POPLAR SPRINGS FIRE SERVICE AREA, INC
MOORE, SOUTH CAROLINA

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2019

POPLAR SPRINGS FIRE SERVICE AREA, INC
MOORE, SOUTH CAROLINA

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YEAR ENDED JUNE 30, 2019

POPLAR SPRINGS FIRE SERVICE AREA, INC

Moore, South Carolina

An Eleemosynary Corporation

created by

Spartanburg County

1979

<u>COMMISSIONERS AT JUNE 30, 2019</u>

Chris Taylor, Chairman

Randy Hyatt, Vice Chairman

Jeff Wagner, Secretary

Lon Alexander

Mark Anderson

Steve Josey

Joe Vaughn

Greene Finney, LLP
CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

Accountant's Compilation Report

To the Board of Commissioners
Poplar Springs Fire Service Area, Inc.
Moore, South Carolina

Management is responsible for the accompanying financial statements of the governmental activities and the major fund of Poplar Springs Fire Service Area, Inc. (a nonprofit organization), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Poplar Springs Fire Service Area, Inc.'s basic financial statements as listed in the table of contents, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedule, and the pension plan schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is presented for purposes of additional analysis and, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is also not a required part of the basic financial statements. Such information is the responsibility of management. The required supplementary information and the supplementary information was subject to our compilation engagement. We have not audited or reviewed the required supplementary information or the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

We are not independent with respect to Poplar Springs Fire Service Area, Inc.

Greene Finney, LLP

Greene Finney, LLP
Mauldin, South Carolina
October 16, 2019

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This management's discussion and analysis ("MD&A") of Poplar Springs Fire Service Area, Inc (the "Organization") financial performance provides an overview of the Organization's financial activities for the year ended June 30, 2019. The intent of this discussion and analysis is to present the Organization's financial performance as a whole; readers should also review the financial statements, the notes to the financial statements, the required supplementary information, and the supplementary information to enhance their understanding of the Organization's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for the year ended June 30, 2019 are as follows:

- On the government-wide financial statements, the assets and deferred outflows of resources of the Organization exceeded its liabilities at June 30, 2019, by approximately $829,000 (net position). Of this amount, approximately $659,000 is unrestricted and may be used to meet the Organization's ongoing obligations to citizens and creditors.
- The Organization's total net position increased by approximately $150,000. The primary reason for the increase in total net position is due to revenues exceeding the expenses of the Organization.
- As of the close of the current year, the Organization's General Fund reported ending fund balance of approximately $1,427,000, an increase of approximately $208,000 from the prior year ending fund balance. Of the fund balance, approximately $1,409,000 is unassigned (89% of June 30, 2019 expenditures) and thus is available for spending at the government's discretion.
- For the year ended June 30, 2019, the Organization's General Fund revenues and other financing sources were approximately $2,151,000. General Fund expenditures and other financing uses were approximately $1,944,000, which includes approximately $209 ,000 in capital outlay and approximately $170,000 in debt service.
- The Organization's capital assets increased by approximately $55,000 (4%) during the current year. The primary reasons for the increase were additions of approximately $183,000 partially offset by depreciation expense of approximately $127,000. There was also approximately $347,000 of mostly depreciated assets that were disposed of during 2019.
- The Organization's long-term obligations increased by approximately $53,000 (4%) during the current year to approximately $1,391,000 at June 30, 2019, due to new lease proceeds of approximately $510,000 partially offset by normally scheduled principal payments and the payoff of a loan and lease purchase of approximately $457,000.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of two parts: the *Financial Section* (which includes management's discussion and analysis, the financial statements, the required supplementary information, and the supplementary information) and the *Compliance Section*.

Government-Wide Financial Statements. The financial statements include two kinds of statements that present different views of the Organization. The first two statements are *government-wide financial statements* that provide a broad overview of the Organization's overall financial status, in a manner similar to a private-sector enterprise.

The *Statement of Net Position* presents information on all of the Organization's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Organization is improving or deteriorating.

The *Statement of Activities* presents information showing how the Organization's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, for some items, revenues and expenses are reported in this statement that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Both of the government-wide financial statements distinguish functions of the Organization that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Organization include fire safety and emergency response services. The Organization does not have any business-type activities.

The government-wide financial statements can be found as listed in the table of contents.

Fund Financial Statements. The remaining financial statements are *fund financial statements* that focus on *individual parts* of the Organization, reporting the Organization's operations in more detail than the government-wide financial statements.

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Organization, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related requirements. There are three categories of funds that are typically used by state and local governments: governmental funds, proprietary funds, and fiduciary funds. The Organization utilizes only governmental funds in reporting its operations.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term uses of spendable resources, as well as on balances of spendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between the governmental fund and governmental activities.

The Organization maintains only one individual governmental fund. Information is presented in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the General Fund which is considered to be a major fund. The governmental fund financial statements can be found as listed in the table of contents.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found as listed in the table of contents.

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Required Supplementary Information Other Information. The Organization adopts an annual appropriated budget for its only fund the General Fund. A budgetary comparison schedule has been provided as required supplementary information for the General Fund. In addition, a detailed schedule of revenues, expenditures, and changes in fund balance has been provided as supplementary information for the General Fund. Required pension schedules have been included which provide relevant information regarding the Organization's participation in the South Carolina Police Officers Retirement System. These schedules can be found as listed in the table of contents.

Figure A-1
Major Features of the Organization's Government-Wide and Fund Financial Statements

	Government-Wide Financial Statements	Governmental Fund Financial Statements
Scope	Entire Organization	The activities of the Organization that are governmental in nature
Required financial statements	▪ Statement of Net Position ▪ Statement of Activities	▪ Balance Sheet ▪ Statement of Revenues, Expenditures, and Changes in Fund Balance
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus
Type of balance sheet information	All balance sheet types – both financial and capital, and short-term and long-term	Generally, only assets and deferred outflows of resources (if any) that are expected to be used and liabilities and deferred inflows of resources (if any) that come due during the year or soon thereafter. No capital assets or long-term debt are included.
Type of inflow/outflow Information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Organization, assets and deferred outflows of resources exceeded liabilities (net position) by approximately $829,000 and $679,000 at the close of the most recent two years, respectively. Table 1 provides a summary of the Organization's net position at June 30, 2019 and 2018:

Table 1 - Net Position

	Governmental Activities	
	2019	2018
Assets		
Current and Other Assets	$ 1,592,772	$ 1,360,340
Capital Assets, Net	1,560,982	1,505,986
Total Assets	3,153,754	2,866,326
Deferred Outflows of Resources		
Deferred Pension Charges	259,125	281,087
Liabilities		
Current Liabilities	115,047	103,169
Net Pension Liability	970,825	896,302
Long-term Liabilities	1,431,211	1,375,754
Total Liabilities	2,517,083	2,375,225
Deferred Inflows of Resources		
Deferred Pension Credits	66,862	93,052
Net Position		
Net Investment in Capital Assets	170,248	168,272
Restricted for Debt Service	-	126,004
Unrestricted	658,686	384,860
Total Net Position	$ 828,934	$ 679,136

The increase in total assets for fiscal year 2019 compared to fiscal year 2018 was primarily due to an increase capital assets of approximately $55,000 and an overall increase in net position due to revenues exceeding expenses. The increase in total liabilities for fiscal year 2019 compared to fiscal year 2018, was primarily due to the increase of the long-term liabilities of approximately $55,000 due to the Organization entering into a new capital leases, partially offset by the principal payments and the payoff of a loan and lease purchase on the long-term liabilities.

Governmental accounting principles require the Organization to classify its net position in up to three categories. The Organization uses the following categories to classify its net position:

- ♦ Net investment in capital assets – This represents amounts invested in capital assets, less accumulated depreciation and amortization on those assets. At June 30, 2019 and 2018 the amount invested in capital assets was approximately $170,000 (21%) and $168,000 (25%), respectively.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

- Restricted – This represents the portion of net position required to have set aside based on the Organization's USDA loan. At June 30, 2019 and 2018, the amount of restricted net position was approximately $-0- and $126,000 (19%), respectively.

