804
Repair and maintenance	26,831	-	26,831
Fuel and oil	25,028	-	25,028
Uniforms and protective clothing	23,049	-	23,049
Miscellaneous	18,267	-	18,267
Investment fees	13,123	-	13,123
Professional fees	23,891	-	23,891
IT supplies and services	14,331	-	14,331
Radios and pagers	1,691	-	1,691
Office	9,536	-	9,536
Dues and subscriptions	4,296	-	4,296
Vending and food supplies	2,233	-	2,233
Training	2,479	-	2,479
Advertising	3,755	-	3,755
Travel	30	-	30
Amortization	204	-	204
Billing services	356	-	356
Total expenses	<u>1,243,218</u>	<u>-</u>	<u>1,243,218</u>
Change in net assets	<u>213,470</u>	<u>(339)</u>	<u>213,131</u>
Net assets at beginning of year	<u>2,071,586</u>	<u>244,304</u>	<u>2,315,890</u>
Net assets at end of year	<u>\$ 2,285,056</u>	<u>\$ 243,965</u>	<u>\$ 2,529,021</u>

See notes to financial statements.

SELLERSBURG VOLUNTEER FIRE DEPARTMENT, INC.
 Statements of Cash Flows
 For the Years Ended March 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Cash Flows From Operating Activities		
Cash received from service recipients	\$ 54,788	\$ 52,959
Cash received from contract and local support	1,343,434	1,319,011
Interest paid	(39,728)	(38,284)
Interest income	3,356	2,164
Cash paid to employees and suppliers	<u>(1,080,124)</u>	<u>(924,494)</u>
Net cash flows from operating activities	<u>281,726</u>	<u>411,356</u>
Cash Flows From Investing Activities		
Purchases of equipment	(258,420)	(29,740)
Proceeds from disposal of equipment	28,570	-
Purchases of investments	(899,089)	(1,471,531)
Proceeds from sale of investments	<u>899,089</u>	<u>1,471,531</u>
Net cash flows from investing activities	<u>(229,850)</u>	<u>(29,740)</u>
Cash Flows From Financing Activities		
Principal payments of debt	<u>(187,770)</u>	<u>-</u>
Net cash flows from financing activities	<u>(187,770)</u>	<u>-</u>
Net change in cash and cash equivalents	(135,894)	381,616
Cash and cash equivalents at the beginning of the year	<u>539,103</u>	<u>157,487</u>
Cash and cash equivalents at the end of the year	<u>\$ 403,209</u>	<u>\$ 539,103</u>
Supplemental Disclosures		
Noncash Transactions		
Use of vehicles donated to Organization	<u>\$ 42,834</u>	<u>\$ 37,896</u>
Use of equipment donated to Organization	<u>\$ 6,017</u>	<u>\$ -</u>
Buildings and equipment donated to Organization	<u>\$ 385,132</u>	<u>\$ 51,540</u>

See notes to financial statements.

SELLERSBURG VOLUNTEER FIRE DEPARTMENT, INC.
 Statements of Cash Flows (Continued)
 For the Years Ended March 31, 2017 and 2016

Reconciliation of change in net assets to net cash flows from operating activities	2017	2016
Change in net assets	\$ 605,468	\$ 213,131
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	247,023	226,102
Amortization	204	204
Investment loss (income), net of investment fees	(154,272)	46,201
Loss (gain) on disposal of property and equipment	(17,031)	10,542
Donated assets	(385,132)	(51,540)
Decrease (increase) in assets:		.
Accounts receivable	23,337	(32,260)
Prepaid expenses	(3,641)	(8,501)
Increase (decrease) in liabilities:		
Accounts payable	(37,160)	35,445
Accrued expenses	1,645	(21,252)
Accrued interest	1,285	(6,716)
Net cash flows from operating activities	\$ 281,726	\$ 411,356

SELLERSBURG VOLUNTEER FIRE DEPARTMENT, INC.

