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BLOSSMAN & AREAUX LLC

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November 16, 2012

VIA ELECTRONIC FILING

Lester A. Heltzer
Executive Secretary
National Labor Relations Board
1099 14th Street NW
Washington, DC 20570

**Re: Austin Fire Equipment, LLC (Respondent) and Road Sprinkler
Fitters Local Union No. 669, U.A., AFL-CIO (Union), United
States of America, Before the National Labor Relations Board,
359 NLRB No. 3 – JD (ATL) 32-11 – Case No. 15-CA-19697**

Dear Executive Secretary Heltzer:

In our October 26, 2012, EAJA application filing in the above referenced matter, Respondent Austin Fire attached as Exhibit A the affidavit of its ranking official. Russell Ritchie's affidavit referred to, but inadvertently failed to contain at the time of filing the Respondent's 2011 balance sheet. This inadvertent omission was brought to our attention today while reviewing Counsel for the Acting General Counsel's Motion to Dismiss.

Please supplement Respondent's EAJA filing by including Respondent's 2011 balance sheet as part of Respondent's Exhibit A.

Sincerely,



I. Harold Koretzky

IHK/kps
Enclosure

**AUSTIN FIRE EQUIPMENT, LLC
PRAIRIEVILLE, LOUISIANA
FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2011
(With Accountants' Review Report)**

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Member
Austin Fire Equipment, LLC
Prairieville, Louisiana

We have reviewed the accompanying balance sheet of Austin Fire Equipment, LLC, as of December 31, 2011, and the related statements of operations and member's equity and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

May 25, 2012

AUSTIN FIRE EQUIPMENT, LLC
 PRAIRIEVILLE, LOUISIANA
 BALANCE SHEET
 DECEMBER 31, 2011
 (See Accountants' Review Report)

ASSETS

CURRENT ASSETS

Cash	\$ 218,615
Accounts receivable, net of allowance of \$41,512	1,299,209
Prepaid expense	48,032
Other current assets	<u>15,963</u>
Total Current Assets	1,581,819

EQUIPMENT, FURNITURE AND IMPROVEMENTS - at cost,
 less accumulated depreciation of \$1,027,104

388,035

OTHER ASSETS

Due from member	<u>406,246</u>
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Total Assets	<u>\$ 2,376,100</u>
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LIABILITIES AND MEMBER'S EQUITY

CURRENT LIABILITIES

Accounts payable	\$ 614,050
Notes payable	890,640
Settlement payable	56,520
Other current liabilities	<u>89,572</u>
Total Current Liabilities	<u>1,650,782</u>

LONG - TERM LIABILITIES

Notes payable	151,732
Settlement payable	<u>74,240</u>
Total Long-Term Liabilities	<u>225,972</u>

Total Liabilities	1,876,754
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MEMBER'S EQUITY - Exhibit B

499,346

Total Liabilities and Member's Equity	<u>\$ 2,376,100</u>
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The accompanying notes are an integral part of these financial statements.

AUSTIN FIRE EQUIPMENT, LLC
 PRAIRIEVILLE, LOUISIANA
 STATEMENT OF OPERATIONS AND MEMBER'S EQUITY
 YEAR ENDED DECEMBER 31, 2011
 (See Accountants' Review Report)

REVENUES	\$ 9,634,039
COST OF REVENUES	<u>8,107,372</u>
GROSS PROFIT	<u>1,526,667</u>
GENERAL AND ADMINISTRATIVE EXPENSES	
Advertising and promotion	18,584
Auto and truck	31,165
Bad debt expense	21,390
Bank charges	7,797
Depreciation	90,833
Dues and subscriptions	14,385
Employee benefits	17,986
Insurance	85,789
Interest	59,798
Legal and professional	182,589
Meals and entertainment	28,416
Miscellaneous	5,729
Office	51,117
Postage	5,248
Rent	198,579
Repairs and maintenance	78,641
Safety and training	17,974
Salaries and wages	454,288
Small tools and supplies	6,236
Taxes and licenses	29,172
Telephone	12,859
Travel	12,347
Utilities	<u>23,738</u>
	<u>1,454,660</u>
INCOME FROM OPERATIONS	72,007
OTHER EXPENSES, primarily settlement expense	<u>(130,760)</u>
NET (LOSS)	(58,753)
MEMBER'S EQUITY, BEGINNING BALANCE	<u>558,099</u>
MEMBER'S EQUITY, ENDING BALANCE	<u>\$ 499,346</u>

