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April 1, 2020

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

We have reviewed the audit report of Scott Township Volunteer Fire Department, Inc. which was opined upon by Krueger & Associates, CPA's, LLC, Independent Public Accountants, for the period July 1, 2018 to June 30, 2019. Per the *Independent Auditor's Report* the financial statements included in the report present fairly the financial condition Scott Township Volunteer Fire Department, Inc. as of June 30, 2019 and the results of its operations for the period then ended, on the basis of accounting described in the report.

In our opinion, Krueger & Associates, CPA's, LLC prepared the audit report in accordance with guidelines established by the State Board of Accounts.

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

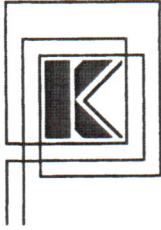
Paul D. Joyce
Paul D. Joyce, CPA
State Examiner

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

**FINANCIAL STATEMENTS
For the Years Ended June 30, 2019 and 2018**

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, 2019 and 2018, 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, 2019 and 2018, 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
January 20, 2020

SCOTT TOWNSHIP VOLUNTEER FIRE DEPARTMENT, INC.
Evansville, Indiana

EXHIBIT A

STATEMENTS OF ASSETS, LIABILITIES AND
NET ASSETS-CASH BASIS
JUNE 30, 2019 and 2018

ASSETS

	2019	2018
CURRENT ASSETS		
Cash - payroll	\$2,097	\$348,822
Cash - checking	910,304	547,872
Cash - ambulance transports	3,929	25
Cash - fund drive	7,830	25
TOTAL ASSETS	\$924,160	\$896,744

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Payroll tax liabilities	\$67,850	\$35,448
TOTAL LIABILITIES	67,850	35,448
NET ASSETS		
Without donor restrictions:		
Undesignated	856,310	861,296
TOTAL NET ASSETS	856,310	861,296
TOTAL LIABILITIES AND NET ASSETS	\$924,160	\$896,744

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,

	2019	2018
SUPPORT AND REVENUE		
Support:		
Grants and contributions	\$1,885,500	\$1,880,606
	1,885,500	1,880,606
Revenue:		
Ambulance transports	366,277	264,832
Recovery services	28,401	47,051
Fundraising	4,806	4,238
Other	11,949	11,060
Sale of assets	0	0
Interest	37	37
	411,470	327,218
Total Support and Revenue	2,296,970	2,207,824
EXPENSES		
Program Services:		
Equipment and vehicle maintenance	127,700	405,674
Fuel and oil	36,369	29,288
Supplies	37,442	46,350
Training	39,324	38,576
Member social expense	8,324	12,559
Member incentives	0	768
Protective clothing	30,000	52,942
Other	81	1,004
	279,240	587,161

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,

	2019	2018
Supporting Services:		
Insurance	430,503	357,457
Professional fees	29,713	20,949
Dues and subscriptions	5,374	4,219
Office supplies and equipment	64,800	58,641
Payroll and related	1,375,661	1,300,213
Utilities and telephone	40,633	44,180
Building maintenance	29,716	47,723
Travel	21,333	10,566
Other	24,983	27,591
	2,022,716	1,871,539
Total Expenses	2,301,956	2,458,700
Increase (Decrease) in Net Assets	(4,986)	(250,876)
Net Assets - Without Donor Restrictions - Beginning of Year	861,296	1,112,172
Net Assets - Without Donor Restrictions - End of Year	\$856,310	\$861,296

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

Net assets and revenue, gains, and losses are classified based on donor-imposed restrictions. Accordingly, net assets of Scott Township Volunteer Fire Department, Inc. as:

Without Donor Restrictions - Those resources not subject to donor-imposed restrictions. The board of directors has discretionary control over these resources. Designated amounts represent those net assets that the board has set aside for a particular purpose.

With Donor Restrictions - Those resources subject to donor-imposed restrictions that will be satisfied by action of Scott Township Volunteer Fire Department, Inc. or by the passage of time.

Scott Township Fire Department, Inc. has elected to present contributions with donor restrictions that are fulfilled in the same period within the net assets without donor restrictions class. Scott Township Fire Department, Inc. has no permanently restricted net assets as of June 30, 2019 and 2018.

SCOTT TOWNSHIP VOLUNTEER FIRE DEPARTMENT, INC.

Notes to Financial Statements

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

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 2016 are subject to examination by taxing authorities.

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 January 20, 2020, the date of which the financial statements were available to be issued.

NOTE 2–CASH RECEIVED FROM GOVERNMENTAL UNITS:

<u>Governmental Unit</u>	<u>2019</u>	<u>2018</u>
Scott Township	\$1,885,500	\$1,880,606

NOTE 3–CONCENTRATION OF CREDIT RISK:

Approximately 82% and 85% of support and revenue in 2019 and 2018, 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, 2019 and 2018, the balances exceeded federally insured limits by approximately \$-0- and \$646,744, respectively.