- Unrestricted – This represents the portion of net position that can be used to finance the daily operations of the Organization for which no restrictions are imposed. The balance of unrestricted net position and as percent of the total net position as of June 30, 2018 and 2017 was approximately $659,000 (79%) and $385,000 (57%), respectively.

Table 2 shows the change in net position for the fiscal year 2019 and 2018:

Table 2 - Change in Net Position

	Governmental Activities	
Revenues	2019	2018
General Revenue:		
Property Taxes	$ 1,569,813	$ 1,371,999
Other	8,897	20,016
Gain on Disposition of Capital Assets	75,287	89,565
Total Revenues	1,653,997	1,481,580
Program Expenses		
Fire Safety and Emergency Response	1,436,429	1,248,686
Interest and Other Charges	67,770	51,683
Total Program Expenses	1,504,199	1,300,369
Change in Net Position	149,798	181,211
Net Position, Beginning of Year	679,136	497,925
Net Position, End of Year	$ 828,934	$ 679,136

Governmental Activities. Governmental activities increased the Organization's net position in fiscal year 2019 by approximately $150,000 or 23% compared to fiscal year 2018 increase of approximately $181,000 or 36%. Key elements of this increase are as follows:

- Property tax revenues increased over the prior year as a result of higher assessed values and increase in millage.
- Expenses were higher than the prior year mainly due to higher salary and employee benefits.

FINANCIAL ANALYSIS OF THE ORGANIZATION'S FUND

As noted earlier, the Organization uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Fund

The analysis of the governmental fund serves the purpose of determining available fund resources, how they were spent and what is available for future expenditures. Did the government generate enough revenue to pay for current obligations? What is available for spending at the end of the year?

The Organization has only one governmental fund – the General Fund.

For the fiscal year ended June 30, 2019, the Organization's General Fund, a major fund, reported fund balance of approximately $1,427,000 compared to approximately $1,219,000 for the prior year. The increase is primarily attributable to revenues exceeding expenditures as the Organization had higher revenue related to property taxes and the sale of two fire trucks.

In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year. At June 30, 2019, the Organization's unassigned fund balance for the General Fund was approximately $1,409,000, which is 89% of General Fund expenditures.

General Fund Budgetary Highlights

The Organization's budget is prepared according to South Carolina law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The only budgeted fund of the Organization is the General Fund. During the course of fiscal year 2019, one amendment was made to the Organization's budget. The amendment increased other financing sources by approximately $510,000 and increased other financing uses by approximately $355,000. The Organization's amendment also increased expenditures by approximately $88,000. Actual revenues and other financing sources were higher than budgeted revenues by approximately $257,000 primarily due to higher than expected property taxes and sale of capital assets. Actual expenditures and other financing uses were higher than budgeted expenditures by approximately $176,000 primarily due to higher principal payments and payments to refunding escrow agent.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Organization had approximately $1,561,000 and $1,506,000 in capital assets at the close of fiscal years 2019 and 2018, respectively. Table 3 shows capital asset balances by category at June 30, 2019 and 2018:

Table 3 - Capital Assets

	Governmental Activities	
	2019	2018
Land	$ 7,956	$ 7,956
Buildings and Improvements	1,065,577	925,279
Vehicles	2,216,674	2,468,373
Equipment	764,564	811,886
Furniture and Fixtures	33,855	39,585
Less: Accumulated Depreciation	(2,527,644)	(2,747,093)
Totals	$ 1,560,982	$ 1,505,986

CAPITAL ASSETS AND DEBT ADMINISTRATION (CONTINUED)

Capital Assets (Continued)

The total increase in the Organization's capital assets for fiscal year 2019 was approximately $55,000. The increase is composed of approximately $183,000 in new equipment and improvements partially offset by depreciation expense of approximately $127,000.

More detailed information about the Organization's capital assets is included in Note III.C in the notes to the financial statements.

Debt Administration

At the end of fiscal years 2019 and 2018, the Organization had outstanding long-term obligations of approximately $1,391,000 and $1,338,000, respectively. Table 4 shows details of the lease purchase obligations at June 30, 2019 and June 30, 2018:

Table 4 - Long-Term Obligations

	Governmental Activities	
	2019	2018
$800,000 USDA Loan	$ -	$ 323,770
2017 Lease Purchase - Fire Trucks	904,539	953,491
2017 Lease Purchase - Generator	-	60,453
2019 Lease Purchase	486,195	-
Total	$ 1,390,734	$ 1,337,714

The State limits the amount of general obligation debt that the Organization can issue to 8% of the assessed value of all taxable property within the Organization's corporate limits. The Organization does not have any outstanding general obligation debt at June 30, 2019.

More detailed information about the Organization's long-term obligations is presented in Note III.D in the notes to the financial statements.

ECONOMIC FACTORS

The Poplar Springs Fire Service Area is comprised of 50 square miles serving the southwestern portion of the County. The District has seen tremendous growth during the past 3-5 years and is continuing today with the addition of several large manufacturing facilities such as BMW warehousing and distribution and the expansion of several facilities. The District has also seen a steady rise in residential growth to include several subdivisions with traditional single-family homes, Townhomes and Patio homes along with several large apartment complexes. The general economy of the area appears stable and growing. With this continued growth, the department has experienced an upward trend in Tax Revenue each of the past several years along with an increased demand for services from its citizens.

2020 BUDGET

Many factors were considered by the District's Personnel and Board of Commissioners during the process of developing the 2020 Budget. The Budget was prepared to continue the vision and mission of the Organization. The department has budgeted expenditures for 2020 of approximately $1,812,000 based on the assessed value of $64,463,845 and a millage rate of 18.4 mills also augmented by the Departments reserve fund.

CONTACTING THE ORGANIZATION'S FINANCIAL MANAGEMENT

This financial report is designed to provide those interested with a general overview of the Organization's finances and to show the Organization's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Chief Tommy Norris at 3400 Moore Duncan Hwy, Moore, SC 29369, by telephone at 864-574-6554, or visit the Organization's website at www.poplarspringsfd.com.

Basic Financial Statements

POPLAR SPRINGS FIRE SERVICE AREA, INC
MOORE, SOUTH CAROLINA

STATEMENT OF NET POSITION

JUNE 30, 2019

		Governmental Activities
ASSETS		
Cash and Cash Equivalents	$	1,477,870
Due From County Treasurer		10,726
Property Taxes Receivable, Net		86,659
Prepaids		17,517
Capital Assets:		
Non-Depreciable		7,956
Depreciable, Net		1,553,026
TOTAL ASSETS		**3,153,754**
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Pension Charges		259,125
LIABILITIES		
Accounts Payable		25,636
Accrued Expenses		53,944
Accrued Interest Payable		35,467
Net Pension Liability		970,825
Non-Current Liabilities:		
Due Within One Year		109,645
Due in More Than One Year		1,321,566
TOTAL LIABILITIES		**2,517,083**
DEFERRED INFLOWS OF RESOURCES		
Deferred Pension Credits		66,862
TOTAL DEFERRED INFLOWS OF RESOURCES		**66,862**
NET POSITION		
Net Investment in Capital Assets		170,248
Unrestricted		658,686
TOTAL NET POSITION	**$**	**828,934**

The notes to the financial statements are an integral part of this statement.
See accompanying accountant's compilation report.