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

AUSTIN FIRE EQUIPMENT, LLC
 PRAIRIEVILLE, LOUISIANA
 STATEMENT OF CASH FLOWS
 (INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS)
 YEAR ENDED DECEMBER 31, 2011
 (See Accountants' Review Report)

CASH FLOWS FROM OPERATING ACTIVITIES	
Net (loss)	\$ (58,753)
Adjustments to reconcile net (loss) to net cash provided by operating activities:	
Bad debt expense	21,390
Depreciation	149,087
Changes in assets and liabilities:	
(Increase) in accounts receivable	(296,755)
(Increase) in prepaid expense	(48,032)
(Increase) in other current assets	(739)
Increase in accounts payable	471,222
Increase in settlement payable	130,760
Increase in other current liabilities	45,166
	<u>472,099</u>
Total Adjustments	<u>472,099</u>
Net Cash Provided by Operating Activities	<u>413,346</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Capital expenditures	<u>(59,547)</u>
Net Cash (Used) by Investing Activities	<u>(59,547)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Repayments on line of credit, net of advances	(143,600)
Proceeds from notes payable	91,098
Principal payments on notes payable	(146,794)
(Increase) in due from member	(88,697)
	<u>(287,993)</u>
Net Cash (Used) by Financing Activities	<u>(287,993)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	65,806
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>152,809</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 218,615</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION	
Cash paid during the year for:	
Interest	\$ 59,798

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

AUSTIN FIRE EQUIPMENT, LLC
PRAIRIEVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011
(See Accountants' Review Report)

1. Summary of Significant Accounting Policies

a. Description of Operations

The Company is a Limited Liability Company (LLC) engaged in the engineering, design, installation, and service of fire protection and security systems in the Baton Rouge metropolitan area. The Company's financial statements are presented on the accrual basis of accounting.

b. Equipment, Furniture and Improvements

Equipment, furniture and improvements are stated at cost. Additions, renewals and betterments that add materially to productive capacity or extend the life of an asset are capitalized. Expenditures for maintenance and repairs which do not extend the life of the applicable assets are charged to expense as incurred. Upon retirement or disposal of an asset, the asset and accumulated depreciation accounts are adjusted accordingly. Any resulting gain or loss is included in income.

For financial statement presentation, the Company provides for depreciation on the straight-line basis over the estimated useful lives of the various classes of depreciable assets.

c. Allowance for Doubtful Accounts

The Company's policy is to provide an allowance for doubtful accounts based on historical experience and management's evaluation of outstanding receivables at the end of the year. At December 31, 2011, the balance of the allowance for doubtful accounts was \$41,512.

d. Cash

For the purpose of the statement of cash flows, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Cash deposits may occasionally exceed federally insured limits.

e. Use of Estimates

The preparation of financial statements in conformity with the U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

f. Advertising Costs

Advertising costs are expensed as incurred. Advertising expenses for the year ended December 31, 2011 were \$18,584.

AUSTIN FIRE EQUIPMENT, LLC
 PRAIRIEVILLE, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2011
 (See Accountants' Review Report)

1. Summary of Significant Accounting Policies - continued

g. Concentration of Credit Risks

The Company sells supplies and services on credit to most of its customers. The Company performs ongoing credit evaluations of its customers and, generally, requires no collateral.

h. Income Taxes

The Company, with the consent of its member, has elected under the Internal Revenue Code to be an S corporation effective January 1, 2009. In lieu of corporation income taxes, the members of an S corporation are taxed on their proportionate share of the Company's taxable income. Therefore, no provision or liability for income taxes has been included in these financial statements.

i. Management's Review

Management has evaluated subsequent events through May 25, 2012, the date on which the financial statements were available to be issued.

