

GEORGIA FIREFIGHTERS BURN FOUNDATION, INC.

FINANCIAL STATEMENTS AND

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

DECEMBER 31, 2023

**Carmichael
Brasher Tuvell
& Company**

CERTIFIED PUBLIC ACCOUNTANTS

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TABLE OF CONTENTS

	<u>PAGE NO.</u>
INDEPENDENT ACCOUNTANT'S REVIEW REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Activities and Changes in Net Assets	3
Statement of Functional Expenses	4
Statement of Cash Flows (Indirect Method)	5
NOTES TO THE FINANCIAL STATEMENTS	6 – 13

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Georgia Firefighters Burn Foundation, Inc.
Atlanta, Georgia

We have reviewed the accompanying financial statements of Georgia Firefighters Burn Foundation, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management'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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

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

CARMICHAEL, BRASHER, TUVELL & COMPANY, P.C.

Carmichael, Brasher, Tuvell + Co., P.C.

Atlanta, Georgia
December 5, 2024

GEORGIA FIREFIGHTERS BURN FOUNDATION, INC.

STATEMENT OF FINANCIAL POSITION

December 31, 2023

-ASSETS-		
Current Assets		
Cash and Cash Equivalents	\$ 106,925	
Donated Gift Cards	6,078	
Receivables, Other	815	
Prepaid Assets	<u>28,211</u>	
Total Current Assets		\$ 142,029
Fixed Assets		
Property and Equipment, net		550,284
Other Assets		
Investments, at Fair Value	846,703	
Investments – Restricted, at Fair Value	<u>1,000,000</u>	
Total Other Assets		<u>1,846,703</u>
TOTAL ASSETS		\$ <u>2,539,016</u>
-LIABILITIES AND NET ASSETS-		
Liabilities		
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ 20,709	
Payroll Withholdings Payable	8,208	
Simple IRA Payable	13,271	
Grants Payable	27,649	
Current Portion of Notes Payable	<u>758</u>	
Total Current Liabilities		\$ 70,595
Long Term Liabilities		
Total Long Term Liabilities		<u>0</u>
Total Liabilities		70,595
Net Assets		
Without Donor Restrictions	1,468,421	
With Donor Restrictions	<u>1,000,000</u>	
Total Net Assets		<u>2,468,421</u>
TOTAL LIABILITIES AND NET ASSETS		\$ <u>2,539,016</u>

See Independent Accountant's Review Report.

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

GEORGIA FIREFIGHTERS BURN FOUNDATION, INC.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support			
Fund-Raising Activities			
Boot Drive	\$ 355,558	\$ 0	\$ 355,558
Aluminum Can Recycling	79,436	0	79,436
Special Events	9,501	0	9,501
Contributions			
Individuals	26,987	0	26,987
Corporate / Foundation	23,172	0	23,172
Camp Oo-U-La	350	0	350
Total Support	495,004	0	495,004
Other Income (Expense)			
Interest and Dividends	81,814	0	81,814
Unrealized Gains / (Losses)	199,545	0	199,545
Realized Gains / (Losses)	(124,898)	0	(124,898)
Other Income (Expenses)	(9,527)	0	(9,527)
Net Asset Transfers/Release from Restriction	0	0	0
Total Revenue	146,934	0	146,934
Total Support and Revenue	641,938	0	641,938
Expenses			
Program Services			
Professional Education	105,923	0	105,923
Public Education	193,966	0	193,966
Community Service	198,075	0	198,075
Total Program Services	497,964	0	497,964
Supporting Services			
Fund-Raising	133,003	0	133,003
Administrative and General	94,609	0	94,609
Total Supporting Services	227,612	0	227,612
Total Expenses	725,576	0	725,576
Increase (Decrease) in Net Assets	(83,638)	0	(83,638)
NET ASSET BALANCES:			
December 31, 2022	1,552,059	1,000,000	2,552,059
December 31, 2023	\$ 1,468,421	\$ 1,000,000	\$ 2,468,421

See Independent Accountant's Review Report.