POPLAR SPRINGS FIRE SERVICE AREA, INC
MOORE, SOUTH CAROLINA

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2019

FUNCTIONS/PROGRAMS		PROGRAM REVENUES			NET (EXPENSE) REVENUE & CHANGE IN NET POSITION	
					Primary Government	
PRIMARY GOVERNMENT:	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Totals**
Governmental Activities:						
Fire Safety and Emergency Response	$ 1,436,429	-	-	-	(1,436,429)	$ (1,436,429)
Interest and Other Charges	67,770	-	-	-	(67,770)	(67,770)
TOTAL PRIMARY GOVERNMENT	**$ 1,504,199**	**-**	**-**	**-**	**(1,504,199)**	**(1,504,199)**

	Governmental Activities	Totals
General Revenues:		
Property Taxes Levied for General Purposes	1,569,813	1,569,813
Unrestricted Investment Earnings	579	579
Donation Revenue	6,115	6,115
Miscellaneous Revenue	2,203	2,203
Gain on Disposition of Capital Assets	75,287	75,287
Total General Revenues	1,653,997	1,653,997
CHANGE IN NET POSITION	**149,798**	**149,798**
NET POSITION, Beginning of Year	679,136	679,136
NET POSITION, End of Year	**$ 828,934**	**$ 828,934**

The notes to the financial statements are an integral part of this statement.
See accompanying accountant's compilation report.

POPLAR SPRINGS FIRE SERVICE AREA, INC
MOORE, SOUTH CAROLINA

BALANCE SHEET - GOVERNMENTAL FUND

JUNE 30, 2019

		GENERAL FUND
ASSETS		
Cash and Cash Equivalents	$	1,477,870
Due From County Treasurer		10,726
Property Taxes Receivable, Net		86,659
Prepaids		17,517
TOTAL ASSETS	**$**	**1,592,772**
LIABILITIES		
Accounts Payable	$	25,636
Accrued Expenses		53,944
TOTAL LIABILITIES		79,580
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue - Property Taxes		86,659
TOTAL DEFERRED INFLOWS OF RESOURCES		86,659
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES		166,239
FUND BALANCES		
Nonspendable		
Prepaids		17,517
Unassigned		1,409,016
TOTAL FUND BALANCES		1,426,533
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	**$**	**1,592,772**

The notes to the financial statements are an integral part of this statement.
See accompanying accountant's compilation report.

POPLAR SPRINGS FIRE SERVICE AREA, INC
MOORE, SOUTH CAROLINA

RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET TO THE STATEMENT OF NET POSITION

JUNE 30, 2019

TOTAL FUND BALANCES - GOVERNMENTAL FUND	**$ 1,426,533**
Amounts reported for the governmental activities in the Statement of Net Position are different because of the following:	
Outstanding property taxes which will be collected in the future, but are not available soon enough to pay for the current period's expenditures, are deferred in the governmental fund.	86,659
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in the governmental fund. The cost of the assets was $4,088,626 and the accumulated depreciation was $2,527,644.	1,560,982
The District's proportionate shares of the net pension liability, deferred outflows of resources, and deferred inflows of resources related to its participation in the State pension plan are not recorded in the governmental fund but are recorded in the Statement of Net Position.	(778,562)
Accrued interest on the bonds in governmental accounting is not due and payable in the current period and therefore is not reported as a liability in the governmental fund.	(35,467)
Long-term liabilities are not due or payable in the current period and therefore are not reported as liabilities in the governmental fund. Long-term liabilities at year-end are reported in the Statement of Net Position and consisted of the following:	
Long-Term Debt (including Lease Purchases)	(1,390,734)
Compensated Absences	(40,477)
TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES	**$ 828,934**

The notes to the financial statements are an integral part of this statement.
See accompanying accountant's compilation report.

POPLAR SPRINGS FIRE SERVICE AREA, INC
MOORE, SOUTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE - GOVERNMENTAL FUND

YEAR ENDED JUNE 30, 2019

		GENERAL FUND
REVENUES		
Property Taxes	$	1,556,747
Interest		579
Donations		6,115
Miscellaneous		2,203
TOTAL REVENUES		**1,565,644**
EXPENDITURES		
Current:		
Fire Safety and Emergency Response		1,210,034
Capital Outlay		209,048
Debt Service:		
Principal		102,816
Interest and Fiscal Charges		58,552
Issuance Costs		8,289
TOTAL EXPENDITURES		**1,588,739**
EXCESS OF REVENUES OVER EXPENDITURES		**(23,095)**
OTHER FINANCING SOURCES (USES)		
Lease Proceeds		510,000
Payment to Refunding Escrow Agent		(354,848)
Sale of Capital Assets		75,675
TOTAL OTHER FINANCING SOURCES (USES)		230,827
CHANGE IN FUND BALANCE		**207,732**
FUND BALANCE, Beginning of Year		1,218,801
FUND BALANCE, End of Year	**$**	**1,426,533**

The notes to the financial statements are an integral part of this statement.
See accompanying accountant's compilation report.

POPLAR SPRINGS FIRE SERVICE AREA, INC
MOORE, SOUTH CAROLINA

RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2019

TOTAL CHANGE IN FUND BALANCE - GOVERNMENTAL FUND	**$**	**207,732**
Amounts reported for the governmental activities in the Statement of Activities are different because of the following:		
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental fund. They are considered revenues in the Statement of Activities.		13,066
Repayment of principal for lease purchases is an expenditure in the governmental fund, but the repayment reduces long-term liabilities in the Statement of Net Position.		456,980
Bond and capital lease proceeds provide current financial resources to the governmental fund, but issuing debt or entering into capital leases also increases long term liabilities in the Statement of Net Assets.		(510,000)
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental fund because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.		(244)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental fund.		(2,437)
Governmental funds report only proceeds received from the sale or involuntary conversion of capital assets, without any consideration for the net book value of the asset(s) that were sold/destroyed. The Statement of Activities reports gains or losses based on the proceeds and the net book value of the asset(s) sold/destroyed.		(388)
Changes in the District's proportionate share of the net pension liability, deferred outflows of resources, and deferred inflows of resources for the current year are not reported in the governmental fund but are reported in the Statement of Activities.		(70,295)
The governmental fund reports capital outlays as expenditures. However, in the Statement of Activities the cost of those assets that are considered capital asset additions ($182,843) is allocated over their estimated useful lives as depreciation expense ($127,459). This is the amount by which capital asset additions exceeded depreciation expense in the current period.		55,384
TOTAL CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	**$**	**149,798**

The notes to the financial statements are an integral part of this statement.
See accompanying accountant's compilation report.

Poplar Springs Fire Service Area, Inc. (the "Organization") was created in 1979 as an eleemosynary corporation to provide fire protection services for the Poplar Springs Fire Service Area (the "Area"). Under the terms of a contract with Spartanburg County (the "County"), in consideration for the Organization furnishing fire protection services within the Area, the County collects and distributes to the Organization certain ad valorem taxes, as determined by the County, collected within the Area. A significant concentration of the Organization's support is provided through this contractual arrangement with Spartanburg County. The Organization acts as an independent contractor and not as agent of Spartanburg County. The annual contract automatically renews each year for the period July 1 through June 30. The Area may terminate this contract by giving written notice in January of any year prior to the July 1 renewal. Under the bylaws of the Organization, it is governed by a Board of Commissioners appointed by County Council.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The Reporting Entity

The financial statements of the Organization have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP"), as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Organization's accounting policies are described below.

As required by GAAP, the financial statements present the Organization's financial information with any of its component units. The primary criterion for determining inclusion or exclusion of a legally separate entity (component unit) is financial accountability, which is presumed to exist if the Organization both appoints a voting majority of the entity's governing body, and either 1) the Organization is able to impose its will on the entity or, 2) there is a potential for the entity to provide specific financial benefits to, or impose specific financial burdens on the Organization. If either or both of the foregoing conditions are not met, the entity could still be considered a component unit if it is fiscally dependent on the Organization and there is a potential that the entity could either provide specific financial benefits to, or to impose specific financial burdens on the Organization.