Notes to Financial Statements

March 31, 2017 and 2016

NOTE 1 - NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities - Sellersburg Volunteer Fire Department, Inc. ("Organization") is an Indiana nonprofit corporation serving parts of Clark County. The Organization operates a staff of volunteer firefighters to fight fires, to use and maintain rescue and fire fighting equipment, and to otherwise provide fire protection and prevention for the Town of Sellersburg and the Townships of Carr, Silver Creek, and Union.

Basis of Accounting - The accounting records of the Organization are maintained using the accrual method. Under this method of accounting, support, revenue and expenditures are identified with specific periods of time and are recorded as incurred along with assets acquired, without regard to the date of receipt or payment of cash. Financial statements prepared on this basis conform to the practices of business organizations in general with respect to such items as receivables, prepayments and accrual of liabilities.

Cash and Cash Equivalents - The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Accounts Receivable - Accounts receivable are stated at the amount management expects to collect from outstanding balances at period-end. Based on management's assessment of the credit history with individuals having outstanding balances and current relationships with them, it has concluded that realization losses on balances outstanding at period-end will be immaterial. At March 31, 2017 and 2016 the accounts receivable balance was deemed collectible.

Property and Equipment - Property and equipment is stated at cost or, if donated, at the approximate fair market value at the date of donation. Depreciation is recorded using primarily the straight-line method over the estimated useful lives of the assets. Amortization is recorded using the straight-line method over fifteen years.

Donated Property and Equipment - Donations of property and equipment are recorded as contributions at their estimated fair value at the date of donation. Such donations are reported as increases in unrestricted net assets unless the donor has restricted the donated asset to a specific purpose.

Disposal of Equipment - The Organization's policy with respect to retirements, sales and disposals of equipment is to remove the cost of the asset and the related accumulated depreciation from the accounts. The resulting gain or loss is reported as gain or loss on the sale of fixed assets.

Trade-In of Equipment - The Organization's policy with respect to the trade-in of equipment is to remove the cost of the asset traded and the related accumulated depreciation from the accounts. The remaining basis of the asset traded-in is added to the cost of the asset acquired. No gain or loss is recognized on trade-ins.

Repairs and Maintenance - Expenditures are charged to operations as incurred for maintenance, repairs and renewals which do not materially extend the useful life of the property.

Advertising - The Organization uses advertising to promote its programs. The costs of advertising are expensed as incurred. During the periods ended March 31, 2017 and 2016, advertising costs totaled \$1,980 and \$3,755, respectively.

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. Accordingly, no provision for federal or state income taxes is included in the accompanying financial statements. The Organization evaluates its uncertain tax positions in accordance with applicable standards. It has evaluated its tax positions, and believes that it has none that are uncertain.

Basis of Presentation - The Organization reports 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. In addition, the Organization is required to present a Statement of Cash Flows.

Board Designated Net Assets - Represent amounts designated by the Board of Directors to retain as investments.

SELLERSBURG VOLUNTEER FIRE DEPARTMENT, INC.
Notes to Financial Statements (Continued)

NOTE 1 - NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Temporarily Restricted Net Assets - Represent assets that are donor-restricted for a specific time period or for a specific purpose.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Contributed Services - During the periods ended March 31, 2017 and 2016, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Organization.

Date of Management's Review - Management has evaluated events and transactions occurring subsequent to the Statement of Financial Position date of March 31, 2017 for items that should potentially be recognized or disclosed in these financial statements. The evaluation was conducted through the date of the report, which was the date these financial statements were available to be issued.

NOTE 2 - INVESTMENTS

Investments in marketable securities are stated at fair value. Fair values at March 31, 2017 and 2016 are summarized as follows:

	<u>2017</u>	<u>2016</u>
Mutual funds	\$ 853,608	\$ 828,348
Fixed income	461,237	430,739
Equities	153,123	146,739
Cash and cash equivalents	103,682	24,693
Other alternative investment	<u>90,793</u>	<u>77,652</u>
	<u>\$ 1,662,443</u>	<u>\$ 1,508,171</u>

The following schedule summarizes the investment return for the periods ended March 31, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Realized and unrealized gain (loss) on investments	\$ 119,436	\$ (93,844)
Dividend and interest income	<u>56,309</u>	<u>62,930</u>
Total	<u>\$ 175,745</u>	<u>\$ (30,914)</u>

Interest income includes interest earned from investments as well as money market funds, which are included in cash and cash equivalents in the Statement of Financial Position. Dividend income includes dividends received from common stocks and capital gain distributions from mutual funds.