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

GEORGIA FIREFIGHTERS BURN FOUNDATION, INC.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2023

	Program Services			Supporting Services			Total All Services
	Professional Education	Public Education	Community Programs	Total Program Services	Fund-raising	Admin & General	
Salaries	\$ 37,747	\$ 37,747	\$ 37,747	\$ 113,241	\$ 94,329	\$ 67,812	\$ 275,382
Payroll Taxes and Fringe Benefits	9,855	9,855	9,855	29,565	24,627	17,704	71,896
Total Compensation and Benefits	47,602	47,602	47,602	142,806	118,956	85,516	347,278
Direct Program Expense	16,722	75,249	75,249	167,220	-	-	167,220
Telephone	1,312	5,248	5,248	11,808	656	656	13,120
Office Supplies/Sycs	1,023	1,023	1,023	3,069	1,023	1,023	5,115
Postage/Shipping	468	703	703	1,874	234	234	2,342
Insurance	2,614	2,614	20,913	26,141	167	58	26,366
Dues/Subscriptions	14,307	-	-	14,307	-	-	14,307
Board Development & Training	-	-	-	-	-	60	60
Directors & Officers Liability Insurance	-	-	-	-	-	897	897
Interest Expense	21	21	165	207	3	1	211
Payroll Processing Fees	151	151	151	453	378	272	1,103
Travel	6,313	15,783	9,470	31,566	-	-	31,566
Consulting Services	2,168	2,168	2,168	6,504	9,293	2,788	18,585
Professional Services	1,210	5,600	3,574	10,384	1,853	2,954	15,191
Equipment Maintenance	2,233	11,166	8,933	22,332	-	-	22,332
Staff/Other	820	6,563	820	8,203	-	-	8,203
Office Expenses	1,456	11,649	1,456	14,561	-	-	14,561
Bank Charges	132	1,055	132	1,319	-	-	1,319
Utilities	5,500	5,500	5,500	16,500	206	70	16,776
Total Expenses Before Depreciation	56,450	144,493	135,505	336,448	13,813	9,013	359,274
Depreciation of Building and Equipment	1,871	1,871	14,968	18,710	234	80	19,024
Total Expenses	\$ 105,923	\$ 193,966	\$ 198,075	\$ 497,964	\$ 133,003	\$ 94,609	\$ 725,576

See Independent Accountant's Review Report.
The accompanying notes are an integral part of these financial statements.

GEORGIA FIREFIGHTERS BURN FOUNDATION, INC.

STATEMENT OF CASH FLOWS

December 31, 2023

Cash flows from operating activities:

Increase (Decrease) in Net Assets		\$	(83,638)
Adjustments to reconcile increase (decrease) in net assets to net cash provided (used) by operating activities:			
Depreciation Expense	\$	19,024	
Net Unrealized (Gain) Loss on Investments		(199,545)	
(Increase) Decrease in Receivables		(409)	
(Increase) Decrease in Gift Cards		-	
(Increase) Decrease in Prepaid Expense		5,554	
Increase (Decrease) in Accounts Payable & Accrued Exps.		26,346	
Increase (Decrease) in Grants Payable		3,342	
			<u>(145,688)</u>
Net cash provided (used) by operating activities			<u>(229,326)</u>

Cash flows from investing activities

Net cash provided (used) by investing activities:			
Purchase of Investments			783,776
Proceeds from Sales of Investments			(600,809)
Net cash provided (used) by investing activities			<u>182,967</u>

Cash flows from financing activities

Net cash provided (used) by financing activities:			
Principal Payments on Notes Payable			(10,775)
Net cash provided (used) by financing activities			<u>(10,775)</u>

Net increase (decrease) in cash and cash equivalents (57,134)

Cash and Cash Equivalents, beginning of year 164,059

Cash and Cash Equivalents, end of year \$ 106,925

Supplemental disclosure:

Cash paid for Interest during 2023 \$ 210

GEORGIA FIREFIGHTERS BURN FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

1. Nature of Activities

Georgia Firefighters Burn Foundation, Inc. was organized and incorporated as a non-profit organization in DeKalb County in the State of Georgia on May 10, 1982, originally under the name DeKalb Firefighters Burn Foundation, Inc. In May of 1987, the Organization changed its name to Metro Atlanta Firefighters Burn Foundation, Inc. In May 1991, the Organization changed its name again to Georgia Firefighters Burn Foundation, Inc. The Organization is a charitable not-for-profit organization organized to educate the public in burn awareness and prevention, support medical facilities in the care of burns in Georgia, assist burn survivors in their recovery, and provide scholarships for burn survivors to further their education.