In order to be considered fiscally independent, an entity must have the authority to do all of the following: (a) determine its budget without the Organization having the authority to approve or modify that budget; (b) levy taxes or set rates or charges without approval by the Organization; and (c) issue bonded debt without approval by the Organization. An entity has a financial benefit or burden relationship with the Organization if, for example, any one of the following conditions exists: (a) the Organization is legally entitled to or can otherwise access the entity's resources, (b) the Organization is legally obligated or has otherwise assumed the obligation to finance the deficits or, or provide financial support to, the entity, or (c) the Organization is obligated in some manner for the debt of the entity. Finally, an entity could be a component unit even if it met all the conditions described above for being fiscally independent if excluding it would cause the Organization's financial statements to be misleading.

Blended component units, although legally separate entities, are in substance, part of the government's operations and data from these units are combined with data of the primary government in the fund financial statements. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the Organization. Based on the criteria above, the Organization does not have any component units.

The Organization is exempt from federal income taxes under Section 50l(c)(4) of the Internal Revenue Code. The Organization files information returns with federal and state taxing authorities. The Organization's informational returns, for the years ending 2019, 2018 and 2017, are subject to examination by the Internal Revenue Service, generally for the three years after they were filed.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the Organization (the primary government). *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The Organization does not have any business-type activities.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment.

Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*. The comparison of direct expenses with program revenues identifies the extent to which each business segment, or governmental function, is self-financing or draws from the general revenues of the Organization.

The **government-wide financial statements** are reported using the *economic resources measurement focus* and the *accrual basis of accounting,* as would Proprietary and Fiduciary Fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The government-wide financial statements are prepared using a different measurement focus from the manner in which governmental fund financial statements are prepared (see further detail below). Governmental fund financial statements therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide financial statements and the financial statements for governmental funds.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting.* Revenues are recognized as soon as they are both measurable and available. Property taxes, intergovernmental revenues, interest, and other revenues associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government generally considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Capital asset acquisitions are reported as capital outlay expenditures in the governmental fund. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

When both restricted and unrestricted resources are available for use, it is the Organization’s practice to use restricted resources first, then unrestricted resources as they are needed.

Fund financial statements report detailed information about the Organization. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds (if any) are aggregated and presented in a single column.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

The accounts of the government are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. There are a minimum number of funds maintained to keep the accounts consistent with legal and managerial requirements. The following fund category is used by the Organization.

Governmental funds are those through which all of the governmental functions of the Organization are financed. The Organization's expendable financial resources and related assets and deferred outflows (if any) and liabilities and deferred inflows (if any) are accounted for through a governmental fund. The governmental fund is accounted for using a current financial resources measurement focus and the modified accrual basis of accounting. The following is the Organization's only governmental fund:

The ***General Fund, a major fund,*** is the operating fund of the Organization and accounts for all revenues and expenditures of the Organization. This is a budgeted fund, and any fund balance is considered a resource available for use.

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity

1. Cash, Cash Equivalents, and Investments

Cash and Cash Equivalents

The Organization considers all highly liquid investments (including restricted assets) with original maturities of three months or less when purchased to be cash equivalents. Securities with an initial maturity of more than three months (from when initially purchased) are reported as investments.

Investments

The Organization's investment policy is designed to operate within existing statutes (which are identical for all funds, fund types and component units within the State of South Carolina) that authorize the Organization to invest in the following:

(a) Obligations of the United States and its agencies, the principal and interest of which is fully guaranteed by the United States;

(b) Obligations issued by the Federal Financing Bank, Federal Farm Credit Bank, the Bank of Cooperatives, the Federal Intermediate Credit Bank, the Federal Land Banks, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Housing Administration, and the Farmers Home Administration, if, at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories, without regard to a refinement or gradation of rating category by numerical modifier or otherwise, issued by at least two nationally recognized credit rating organizations;

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

1. Cash, Cash Equivalents, and Investments (Continued)

Investments (Continued)

(c) (i) General obligations of the State of South Carolina or any of its political units; or (ii) revenue obligations of the State of South Carolina or its political units, if at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories, without regard to a refinement or gradation of rating category by numerical modifier or otherwise, issued by at least two nationally recognized credit rating organizations;

(d) Savings and Loan Associations to the extent that the same are insured by an agency of the federal government;

(e) Certificates of deposit where the certificates are collaterally secured by securities of the type described in (a) and (b) above held by a third party as escrow agent or custodian, of a market value not less than the amount of the certificates of deposit so secured, including interest; provided, however, such collateral shall not be required to the extent the same are insured by an agency of the federal government;

(f) Repurchase agreements when collateralized by securities as set forth in this section; and

(g) No load open-end or closed-end management type investment companies or investment trusts registered under the Investment Company Act of 1940, as amended, where the investment is made by a bank or trust company or savings and loan association or other financial institution when acting as trustee or agent for a bond or other debt issue of that local government unit, political subdivision, or county treasurer if the particular portfolio of the investment company or investment trust in which the investment is made (i) is limited to obligations described in items (a), (b), (c), and (f) of this subsection, and (ii) has among its objectives the attempt to maintain a constant net asset value of one dollar a share and to that end, value its assets by the amortized cost method.

The Organization's cash investment objectives are preservation of capital, liquidity, and yield. The Organization reports its cash, cash equivalents, and investments (if any) at fair value which is normally determined by quoted market prices.

2. Receivables and Payables

All account and property taxes receivable are shown net of an allowance for uncollectibles (when material).

3. Prepaid Items

The costs of prepaid items are accounted for using the consumption method (expensed when consumed).

4. Capital Assets

Capital assets generally result from expenditures in the governmental fund. These assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the governmental fund financial statements.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

4. Capital Assets (Continued)

All capital assets are capitalized at cost (or estimated historical cost). Donated capital assets are recorded at their fair market values as of the date received. The Organization maintains a current capitalization threshold of $2,000. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest is not capitalized during the construction of capital assets.

All reported capital assets, except land and construction in progress (if any), are depreciated. Construction projects begin being depreciated once they are complete, at which time the complete costs of the project are transferred to the appropriate capital asset category. Improvements are depreciated over the remaining useful lives of the related capital assets.

Governmental activities depreciation is computed using the straight-line method over the following useful lives:

Description	Estimated Lives
Buildings and Improvements	10-40 years
Furniture and Fixtures, Equipment and Vehicles	5-20 years

5. Compensated Absences

Organization employees are granted vacation and sick leave in varying amounts. Unused vacation and sick leave is carried forward. Upon termination of employment, an employee is reimbursed for accumulated vacation days based on a schedule. Unused sick leave is not reimbursed at termination but can only be used for a valid illness.

The Organization reports compensated absences in accordance with the provisions of GASB Statement No. 16, "*Accounting for Compensated Absences*." Since the Organization's sick leave is not paid out upon termination, there is no related compensated absence liability and expense reported in the government-wide financial statements. The Organization's vacation leave is recorded as a compensated absence liability and expense reported in the government-wide financial statements for amounts outstanding as of June 30, 2019.

6. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. In general, payables and accrued liabilities that will be paid from the governmental fund are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, long-term obligations that will be paid from the governmental fund are reported as a liability in the fund financial statements only to the extent that they have matured (i.e. due and payable).

In the government-wide financial statements for the Organization, long-term debt and other long-term obligations (if any) are reported as liabilities on the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method (if any). Bonds payable are reported net of the applicable bond premium or discount amounts.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

7. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position and the Balance Sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Organization currently has one type of deferred outflows of resources. The Organization reports *deferred pension charges* in its Statement of Net Position in connection with its participation in the South Carolina Police Officers Retirement System. These *deferred pension charges* are either (a) recognized in the subsequent period as a reduction of the net pension liability (which includes pension contributions made after the measurement date) or (b) amortized in a systematic and rational method as pension expense in future periods in accordance with GAAP.