NOTE 3 - FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts of the Organization's cash, certain cash equivalents, receivables, payables, and accrued liabilities approximate fair value because of the short-term maturity of these instruments. The Organization has various financial assets that are measured at fair value on the financial statements using input from the three levels of the fair value hierarchy. A financial asset classification within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement.

SELLERSBURG VOLUNTEER FIRE DEPARTMENT, INC.
Notes to Financial Statements (Continued)

NOTE 3 - FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

The three levels are as follows:

- Level 1 - Inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date.
- Level 2 - Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability and inputs that are derived principally from or corroborated by observable market data by correlation or other means (market corroborated inputs).
- Level 3 - Unobservable inputs reflect the Organization's judgments about the assumptions market participants would use in pricing the asset or liability since limited market data exists. The Organization develops these inputs based on the best information available, including its own data.

Cash and cash equivalents in the amount of \$103,682 and \$24,693 at March 31, 2017 and March 31, 2016, respectively are included in the investment balance; however cash and cash equivalents are not subject to fair value disclosure requirements. Other investments are valued at the closing price reported on the active market on which the individual investment is traded. There have been no changes in the methodologies used to value investments at March 31, 2017 or 2016.

The following tables represent the Organization's fair value hierarchy for its financial assets measured at fair value on a recurring basis as of March 31, 2017 and 2016. All investments are included in Level 1 of the fair value hierarchy:

	<u>2017</u>		<u>2016</u>	
	Cost	Fair Value	Cost	Fair Value
Mutual funds	\$ 821,686	\$ 853,608	\$ 844,269	\$ 828,348
Fixed income	438,000	461,237	446,066	430,739
Equities	139,973	153,123	148,553	146,739
Other alternative investment	101,703	90,793	94,356	77,652
	<u>\$ 1,501,362</u>	<u>\$ 1,558,761</u>	<u>\$ 1,533,244</u>	<u>\$ 1,483,478</u>

NOTE 4 - PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

	<u>2017</u>	<u>2016</u>
Fire trucks, ambulances and autos	\$ 2,344,987	\$ 1,864,850
Fire and office equipment	1,285,029	1,236,436
Buildings and improvements	930,831	930,831
Furniture and fixtures	137,378	134,016
Closing costs	<u>3,067</u>	<u>3,067</u>
	4,701,292	4,169,200
Less accumulated depreciation and amortization	<u>(3,012,618)</u>	<u>(2,865,312)</u>
Property and equipment, net	<u>\$ 1,688,674</u>	<u>\$ 1,303,888</u>

SELLERSBURG VOLUNTEER FIRE DEPARTMENT, INC.
Notes to Financial Statements (Continued)

NOTE 5 - LINES OF CREDIT

The Organization has an unsecured line of credit with JPMorgan Chase, N.A. in the amount of \$100,000. The line of credit was due to mature on April 14, 2017, and it was renewed. The interest rate charged on this line of credit was 5.0% and 4.5% at March 31, 2017 and 2016, respectively. The balance at March 31, 2017 and 2016 was \$0.

The Organization has a line of credit with WesBanco Bank, Inc. in the amount of \$100,000. The line of credit is secured by motor vehicles. The interest rate for the line of credit was 1.50% over the index, with a floor of 5.0%. At March 31, 2017 and 2016 the interest rate was 5.5% and 5.0%, respectively. The balance on the line of credit at March 31, 2017 and 2016 was \$0. The line of credit matured on April 24, 2017 and was renewed on May 22, 2017 with an annually renewable maturity date.

The Organization opened a line of credit with German American Bancorp on December 9, 2016 in the amount of \$100,000. The line of credit is secured by a fire truck. The line of credit is due to mature on December 1, 2017. The interest rate for the line of credit is 2.0% over the index, with a floor of 5.5%. The balance on the line of credit at March 31, 2017 was \$0.