2. Summary of Significant Accounting Policies

A summary of the Organization's accounting policies that affect the more significant elements of the financial statements are stated below:

Basis of Accounting and Reporting

The Organization prepares its financial statements on the accrual basis of accounting, and to present the results of activities and financial position in conformity with accounting principles generally accepted in the United States of America.

Net Assets

Net assets, revenues, gains, and losses are classified based upon the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net Assets available for use in general operations and not subject to donor restrictions. The governing board may designate, from net assets without donor restrictions, net assets for an operating reserve or a board-designated purpose.

Net Assets With Donor Restrictions – Net Assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

GEORGIA FIREFIGHTERS BURN FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

2. Summary of Significant Accounting Policies (Continued)

Fixed Assets and Depreciation

The Organization capitalizes fixed assets of \$2,500 or greater, which are recorded at cost or at fair market value if donated. Maintenance and repairs not considered to substantially lengthen the property lives are charged to expense as incurred.

The Organization provides for depreciation using the straight-line method at rates calculated to expense the cost of fixed assets over a period of 3-15 years for most assets and 40 years for the building. Depreciation expense for the year ended 12/31/2023 is \$19,024. Please also refer to Note 4.

Concentration of Contributions

The Foundation received approximately 72% of its annual contribution revenue from one program.

Income Taxes / Tax Exempt Status

Georgia Firefighters Burn Foundation, Inc. is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(vi) and has been classified as an organization other than a private foundation under Section 509(a)(2). The Organization is current with its filings of Form 990, Return of Organization Exempt from Income Tax. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress, 2021 through present.

Revenue Recognition

Gifts of cash and other assets are reported as support and net assets without donor restrictions unless the donor specified a particular use when the gift was made.

Investments

Investments in marketable securities with readily determinable fair values are valued at their fair market values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains are reported net of investment expenses as increases in net assets with or without donor restrictions in the reporting period in which the income and gains are recognized. Please also refer to Note 9.

GEORGIA FIREFIGHTERS BURN FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

2. Summary of Significant Accounting Policies (Continued)

Financial Statement Presentation

As required by the Not-for-Profit Entities Presentation of Financial statements topic of the Financial Accounting Standards Board Account Standards Codification (FASB ASC,) the Foundation is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Please refer to Note 12.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. Please also refer to Note 3.

Donated Assets

Donated marketable securities and other non-cash donations are recorded as contributions at their estimated fair values at the date of donation.

Donated Services

The efforts of many volunteers benefit the Organization. Travel and subsistence costs incurred by volunteers in carrying out their duties are reimbursed by the Organization. However, no other amounts for volunteer services have been reflected in the financial statements because they did not create or enhance nonfinancial assets or require specialized skills.

Compensated Absences

No accrual of compensated absences has been made in the financial statements because the amount cannot be reasonably estimated.

Use of 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 that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. For this Organization, the allocation of expenses between program services and supporting services is an accounting estimate, as are the depreciable lives assigned to fixed assets.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized by their natural classification on the statement of functional expenses. Certain costs have been allocated by management on a reasonable, consistent basis among the programs and supporting services benefited.

GEORGIA FIREFIGHTERS BURN FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

2. Summary of Significant Accounting Policies (Continued)

Advertising

The Foundation uses advertising to promote its programs among the areas it serves. The costs of advertising are expensed as incurred, and appear on the Statement of Functional Expenses.

Donations Receivable

Donations receivable are stated at unpaid balances, less an allowance for doubtful accounts. The Organization provides for losses on donations receivable using the allowance method. The allowance is based on experience and other circumstances. It is the Organization's policy to charge off uncollectible donations receivable when management determines the receivable will not be collected. No provision for uncollectible amounts was necessary at December 31, 2023.