In addition to liabilities, the Statement of Net Position and the Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources,* represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Organization currently has two types of deferred inflows of resources: (1) The Organization reports *unavailable revenue* only in the governmental funds Balance Sheet; it is deferred and recognized as an inflow of resources (revenues) in the period the amounts become available. (2) The Organization reports *deferred pension credits* in its Statement of Net Position in connection with its participation in the South Carolina Police Officers Retirement System. These *deferred pension credits* are amortized in a systematic and rational method and recognized as a reduction of pension expense in future periods in accordance with GAAP.

8. Fund Balance

In accordance with GAAP, the Organization classifies its governmental fund balances as follows:

Nonspendable – includes amounts that inherently cannot be spent either because they are not in spendable form (i.e. prepaids, inventories, etc.) or because of legal or contractual requirements (i.e. principal on an endowment, etc.).

Restricted – includes amounts that are constrained by specific purposes which are externally imposed by (a) other governments through laws and regulations, (b) grantors or contributions through agreements, (c) creditors through debt covenants or other contracts, or (d) imposed by law through constitutional provisions or enabling legislation.

Committed – includes amounts that are constrained for specific purposes that are internally imposed by the government through formal action made by the highest level of decision making authority before the end of the reporting period. For purposes of the Organization, the Board of Commissioners ("Board") must commit fund balance by formal resolution before the end of the reporting period for fund balance to qualify in this category. Those committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use of the committed fund balance by the same action (resolution).

Assigned – includes amounts that are intended to be used for specific purposes that are neither considered restricted nor committed and that such assignments are made by the highest level of decision making authority, or by parties delegated this authority, before the report issuance date. For purposes of the Organization, the Board assigns fund balance by an approved motion by the Board before report issuance for fund balance to qualify in this category.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

8. Fund Balance (Continued)

Unassigned – includes amounts that do not qualify to be accounted for and reported in any of the other fund balance categories. This classification represents the amount of fund balance that has not been restricted, committed, or assigned to specific purposes within the General Fund.

The Organization generally uses restricted amounts to be spent first when both restricted and unrestricted (committed, assigned, and unassigned) fund balance is available unless there are legal documents, contracts, or agreements that prohibit doing such. Additionally, the Organization generally would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

9. Net Position

Net position represents the difference between assets and deferred outflows (if any) and liabilities and deferred inflows (if any) in the statement of net position. Net position is classified as net investment in capital assets; restricted; and unrestricted. Net investment in capital assets consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets (if any). Outstanding debt which has not been spent is included in the same net position component as the unspent proceeds. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislation or through external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments.

10. Pension

In government-wide financial statements, pensions are required to be recognized and disclosed using the accrual basis of accounting (see Note IV.A and the required supplementary information immediately following the notes to the financial statements for more information), regardless of the amount recognized as pension expenditures on the modified accrual basis of accounting. The Organization recognizes a net pension liability for each qualified pension plan in which it participates, which represents the excess of the total pension liability over the fiduciary net position of the qualified pension plan, or the Organization's proportionate share thereof in the case of a cost-sharing multiple-employer plan, measured as of the Organization's fiscal year-end. Changes in the net pension liability during the period are recorded as pension expense, or as deferred outflows or inflows of resources depending on the nature of the change, in the period incurred. Those changes in net pension liability that are recorded as deferred outflows or inflows of resources that arise from changes in actuarial assumptions or other inputs and differences between expected or actual experience are amortized over the weighted average remaining service life of all participants in the respective qualified pension plan and recorded as a component of pension expense beginning with the period in which they are incurred. Projected earnings on qualified pension plan investments are recognized as a component of pension expense. Differences between projected and actual investment earnings are reported as deferred outflows or inflows of resources and amortized as a component of pension expense on a closed basis over a five-year period beginning with the period in which the difference occurred.

11. Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. Those estimates and assumptions affect the reported amounts of assets and deferred outflows of resources and liabilities and deferred inflows of resources and disclosure of these balances as of the date of the financial statements. In addition, they affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates and assumptions.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity (Continued)

12. Comparative Data

Comparative data (i.e., presentation of prior year totals by fund type) has not been presented in each of the statements since its inclusion would make the statement unduly complex and difficult to read.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Budgetary Practices **-** Budgets are presented in the required supplementary information section of the financial statements for the General Fund. The budget is presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America. Prior to July 1 each year, the Board adopts an annual budget ordinance for the General Fund. The presented budgetary information is as originally adopted, as the Organization did not make any amendments to the original budget. The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budgets and Actual – contains the original and final budget compared to actual.

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES

A. Deposits and Investments

Deposits

Custodial Credit Risk for Deposits: Custodial credit risk for deposits is the risk that, in the event of a bank failure, the Organization's deposits might not be recovered. The Organization does not have a deposit policy for custodial credit risk but follows the investment policy statutes of the State of South Carolina. As of June 30, 2019, none of the Organization's bank balances of approximately $1,478,000 (which had a carrying value of approximately $1,478,000) were exposed to custodial credit risk.

The Organization does not typically have investments and thus has not developed a policy for credit risk, custodial credit risk, or concentration of credit risk for these types of investments.

B. Receivables and Deferred Inflows of Resources

Spartanburg County, South Carolina (the "County") is responsible for levying and collecting sufficient property taxes to meet its funding obligation for the Organization. This obligation is established each year by the Board of the Organization and does not necessarily represent actual taxes levied or collected. The property taxes are considered both measurable and available for purposes of recognizing revenue and a receivable from the County at the time they are collected by the County.

Property taxes are levied and billed by the County on real and personal properties based on an assessed value of approximately $56 million and a millage rate of 20.0 mills. These taxes are due without penalty through January 15. Penalties are added to taxes depending on the date paid as follows:

January 16 through February 1	-	3% of tax
February 2 through March 15	-	10% of tax
After March 15	-	15% of tax

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

B. Receivables and Deferred Inflows of Resources (Continued)

Current year real and personal taxes become delinquent on March 16. The levy date for motor vehicles is the first day of the month in which the motor vehicle license expires. These taxes are due by the last day of the same month.

The Organization has recorded uncollected, current and delinquent property taxes at June 30, 2019, of approximately $87,000 (net of allowance for doubtful accounts of approximately $3,000). Current and delinquent property taxes of approximately $-0- have been recognized as revenue at June 30, 2019 because nothing was collected within 60 days of year end and had been received by the Organization or its fiscal agent (the County). The remaining delinquent property tax receivable of approximately $87,000 has been recorded by the Organization as unavailable revenue (component of deferred inflows of resources) at June 30, 2019 on the governmental fund financial statements because they were not collected within 60 days after year end and are thus not considered available.

C. Capital Assets

Capital asset activity for the Organization for the year ended June 30, 2019, was as follows:

	Beginning Balance	Increases	Decreases	Transfer	Ending Balance
Governmental Activities:					
Capital Assets, Non-Depreciable:					
Land	$ 7,956	-	-	-	$ 7,956
Total Capital Assets, Non-Depreciable	7,956	-	-	-	7,956
Capital Assets, Depreciable:					
Buildings and Improvements	925,279	140,298	-	-	1,065,577
Vehicles	2,468,373	-	251,699	-	2,216,674
Equipment	811,886	42,545	89,867	-	764,564
Furniture and Fixtures	39,585	-	5,730	-	33,855
Total Capital Assets, Depreciable	4,245,123	182,843	347,296	-	4,080,670
Less: Accumulated Depreciation for:					
Buildings and Improvements	579,238	28,051	-	-	607,289
Vehicles	1,477,612	60,875	251,699	-	1,286,788
Equipment	655,895	36,816	89,479	-	603,232
Furniture and Fixtures	34,348	1,717	5,730	-	30,335
Total Accumulated Depreciation	2,747,093	127,459	346,908	-	2,527,644
Total Capital Assets, Depreciable, Net	1,498,030	55,384	388	-	1,553,026
Total Capital Assets, Net	$ 1,505,986	55,384	388	-	$ 1,560,982

The Organization's only function is Fire Safety and Emergency Response, thus all depreciation expense is charged to that function.