2. Equipment, Furniture and Improvements

Equipment, furniture and improvements consisted of the following at December 31, 2011:

Machinery and equipment	\$ 212,595
Automotive equipment	1,030,958
Furniture and fixtures	32,862
Leasehold improvements	138,724
	<u>1,415,139</u>
Accumulated depreciation	<u>(1,027,104)</u>
	<u>\$ 388,035</u>

Depreciation expense for the year ended December 31, 2011 was \$149,087, of which \$58,254 is included in cost of revenues.

3. Notes Payable

Notes payable at December 31, 2011 are summarized below. Interest expense for the year ended December 31, 2011 was \$59,798.

	<u>Current</u>	<u>Long-Term</u>
Line of credit payable to a financial institution, including interest payable monthly at a floating rate, 4.5% at December 31, 2011, collateralized by accounts receivable and property owned by the member.	\$ 842,940	\$ -0-

AUSTIN FIRE EQUIPMENT, LLC
 PRAIRIEVILLE, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2011
 (See Accountants' Review Report)

	<u>Current</u>	<u>Long-Term</u>
3. Notes Payable - continued		
Note payable to a financial institution, bearing interest at 5.00%, payable in 60 monthly installments of \$2,052, collateralized by automotive equipment.	21,000	59,467
Note payable to a financial institution, bearing interest at 5.00%, payable in 60 monthly installments of \$955, collateralized by automotive equipment.	9,700	30,133
Note payable to a financial institution, bearing interest at 5.50%, payable in 60 monthly installments of \$1,747, collateralized by automotive equipment.	<u>17,000</u>	<u>62,132</u>
	<u>\$ 890,640</u>	<u>\$ 151,732</u>

The following is a summary of the maturities due subsequent to December 31, 2011 on the notes payable:

Year ending December 31,

2012		\$ 890,640
2013		50,167
2014		52,896
2015		43,444
2016		<u>5,225</u>
		<u>\$ 1,042,372</u>

4. Other Current Liabilities

Other current liabilities at December 31, 2011 include the following:

Credit cards payable		\$ 64,533
Payroll taxes payable		21,167
Sales taxes payable		<u>3,872</u>
		<u>\$ 89,572</u>

5. Operating Leases

The Company leases an office building and shop facility for \$14,850 per month from a related entity (See Note 7).

AUSTIN FIRE EQUIPMENT, LLC
PRAIRIEVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011
(See Accountants' Review Report)

6. Retirement Plan

The Company maintains a 401(k) retirement plan. Employees can defer up to \$16,500 of their salary to the plan. The Company did not make matching contributions for the year ended December 31, 2011.

7. Related Party Transactions

The Company leases an office building and shop facilities from a related entity (See Note 5).

Occasionally, the Company advances funds to its member. The balance due from the member at December 31, 2011 was \$406,246. These advances are non-interest bearing and have no specific repayment terms.

8. Major Customer

For the year ended December 31, 2011, the Company had a major customer, revenues from which approximated 25% of total revenues. The accounts receivable balance due from this customer at December 31, 2011 was \$622,019.

9. Settlement Payable

At December 31, 2011, the Company owes an asserted withdrawal liability of \$130,760 to NASI Funds related to a contract withdrawal on a customer job. The Company will begin in January 2012 paying \$4,710 on a monthly basis towards this claim.

The Company is disputing the liability and has initiated arbitration in this matter.

10. Going Concern

As indicated in the accompanying financial statements for the year ended December 31, 2011, the Company has negative working capital of \$68,963 and a net loss of \$(58,753). During 2012, the Company's legal expenses should decrease due to the tentative settlement reached on a union issue (see Note 9). Also during 2012, the Company hired new management in its sprinkler construction division in an effort to increase the profitability in that division. The Company has also initiated several cost reduction procedures.

The ability of the Company to continue as a going concern is dependent upon the success of these actions, particularly the reduction of legal and other costs and the increased profitability of the construction division. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.