3. Cash and Cash Equivalents

Cash and cash equivalents at December 31, 2023 were as follows:

Petty Cash	\$ 7
Checking Accounts	100,877
Savings Account	<u>6,041</u>
Total	<u>\$ 106,925</u>

The Foundation maintains its cash in bank deposit accounts, which at times may exceed federally insured limits. The Foundation has not experienced any losses in such accounts, and believes it is not exposed to any significant credit risk on cash and cash equivalents. At December 31, 2023, cash balances in local banks were not in excess of the \$250,000 federal insured deposit liability.

4. Fixed Assets

Property, plant and equipment consisted of the following as of December 31, 2023.

Land and Building	\$ 940,070
Furniture, fixtures and equipment	111,715
Recycling trailers	120,054
Vehicles	<u>202,988</u>
Total Fixed Assets	1,374,827
Less accumulated depreciation	<u>(824,543)</u>
Net Fixed Assets	<u>\$ 550,284</u>

5. Grants Payable

Grants authorized but unpaid at year end are reported as liabilities. Any grants payable at year end are anticipated to be paid by December 31, 2023.

GEORGIA FIREFIGHTERS BURN FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

6. Endowment Fund

In 2005, the Organization was the beneficiary of an endowment from the Belli family. A key component of this grant is the requirement that the principal be maintained restricted for perpetuity, with the earnings to be available for certain restricted purposes such as providing psychological services to juvenile burn survivors and their families, and for educational funding for juvenile burn survivors. The donors wished to maintain the corpus of the perpetually restricted principal at the value of the original gift. The Organization has adopted a conservative investment policy that attempts to maximize total return consistent with an acceptable level of risk. As of December 31, 2023, the value of the endowment fund was \$1,846,703, with \$1,000,000 of this amount the perpetually restricted principal.

At December 31, 2023, there was \$32,500 in scholarships awarded over the next six years, payable on behalf of each awardee at a maximum of \$2,500 annually per awardee. Several criteria must be met for these scholarships to be paid to each awardee, and no amount is definitively determinable as of December 31, 2023, therefore no amount has been accrued as a liability in these financial statements.

7. Retirement Plan

In 2010, Georgia Firefighters Burn Foundation, Inc. established a SIMPLE IRA plan offered to employees who meet the eligibility requirements. Employee contributions under the plan are voluntary and are matched by the Organization on a dollar-for-dollar basis for each employee's salary reduction contribution up to 3% of the employee's compensation. Employer contributions to the plan were \$5,570 for 2023.

8. Public Support

Georgia Firefighters Burn Foundation, Inc. receives recyclable aluminum cans, which it sells to metal reclamation companies for funds to support its stated purposes. Through the joint efforts of Georgia Firefighters Burn Foundation, Inc. and participating Georgia fire departments, aluminum cans are received from the general public and other interested groups. These cans are placed in recycling containers owned by the Organization, which are located at various fire stations and businesses around the State. When these containers become full, they are released to Georgia Firefighters Burn Foundation, Inc. and are then picked up and delivered to local recyclers. The Foundation is paid at the current market rate for aluminum. Aluminum cans delivered to area recyclers in 2023 resulted in revenues of \$79,436.

GEORGIA FIREFIGHTERS BURN FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

8. Public Support (Continued)

Georgia Firefighters Burn Foundation, Inc. also receives support from boot drives it sponsors in cooperation with fire departments throughout Georgia. The firefighters organize the drives, collect the money, and remit the funds collected to the Foundation. Support from these boot drives in 2023 resulted in revenues of \$355,558. During the year ending December 31, 2023, monies received from these drives constituted approximately 72% of total unrestricted support revenues of the Organization.

The ability for certain of the Foundation's contributors to continue giving amounts comparable with prior years may be dependent upon certain current and future overall economic conditions. While the Organization's Executive Committee believes the Foundation has the resources to continue its programs, its ability to do so and the extent to which it continues, will be dependent upon the above factors.