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

D. Long Term Obligations

The Organization may issue bonds to provide funds for the acquisition and construction of major capital facilities. General Obligation Bonds ("GOB") are direct obligations and pledge the full faith and credit of the Organization. Lease purchase ("LP") obligations are special obligations of the Organization payable from the general revenues of the Organization which are generally issued to provide funding for major equipment or vehicle purchases. The full faith, credit and taxing powers of the Organization are not pledged for the payment of lease purchase obligations nor the interest thereon. Details on the Organization's outstanding lease purchase obligations as of June 30, 2019 are as follows:

Note Payable Obligations

A $953,491 lease purchase requiring annual payments of $86,138, which includes principal and interest at 3.90 percent. The maturity date of the lease is July 25, 2032. The lease proceeds were used to purchase two new fire trucks.	$ 904,539
A $510,000 lease purchase requiring monthly payments of $5,314, which includes principal and interest at 4.55 percent. The maturity date of the lease is December 7, 2028. The lease proceeds were used to refinance the USDA Loan and a 2017 Lease Purchase and to make some improvements to fire stations.	$ 486,195

Following is a summary of the changes in the Organization's long-term obligations for the year ended June 30, 2019:

Long-Term Obligations	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Lease Purchase Obligations:					
$800,000 USDA Loan	$ 323,770	-	323,770	-	$ -
2017 Lease Purchase - Fire Trucks	953,491	-	48,952	904,539	50,861
2017 Lease Purchase - Generator	60,453	-	60,453	-	-
2019 Lease Purchase	-	510,000	23,805	486,195	38,545
Total Lease Purchase Obligations	$ 1,337,714	510,000	456,980	1,390,734	$ 89,406
Accrued Compensated Absences	38,040	21,457	19,020	40,477	20,239
Total Governmental Activities	$ 1,375,754	531,457	476,000	1,431,211	$ 109,645

General Fund resources have been used to liquidate all long-term obligations of the Organization.

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

D. Long Term Obligations (Continued)

As of June 30, 2019, the annual requirements for the two lease purchase obligations are as follows:

Year Ending June 30	Lease Purchases Principal	Lease Purchases Interest	Totals
2020	$ 89,406	55,188	$ 144,594
2021	96,885	53,023	149,908
2022	101,022	48,887	149,909
2023	105,336	44,573	149,909
2024	109,801	40,108	149,909
2025-2029	591,565	126,091	717,656
2030-2033	296,719	28,381	325,100
Totals	$ 1,390,734	396,251	$ 1,786,985

IV. OTHER INFORMATION

A. Retirement Plan

The Organization participates in the State of South Carolina's retirement plans, which are administered by the South Carolina Public Employee Benefit Authority ("PEBA"). The PEBA, created on July 1, 2012 and governed by an 11-member Board of Directors ("PEBA Board"), is the state agency responsible for the administration and management of the various retirement systems and retirement programs of the state of South Carolina, including the State Optional Retirement Program and the S.C. Deferred Compensation Program, as well as the state's employee insurance programs. As such, the PEBA is responsible for administering the South Carolina Retirement Systems' ("Systems") five defined benefit pension plans. The Retirement Funding and Administration Act of 2017, which became effective July 1, 2017, increased the employer and employee contribution rates, established a ceiling on the SCRS and PORS employee contribution rates, lowered the assumed rate of return, required a scheduled reduction of the funding periods, and addressed various governance issues including the assignment of the PEBA Board as custodian of the retirement trust funds and assignment of the Retirement Systems Investment Commission ("RSIC") and PEBA as co-trustees of the assets of the retirement trust funds. By law, the State Fiscal Accountability Authority ("SFAA"), which consists of five elected officials, also reviews certain PEBA Board decisions regarding the actuary of the Systems.

The PEBA issues a Comprehensive Annual Financial Report ("CAFR") containing financial statements and required supplementary information for the System' Pension Trust Funds. The CAFR is publicly available through the Retirement Benefits' link on the PEBA's website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223. The PEBA is considered a division of the primary government of the State of South Carolina and therefore, retirement trust fund financial information is also included in the comprehensive annual financial report of the state.

Plan Description

The South Carolina Police Officers Retirement System ("PORS"), a cost–sharing multiple-employer defined benefit pension plan, was established effective July 1, 1962, pursuant to the provisions of Section 9-11-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for police officers and firefighters. PORS also covers peace officers, coroners, probate judges, and magistrates.

IV. OTHER INFORMATION (CONTINUED)

A. Retirement Plan (Continued)

Plan Membership

Membership requirements are prescribed in Title 9 of the South Carolina Code of Laws. A brief summary of the requirements under each system is presented below.

- PORS - To be eligible for PORS membership, an employee must be required by the terms of his employment, by election or appointment, to preserve public order, protect life and property, and detect crimes in the state; to prevent and control property destruction by fire; or to serve as a peace officer employed by the Department of Corrections, the Department of Juvenile Justice, or the Department of Mental Health. Probate judges and coroners may elect membership in PORS. Magistrates are required to participate in PORS for service as a magistrate. PORS members, other than magistrates and probate judges, must also earn at least $2,000 per year and devote at least 1,600 hours per year to this work, unless exempted by statute. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.

Plan Benefits

Benefit terms are prescribed in Title 9 of the South Carolina Code of Laws. PEBA does not have the authority to establish or amend benefit terms without a legislative change in the code of laws. Key elements of the benefit calculation include the benefit multiplier, years of service, and average final compensation. A brief summary of benefit terms for each system is presented below.

- PORS - A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 55 or with 25 years of service regardless of age. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension at age 55 or with 27 years of service regardless of age. Both Class Two and Class Three members are eligible to receive a deferred annuity at age 55 with five or eight years of earned service, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program. Accidental death benefits are also provided upon the death of an active member working for a covered employer whose death was a natural and proximate result of an injury incurred while in the performance of duty.

  The retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase.

Plan Contributions

Contributions are prescribed in Title 9 of the South Carolina Code of Laws. If the scheduled employee and employer contributions provided in statute, or the rates last adopted by the PEBA Board, are insufficient to maintain the period set in statute, the PEBA Board shall increase employer contribution rates as necessary.

IV. OTHER INFORMATION (CONTINUED)

A. Retirement Plan (Continued)

Plan Contributions (Continued)

After June 30, 2027, if the most recent annual actuarial valuation of the Systems for funding purposes shows a ratio of the actuarial value of system assets to the actuarial accrued liability of the system (the funded ratio) that is equal to or greater than eighty-five percent, then the PEBA Board, effective on the following July first, may decrease the then current contribution rates upon making a finding that the decrease will not result in a funded ratio of less than eighty-five percent. If contribution rates are decreased pursuant to this provision, and the most recent annual actuarial valuation of the system shows a funded ratio of less than eighty-five percent, then effective on the following July first, and annually thereafter as necessary, the PEBA Board shall increase the then current contribution rates until a subsequent annual actuarial valuation of the system shows a funded ratio that is equal to or greater than eighty-five percent.

The Retirement System Funding and Administration Act establishes a ceiling on employee contribution rates at 9 percent and 9.75 percent for the SCRS and the PORS, respectively. The employer contribution rates will continue to increase annually by 1 percent through July 1, 2022. The legislation's ultimate scheduled employer rate is 18.56 percent for the SCRS and 21.24 percent for the PORS. The amortization period is scheduled to be reduced one year for each of the next 10 years to a twenty-year amortization period.

As noted earlier, both employees and the Organization are required to contribute to the Plans at rates established and as amended by the PEBA. The Organization's contributions are actuarially determined but are communicated to and paid by the Organization's as a percentage of the employees' annual eligible compensation. Required employer and employee contribution rates for the past two years are as follows:

		PORS Rates	
	2017	2018	2019
Employer Contribution Rate:^			
Retirement*	13.84%	15.84%	16.84%
Incidental Death Benefit	0.20%	0.20%	0.20%
Accidental Death Contributions	0.20%	0.20%	0.20%
	14.24%	16.24%	17.24%
Employee Contribution Rate	9.24%	9.75%	9.75%

^ Calculated on earnable compensation as defined in Title 9 of the South Carolina Code of Laws.

