

Canebrake Fire District
Audited Financial Statement
Year Ended June 30, 2018

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Canebrake Fire District
Fountain Inn, South Carolina

I have audited the accompanying financial statements of Canebrake Fire District (a Special Taxing District), which comprise the statement of financial position as of June 30, 2018, and the related statements of activities and cash flows for the year 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.

Auditor's Responsibility

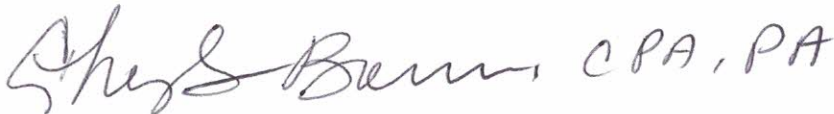
My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether 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 statement, 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Canebrake Fire District as of June 30, 2018, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.



Greenville, South Carolina
August 28, 2018

CANEBRAKE FIRE DISTRICT
STATEMENT OF FINANCIAL POSITION
June 30, 2018

ASSETS

CURRENT ASSETS

Cash	\$ 328,713
Property taxes receivable	<u>7,075</u>

TOTAL CURRENT ASSETS 335,788

PROPERTY AND EQUIPMENT (NET) 586,604

\$ 922,392

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	<u>\$ 1,987</u>
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TOTAL CURRENT LIABILITIES 1,987

LONG-TERM LIABILITIES

Long-term debt, net of current portion	<u>-</u>
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TOTAL LIABILITIES 1,987

NET ASSETS 920,405

\$ 922,392

See accompany notes and independent accountant's audit report.

CANEBRAKE FIRE DISTRICT
STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2018

Revenues

Property tax revenues	\$ 560,805
EMS rent	1,500
Miscellaneous income (see note H)	20,732
Interest income	<u>365</u>

Total revenues	\$ 583,402
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Expenses

Accounting	1,965
Building maintenance	14,785
County taxes	321
Depreciation	54,913
Dues	125
Fire prevention supplies	63,312
Fuel	7,534
Insurance	14,502
Interest paid	3,604
Office expense	4,986
Pension match expense	2,564
Retirement benefit	3,914
Subcontract labor	13,702
Taxes paid on wages	11,972
Telephone	2,762
Training	7,690
Travel reimbursement	15,682
Truck maintenance	11,594
Utilities	9,063
Wages	<u>156,502</u>

Total expenses	<u>401,492</u>
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Increase (Decrease) in net assets	181,910
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NET ASSETS, BEGINNING OF YEAR	<u>738,495</u>
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NET ASSETS, END OF YEAR	<u><u>\$ 920,405</u></u>
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See accompanying notes and independent accountant's audit report.

CANEBRAKE FIRE DISTRICT
STATEMENT OF CASH FLOWS
Year Ended June 30, 2018

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from property tax revenues	\$ 558,912
Cash received from EMS rent	1,500
Cash received from miscellaneous income	20,732
Interest income	365
Cash paid to employees and suppliers	(340,988)
Interest paid	<u>(3,604)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	236,917
 CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of property and equipment	<u>(63,637)</u>
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(63,637)
 CASH FLOWS FROM FINANCING ACTIVITIES	
Principal payments on long-term debt	<u>(76,643)</u>
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	<u>(76,643)</u>
NET INCREASE (DECREASE) IN CASH	96,637
CASH, BEGINNING OF YEAR	<u>232,076</u>
CASH, END OF YEAR	<u><u>\$ 328,713</u></u>

See accompanying notes and independent accountant's review report.

CANEBRAKE FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS

June 30, 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Canebrake Fire District is Special Taxing District created by the County of Greenville, South Carolina created by an act of the General Assembly or pursuant to general law and which provides any local governmental power or function including fire protection created under the provisions of Chapter 13 of Title 6.

Basis of Accounting

The accompanying financial statements are prepared using the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (GAAP). Tax revenues and other income are recognized when earned rather than when received, and certain expenses and purchases of assets are recognized when the obligation is incurred rather than when the cash is paid out.