9. Fair Value Measurements of Investments

The Organization classifies its investments into three types of classifications: Level 1 securities traded in an active market, Level 2 securities not traded in an active market but market inputs are available, or Level 3 securities not traded in an active market and for which no significant observable market inputs are available. All of the Organization's investments were Level 1 throughout 2023, with no transfers between levels. At December 31, 2023, the investments were classified as follows:

	<u>Fair Value</u>
Level 1	\$1,846,703
Level 2	-0-
Level 3	-0-
Total Portfolio Investments	<u>\$1,846,703</u>

Investments are reported on the basis of quoted market prices at December 31, 2023, and consist of the following:

	Without Donor Restrictions	Purpose & Perpetual Restrictions	Total Fair Market Value
Money Funds	\$ 247,145	\$ -	\$ 247,145
Mutual Funds/ETPs/Equities	<u>599,558</u>	<u>1,000,000</u>	<u>1,599,558</u>
Investment Totals	<u>\$ 846,703</u>	<u>\$ 1,000,000</u>	<u>\$ 1,846,703</u>

The following schedule summarizes the investment return including broker fees for the year ended December 31, 2023:

GEORGIA FIREFIGHTERS BURN FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

9. Fair Value Measurements of Investments – continued

	Without Donor Restrictions	Purpose Restriction	Perpetual Restriction	Total
Investment Income	\$ 81,805	\$ -	\$ -	\$ 81,805
Realized Gain/(Loss)	(124,898)	-	-	(124,898)
Investment Advisory Fees	(17,783)	-	-	(17,783)
Unrealized Gain/(Loss)	199,545	-	-	199,545
Total investment return	\$ 138,669	\$ -	\$ -	\$ 138,669

During the Covid-19 global pandemic years, the Foundation's Board of Directors made the decision that the restricted portion of the Investments would be the original, corpus amount donated of \$1,000,000. The restricted and unrestricted investment accounts were merged, and all earnings and activities are considered unrestricted until 2024, when the accounts will be segregated back into two separate accounts, and earnings can again be tracked on the restricted account.

10. Notes Payable

The Organization's obligation under notes payable consists of the following at December 31, 2023:

Note payable to bank at 3.40% per annum, principal and interest (P&I) payments of \$760.20 per month, collateralized by a vehicle, due January 2024	\$ <u>758</u>
Total Notes Payable	\$ <u>758</u>

The current portion of the above debt is \$758.

Maturities of notes payable over the next five years are as follows:

Year Ending Dec. 31	Current Portion \$	
2024		758
2025		0
2026		0
2027		0
2028 & thereafter		0
	Total Debt	\$ 758

GEORGIA FIREFIGHTERS BURN FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2023

11. Liquidity and Availability of Financial Assets

Financial assets available for general expenditure, that is without donor or other restrictions limiting their use, within one year of December 31, 2023 comprise the following:

Cash and Cash Equivalents	\$ 106,925
Donated Gift Cards	6,078
Accounts Receivable	815
Money Funds, Without Restriction	<u>247,145</u>
Total Financial Assets Available for General Expenditure	<u>\$ 360,963</u>

As part of its liquidity management plan, the Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. To help manage unanticipated liquidity needs, the Foundation has an unrestricted mutual fund investment account totaling \$599,558 which it could draw upon if necessary.

The Foundation does its best to use resources wisely. Thousands of volunteers across the state of Georgia help to fulfil the Organization's Mission while keeping costs down.

12. Net Assets

Net Assets as of December 31, 2023 are as follows:

Net Assets Without Donor Restrictions	\$1,468,421
Net Assets With Donor Restrictions:	
Perpetual in Nature – Belli Endowment	<u>1,000,000</u>
TOTAL NET ASSETS, December 31, 2023	<u>\$2,468,421</u>

13. Subsequent Events

The Organization has evaluated subsequent events that have occurred through December 5, 2024, the date of issuance of these financial statements, and determined that no material subsequent events have occurred since December 31, 2023 requiring recognition or disclosure in these financial statements.