IV. OTHER INFORMATION (CONTINUED)

A. Retirement Plan (Continued)

Plan Contributions (Continued)

The required contributions and percentages of amounts contributed by the Organization to the Plans for the past two years were as follows:

Year Ended June 30,	PORS Contributions Required	% Contributec
2019	$ 94,312	100%
2018	77,016	100%
2017	$ 62,740	100%

Eligible payrolls of the Organization covered under the Plans for the past two years were as follows:

Year Ended June 30,	PORS Payroll	Total Payroll
2019	$ 547,054	$ 547,054
2018	474,236	474,236
2017	$ 440,592	$ 440,592

Actuarial Assumptions and Methods

Actuarial valuations of the plan involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. An experience report on the Systems was most recently issued for the period ending June 30, 2015.

The June 30, 2018 total pension liability ("TPL"), net pension liability ("NPL"), and sensitivity information shown in this report were determined by the consulting actuary, Gabriel, Roeder, Smith and Company ("GRS"), and are based on an actuarial valuation performed as of July 1, 2017. The TPL was rolled-forward from the valuation date to the Plans' fiscal year end, June 30, 2018, using generally accepted actuarial principles.

IV. OTHER INFORMATION (CONTINUED)

A. Retirement Plan (Continued)

Actuarial Assumptions and Methods (Continued)

The following table provides a summary of the actuarial assumptions and methods used in the July 1, 2015, valuations for the PORS.

	PORS
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment Rate of Return*	7.25%
Projected Salary Increases*	3.5% to 9.5% (varies by service)
Benefit Adjustments	Lesser of 1% or $500 annually

* Includes inflation at 2.25%.

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base mortality assumptions, the 2016 Public Retirees of South Carolina Mortality table (“2016 PRSC”), were developed using the Systems' mortality experience. These base rates are adjusted for future improvement in mortality using published Scale AA projected from the year 2016.

Former Job Class	Males	Females
Educators	2016 PRSC Males multiplied by 92%	2016 PRSC Females multiplied by 98%
General Employees and Members of the General Assembly	2016 PRSC Males multiplied by 100%	2016 PRSC Females multiplied by 111%
Public Safety and Firefighters	2016 PRSC Males multiplied by 125%	2016 PRSC Females multiplied by 111%

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments is based upon 30 year capital market assumptions. The long-term expected rate of returns represent assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market based inputs. Expected returns are net of investment fees.

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2018 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the following table. For actuarial purposes, the 7.25 percent assumed annual investment rate of return used in the calculation of the TPL includes a 5.00 percent real rate of return and a 2.25 percent inflation component.

IV. OTHER INFORMATION (CONTINUED)

A. Retirement Plan (Continued)

Long-term Expected Rate of Return (Continued)

Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Long-Term Expected Portfolio Real Rate of Return
Global Equity	**47.0%**		
Global Public Equity	33.0%	6.99%	2.31%
Private Equity	9.0%	8.73%	0.79%
Equity Options Strategies	5.0%	5.52%	0.28%
Real Assets	**10.0%**		
Real Estate (Private)	6.0%	3.54%	0.21%
Real Estate (REITs)	2.0%	5.46%	0.11%
Infrastructure	2.0%	5.09%	0.10%
Opportunistic	**13.0%**		
GTAA/Risk Parity	8.0%	3.75%	0.30%
Hedge Funds (non-PA)	2.0%	3.45%	0.07%
Other Opportunistic Strategies	3.0%	3.75%	0.11%
Diversified Credit	**18.0%**		
Mixed Credit	6.0%	3.05%	0.18%
Emerging Markets Debt	5.0%	3.94%	0.20%
Private Debt	7.0%	3.89%	0.27%
Conservative Fixed Income	**12.0%**		
Core Fixed Income	10.0%	0.94%	0.09%
Cash and Short Duration (Net)	2.0%	0.34%	0.01%
Total Expected Real Return	100.0%		5.03%
Inflation for Actuarial Purposes			2.25%
Total Expected Nominal Return			7.28%

Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions

The NPL is calculated separately for each system and represents that particular system's TPL determined in accordance with GASB No. 67 less that System's fiduciary net position. NPL totals, as of June 30, 2018 measurement date, for the PORS are presented in the following table:

System	Total Pension Liability	Plan Fiduciary Net Position	Employers' Net Pension Liability (Asset)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
PORS	$ 7,403,972,673	4,570,430,247	$ 2,833,542,426	61.7%

IV. OTHER INFORMATION (CONTINUED)

A. Retirement Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

The TPL is calculated by the Systems' actuary, and each plan's fiduciary net position is reported in the Systems' financial statements. The NPL is disclosed in accordance with the requirements of GASB No. 67 in the Systems' notes to the financial statements and required supplementary information. Liability calculations performed by the Systems' actuary for the purpose of satisfying the requirements of GASB Nos. 67 and 68 are not applicable for other purposes, such as determining the Plan's funding requirements.

At June 30, 2019, the Organization reported liabilities of approximately $971,000 for its proportionate share of the net pension liabilities for the PORS. The net pension liabilities were measured as of June 30, 2018, and the total pension liabilities for the Plan used to calculate the net pension liabilities were determined based on the most recent actuarial valuation report of July 1, 2017 that was projected forward to the measurement date. The Organization's proportion of the net pension liabilities were based on a projection of the Organization's long-term share of contributions to the Plan relative to the projected contributions of all participating South Carolina state and local governmental employers, actuarially determined. At the June 30, 2018 measurement date, the Organization's PORS proportion was 0.03426 percent, which was an increase of 0.00154 from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the Organization recognized pension expense of approximately $158,000 for the PORS. At June 30, 2019, the Organization reported deferred outflows of resources (deferred pension charges) and deferred inflows of resources (deferred pension credits) related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
PORS		
Differences Between Expected and Actual Experience	$ 93,924	$ -
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	19,414	-
Changes in Proportionate Share and Differences Between Employer Contributions and Proportionate Share of Total Plan Employer Contributions	97,836	66,862
Organization's Contributions Subsequent to the Measurement Date	47,951	-
Total PORS	$ 259,125	$ 66,862

Approximately $48,000 that were reported as deferred outflows of resources related to the Organization's contributions subsequent to the measurement date to the PORS, respectively, will be recognized as a reduction of the net pension liabilities in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources (deferred pension charges) and deferred inflows of resources (deferred pension credits) related to the PORS will increase (decrease) pension expense as follows:

Year Ended June 30,	PORS	Total
2019	$ 88,348	$ 88,348
2020	48,778	48,778
2021	3,024	3,024
2022	4,162	4,162
Total	$ 144,312	$ 144,312

IV. OTHER INFORMATION (CONTINUED)

A. Retirement Plan (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in the PORS will be made based on the actuarially determined rates based on provisions in the South Carolina Code of Laws. Based on those assumptions, each System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity Analysis

The following table presents the sensitivity of the Organization's proportionate share of the net pension liability of the Plan to changes in the discount rate, calculated using the discount rate of 7.25 percent, as well as what it would be if it were calculated using a discount rate that is 1% point lower (6.25 percent) or 1% point higher (8.25 percent) than the current rate:

System	1.00% Decrease (6.25%)	Current Discount Rate (7.25%)	1.00% Increase (8.25%)
The Organization's proportionate share of the net pension liability of the PORS	$ 1,308,793	970,825	$ 694,000
Total Pension Liability	$ 1,308,793	970,825	$ 694,000

Plan Fiduciary Net Position

Detailed information regarding the fiduciary net position of the Plan administered by the PEBA is available in the separately issued CAFR containing financial statements and required supplementary information for the PORS. The CAFR is publicly available through the Retirement Benefits' link on the PEBA's website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223.

