

**LINCOLN COUNTY, NORTH CAROLINA**

**DENVER FIRE DEPARTMENT**

**FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

# MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

*"A Professional Association of Certified Public Accountants and Management Consultants"*

## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Deanna Rios, Finance Director  
The Board of County Commissioners of Lincoln County, North Carolina  
Fire Chief, Denver Fire Department, Responsible Party

We have performed the procedures enumerated below on the accounting records and the Statements of Cash Receipts and Disbursements of Denver Fire Department for the years ended June 30, 2023 and 2022. Denver Fire Department's management is responsible for the accounting records and the Statements of Cash Receipts and Disbursements.

Lincoln County has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose, which is to assist users in understanding the cash receipts and disbursements of Denver Fire Department. Additionally, Denver Fire Department has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

**Procedure:** Compile the Statements of Cash Receipts and Disbursements, based upon the data provided to us, for the fiscal years ended June 30, 2023 and 2022.

**Finding:** No exceptions.

**Procedure:** Scan all disbursement reports, provided by the district, in search of any items that may appear unrelated to fire protection operations.

**Finding:** Based upon check payees of the disbursement reports we scanned, no disbursements appeared unusual in nature. Disbursements appear to be for fire protection operations.

**Procedure:** Select a sample of 20% or greater of the cash disbursements (including payroll disbursements) during the fiscal year. Agree each selected item to supporting documentation to verify the amount of the disbursement and its account classification. Verify the amount clearing the bank equals the amount of the disbursement.

**Finding:** No exceptions.

We were engaged by Lincoln County to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an audit or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the accounting records and the Statements of Cash Receipts and Disbursements for the fiscal years ended June 30, 2023 and 2022. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Denver Fire Department and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of Lincoln County and Denver Fire Department and is not intended to be, and should not be, used by anyone other than those specified parties.

*Martin Starnes & Associates, CPAs, P.A.*

Martin Starnes & Associates, CPAs, P.A.  
Hickory, North Carolina  
March 28, 2024

**LINCOLN COUNTY, NORTH CAROLINA  
DENVER FIRE DEPARTMENT**

**STATEMENTS OF CASH RECEIPTS AND DISBURSEMENTS  
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
<b>Receipts:</b>		
Tax distributions from Lincoln County	\$ 3,587,995	\$ 3,079,542
Grants	1,470,920	7,291
Auxiliary income	606	-
Rental income	5,375	5,100
Relief Fund	8,511	14,061
Gain on sale of fixed assets	135,192	38,845
Donations	10,662	12,145
Interest	4,658	1,410
Firefighters' Fund income	1,321	1,862
Loan proceeds	-	653,926
Miscellaneous	8,833	31,031
Total receipts	<u>5,234,073</u>	<u>3,845,213</u>
<b>Disbursements:</b>		
Salaries and benefits	2,506,524	2,170,430
Debt service	353,207	297,127
Vehicle maintenance and repairs	102,964	128,451
Vehicle purchase	1,568,846	671,658
Fuel	43,490	37,945
Equipment maintenance and repairs	18,120	20,356
Building maintenance and repairs	162,070	148,390
Equipment and supplies	116,838	92,568
Professional services	31,329	23,955
Utilities	46,057	44,791
Travel, education, and training	21,010	17,692
Insurance	75,247	66,413
Shipping and postage	974	769
Dues and subscriptions	9,230	8,330
Fundraising expenses	8,026	12,949
Office expense	14,004	12,833
Relief Fund	11,040	4,151
COVID-19 unbudgeted miscellaneous expense	-	3,224
Firefighters' Fund expense	2,918	755
Active 911 calls	1,148	-
Miscellaneous	2,807	9,646
Total disbursements	<u>5,095,849</u>	<u>3,772,433</u>
<b>Net receipts over (under) disbursements</b>	<u>\$ 138,224</u>	<u>\$ 72,780</u>

*See accompanying independent accountant's report.*