Cash

The Organization considers all short-term investments with an original maturity of three months or less to be cash equivalents.

Property Taxes Receivable

Property taxes receivable consists of real and personal property taxes that are to be collected by Greenville County and remitted to the Organization. Management considers all receivables to be fully collectible and; accordingly, no allowance for doubtful accounts is required.

Property and Equipment

Property and equipment are stated at cost. Major renewals and betterments are capitalized while replacements, maintenance, and repairs which do not improve or extend the life of an asset are expensed. Equipment and leasehold improvements are depreciated primarily using the straight-line method over estimated useful lives of 5 - 39 years. The Organization's capitalization threshold for buildings, improvements, equipment, and vehicles is \$2,000.

CANEBRAKE FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Payable

The organization accrues liabilities that are due at year-end because the item has been received but has not been paid from the accounts. These items will be paid early in the next operating year.

Estimates

The preparation of financial statements in conformity with 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.

Advertising Costs

All advertising is nondirect response and charged to disbursements when paid. The amount spent for advertising for the year ended June 30, 2018 was zero.

NOTE B - CONCENTRATION OF CREDIT RISK

The Organization's cash funds are maintained in a financial institution. The amounts on deposit at June 28, 2018 exceeded the \$250,000 federally insured limit at the financial institution. The loss could be \$78,713 if this bank ceased operations on June 30, 2018.

NOTE C - CONCENTRATIONS

The Organization received 96% of its income for the year ended June 30, 2018 from one source. This revenue is provided by Greenville County as property tax revenues.

The Organization had 100% of its property taxes receivable due from one source. This receivable is due from Greenville County.

NOTE D - PROPERTY TAXES RECEIVABLE

The Organization receives its revenue for tax millage based as a percentage of collections that Greenville County Tax Collector receives from the prior month. At June 30, 2018, the tax revenue due to the Organization was \$7,075.

CANEBRAKE FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

NOTE E - PROPERTY AND EQUIPMENT

Property and equipment, stated at cost, consisted of the following at December 31, 2017:

Building	\$ 34,987
Equipment	185,550
Land	50,000
Vehicles	<u>917,000</u>
	1,187,537
Less accumulated depreciation	<u>(600,933)</u>
Undepreciated amount	<u><u>\$ 586,604</u></u>

NOTE F - ACCOUNTS PAYABLE

The Organization accrues expenses that were used during the current year but were unpaid at year-end. The Organization expects to pay within the next thirty days. The amount of unpaid items at June 30, 2018 was \$1,987.

NOTE G - CASH FLOW INFORMATION

CASH FLOWS FROM OPERATING ACTIVITIES

Net income (loss)	\$ 181,910
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation and amortization	54,913
(Increase) decrease in:	
Property taxes receivable	(1,893)
Increase (decrease) in:	
Accounts payable - trade	<u>1,987</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u><u>\$ 236,917</u></u>

CANEBRAKE FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

NOTE H - MISCELLANEOUS INCOME

Miscellaneous income consisted of the following for the year ended June 30, 2018:

Grant income for the purchase of a gear washer and dryer	\$ 10,000
Remediation proceeds received from the insurance company of the at-fault party	<u>10,732</u>
Total Miscellaneous Income	<u>\$ 20,732</u>

NOTE I - PENSION MATCH

The Organization voted to start an IRA match on two employees. The Organization will match 3%. During the year ended June 30, 2018, the Organization contributed \$2,564 to employees' IRA accounts.

NOTE J - RETIREMENT BENEFIT

The Organization voted to pay retirement benefits to a retired employee that was the co-founder per month for one year. This is the final year of any payouts for retirement benefits relating to this co-founder. The Organization paid \$3,914 during the fiscal year ended June 30, 2018.

NOTE K - SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through August 28, 2018, the date on which the financial statement was available to be issued.