NOTE 6 - NOTE PAYABLE

The Organization has a note from New Washington State Bank, secured by real estate. The note matures on December 31, 2023. The interest rate on the note is 4.9%. The note is secured by real estate. At March 31, 2017 and 2016 the balance of the note payable was \$632,346 and \$820,116, respectively.

A five-year summary of debt payments is presented below:

Year ending March 31,	
2018	\$ 104,593
2019	109,718
2020	115,094
2021	120,734
2022	126,650
Thereafter	<u>55,557</u>
	<u>\$ 632,346</u>

NOTE 7 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are donor-restricted for a specific use or by the passage of time and include the following at March 31, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Restricted vehicles and equipment	\$ 491,045	\$ 231,485
Restricted funds for equipment purchases	<u>5,000</u>	<u>12,480</u>
	<u>\$ 496,045</u>	<u>\$ 243,965</u>

NOTE 8 - CONCENTRATIONS

The Organization entered into a contract with Clark County, Indiana (Tri-Township Fire Protection District, Inc.) on February 9, 2016. Under the contract, the Organization will provide fire protection services in exchange for funding from Clark County, Indiana. The contract term began January 1, 2016 and expires December 31, 2019. The Organization is materially dependent on Clark County, Indiana for its funding. In the periods ended March 31, 2017 and 2016 the Organization received 69 and 93 percent of its revenue, respectively from Clark County, Indiana.

SELLERSBURG VOLUNTEER FIRE DEPARTMENT, INC.
Notes to Financial Statements (Continued)

NOTE 9 - LEASES

The Organization leases several properties in Clark County, Indiana from the Tri-Township Fire Protection District, Inc. The leases began December 1, 1991 with rent in the amount of \$1 per year for a period of forty-eight years and six months. Management was unable to determine the fair market value of the leased real property; thus, the value of such leases was not recorded as in-kind revenue or in-kind expense.

On February 9, 2016 the Organization entered into a lease agreement with the Tri-Township Fire Protection District, Inc. Under this agreement, the Organization leases certain equipment, vehicles, and personal property from the Tri-Township Fire Protection District, Inc. for \$1 dollar per year. The lease term began January 1, 2016 and expires December 31, 2019. Fair value of the equipment, vehicles, and other property is recorded as in-kind revenue and expense.

The Organization leased houses to two individual tenants. The first lease agreement began on February 25, 2013 and was a month-to-month lease agreement with rent of \$475 due on the first day of every month. The lease ended in July 2016 when the tenant moved out. The second lease is also a month-to-month agreement with rent of \$231 due every two weeks. There is no written lease agreement for this lease.

NOTE 10 - RETIREMENT PLAN

The Organization established a 401(k) deferred compensation plan on January 1, 1997. When established, the Plan covered all full-time employees over the age of 21. New employees must complete at least one year of service and attain the age of 21 to be eligible.

Under this Plan, the Organization has agreed to make a matching contribution of 50 percent of each eligible employee's elective deferrals up to 12 percent of wages. In April 2010, the Organization amended the Plan to include a 401(k) deferred compensation bonus incentive based on the years of service with the Organization. The Organization's matching contribution expense was \$17,042 and \$15,049 for the periods ended March 31, 2017 and 2016, respectively.

NOTE 11 - RISKS AND UNCERTAINTIES

Investments in marketable securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain marketable securities, it is at least reasonably possible that changes in the values could materially affect the amounts reported in the Statement of Financial Position.

NOTE 12 - RELATED PARTIES

The collateral on the Organization's debt, described in Note 6, is owned by Clark County, Indiana (Tri Township Fire Protection District, Inc.). Additionally, the Organization leases several properties from Clark County, Indiana, as discussed in Note 9.

For the year ended March 31, 2017, Clark County, Indiana provided funding to the Organization in the amount of \$1,343,434 and donated vehicles in the amount of \$42,834 and equipment in the amount of \$6,017. For the year ended March 31, 2016, Clark County, Indiana provided funding to the Organization in the amount of \$1,313,397 and donated vehicles in the amount of \$37,896. The Organization's economic dependency on Clark County, Indiana is described in Note 8.