Payable to Plans

The Organization reported a payable of approximately $22,000 to the PEBA as of June 30, 2019, representing required employer and employee contributions for the months of May and June 2019 for the PORS. This amount is included in Accrued Salaries and Fringe on the financial statements and was paid in July 2019.

IV. OTHER INFORMATION (CONTINUED)

B. Risk Management

The Organization is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees' and natural disasters. The Organization continues to carry commercial insurance coverage for property and casualty insurance and has effectively managed risk through various employee education and prevention programs. All risk management activities are accounted for in the General Fund. Expenditures and claims are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are considered. Settled claims have not exceeded insurance coverage in any of the last three years. There were no significant reductions of coverage compared to the prior year.

C. Health Insurance

The Organization maintains a fully-insured health insurance program for Organization employees. The Organization pays the required monthly premium and the insurer is responsible for all eligible claims. Settled claims have not exceeded insurance coverage in any of the last three years. There were no significant reductions of coverage compared to the prior year.

D. Subsequent Events

Subsequent events have been evaluated through the date of the compilation report, which is the date the financial statements were available to be issued.

E. Tax Abatements

Other Tax Abatements

The Organization's property tax revenues were reduced by approximately $93,000 under agreements entered into by Spartanburg County.

Required Supplementary Information

POPLAR SPRINGS FIRE SERVICE AREA, INC
MOORE, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGETS AND ACTUAL

YEAR ENDED JUNE 30, 2019

	BUDGET AMOUNTS			
	ORIGINAL	FINAL	ACTUAL	VARIANCE
REVENUES				
Property Taxes	$ 1,301,000	1,301,000	1,556,747	$ 255,747
Interest Income	-	-	579	579
Donation Income	-	-	6,115	6,115
Miscellaneous Income	10,000	10,000	2,203	(7,797)
TOTAL REVENUES	**1,311,000**	**1,311,000**	**1,565,644**	**254,644**
EXPENDITURES				
Current:				
Fire Safety and Emergency Response	1,204,261	1,270,810	1,210,034	60,776
Capital Outlay	260,815	223,206	209,048	14,158
Debt Service:				
Principal	110,033	161,287	102,816	58,471
Interest	52,475	52,475	58,552	(6,077)
Issuance Costs	-	8,289	8,289	-
TOTAL EXPENDITURES	**1,627,584**	**1,716,067**	**1,588,739**	**127,328**
EXCESS OF REVENUES OVER EXPENDITURES	**(316,584)**	**(405,067)**	**(23,095)**	**381,972**
OTHER FINANCING SOURCES (USES)				
Lease Proceeds	-	510,000	510,000	-
Payment to Refunding Escrow Agent	-	(305,917)	(354,848)	(48,931)
Sale of Capital Assets	74,000	74,000	75,675	1,675
TOTAL OTHER FINANCING SOURCES (USES)	74,000	278,083	230,827	(47,256)
NET CHANGE IN FUND BALANCES	**(242,584)**	**(126,984)**	**207,732**	**334,716**
FUND BALANCE, Beginning of Year	1,218,801	1,218,801	1,218,801	-
FUND BALANCE, End of Year	**$ 976,217**	**1,091,817**	**1,426,533**	**$ 334,716**

Note: The General Fund budgetary comparison schedule has been prepared on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America.

POPLAR SPRINGS FIRE SERVICE AREA, INC
MOORE, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE ORGANIZATION'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
SOUTH CAROLINA POLICE OFFICERS RETIREMENT SYSTEM

LAST FOUR FISCAL YEARS

	Year Ended June 30,			
	2019	**2018**	**2017**	**2016**
Organization's Proportion of the Net Pension Liability	0.03426%	0.03272%	0.03811%	0.03027%
Organization's Proportionate Share of the Net Pension Liability	$ 970,825	896,302	966,549	$ 659,690
Organization's Covered Payroll	$ 547,054	474,236	440,592	$ 485,896
Organization's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	177.46%	189.00%	219.38%	135.77%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	61.73%	60.94%	60.44%	64.57%

Notes to Schedule:

The amounts presented for each fiscal year were determined as of June 30th of the year presented.
Only four years of data were available; thus, only four years were presented.

POPLAR SPRINGS FIRE SERVICE AREA, INC
MOORE, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CONTRIBUTIONS
SOUTH CAROLINA POLICE OFFICERS RETIREMENT SYSTEM

LAST FOUR FISCAL YEARS

	Year Ended June 30,			
	2019	**2018**	**2017**	**2016**
Contractually Required Contribution	$ 94,312	77,016	62,740	$ 66,722
Contributions in Relation to the Contractually Required Contribution				
Contributions from the District	94,312	72,021	62,740	66,722
Contributions from the State	-	4,995	-	-
Contribution Deficiency (Excess)	$ -	-	-	$ -
Organization's Covered Payroll	$ 547,054	474,236	440,592	$ 485,896
Contributions as a Percentage of Covered Payroll	17.24%	16.24%	14.24%	13.74%

Notes to Schedule:

Only four years of data were available; thus, only four years were presented.

Supplementary Information

POPLAR SPRINGS FIRE SERVICE AREA, INC
MOORE, SOUTH CAROLINA

SUPPLEMENTARY INFORMATION - GENERAL FUND

DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2019

	FINAL BUDGET	ACTUAL	VARIANCE
REVENUES:			
Property Taxes	$ 1,301,000	1,556,747	$ 255,747
Interest Income	-	579	579
Donation Income	-	6,115	6,115
Miscellaneous Income	10,000	2,203	(7,797)
TOTAL REVENUES	**1,311,000**	**1,565,644**	**254,644**
EXPENDITURES:			
Current:			
Personnel Services	25,000	22,744	2,256
Donations Expenditures	-	6,479	(6,479)
Fringe Benefits	316,822	293,911	22,911
Fuel	25,000	23,154	1,846
Information Technology	9,700	8,193	1,507
Insurance	56,000	48,943	7,057
Office Expense	8,000	6,520	1,480
Payroll Tax Expenditures	46,900	45,567	1,333
Professional Dues	2,500	2,362	138
Public Relations	5,000	3,333	1,667
Repairs and Maintenance	55,000	52,376	2,624
Vehicle Repairs and Maintenance	30,500	21,904	8,596
Salary	613,000	601,606	11,394
Special Uniforms	19,000	17,843	1,157
Supplies	9,900	8,948	952
Training	12,000	13,337	(1,337)
Utilities	36,488	32,814	3,674
Total Current	1,270,810	1,210,034	60,776
Capital Outlay	223,206	209,048	14,158
Debt Service:			
Principal	161,287	102,816	58,471
Interest and Fiscal Charges	52,475	58,552	(6,077)
Issuance Costs	8,289	8,289	-
TOTAL EXPENDITURES	**1,716,067**	**1,588,739**	**127,328**
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	**$ (405,067)**	**(23,095)**	**$ 381,972**

(Continued)

POPLAR SPRINGS FIRE SERVICE AREA, INC
MOORE, SOUTH CAROLINA

SUPPLEMENTARY INFORMATION - GENERAL FUND

DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - FINAL BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2019

	FINAL BUDGET	ACTUAL	VARIANCE
OTHER FINANCING SOURCES (USES)			
Lease Proceeds	$ 510,000	510,000	$ -
Payment to Refunding Escrow Agent	(305,917)	(354,848)	(48,931)
Sale of Capital Assets	74,000	75,675	1,675
TOTAL OTHER FINANCING SOURCES (USES)	278,083	230,827	(47,256)
NET CHANGE IN FUND BALANCES	**(126,984)**	**207,732**	**334,716**
FUND BALANCE, Beginning of Year	1,218,801	1,218,801	-
FUND BALANCE, End of Year	**$ 1,091,817**	**1,426,533**	**$ 334,716**