

The Alleghany Board of Commissioners has voted to conduct a further audit of the Glade Creek Fire Department

**GLADE CREEK VOLUNTEER FIRE DEPARTMENT, INC.**

**REPORT ON AGREED-UPON PROCEDURES**

**REVIEW OF FINANCIAL TRANSACTIONS**

**FOR THE YEAR ENDED JUNE 30, 2024**



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**Independent Accountants' Report on Applying Agreed-Upon Procedures**

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**Board of Directors and David Higgins, Fire Chief  
Glade Creek Volunteer Fire Department, Inc.  
Ennice, NC**

We have performed the procedures enumerated below on the accounting processes and procedures of Glade Creek Volunteer Fire Department, Inc. (the Organization) for the period July 1, 2023 through June 30, 2024. Glade Creek Volunteer Fire Department, Inc.'s management is responsible for the accounting processes and procedures.

Alleghany County, North Carolina has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of evaluating the accounting process and procedures of Glade Creek Volunteer Fire Department, Inc.. 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:

1. Reviewed all disbursements over \$1,000.00 in the operating account by comparing such disbursements against detailed invoices or contracts and cancelled checks as returned from the bank.

*A. Fire Tax Fund Bank Account:*

- The Organization does not use purchase orders and we were not able to ascertain a documented approval process for 37 of 37 purchases over \$1,000.00.
- Per inquiry, the Organization requires two check signers on each check. During our testing, we noted that 27 of 27 checks issued over \$1,000 did include two check signers. The other 10 purchases over \$1,000 were debit card, EFT, or cash withdrawals.
- Check number 1235 dated 08/23/2023 payable to CW Williams in the amount of \$5,783.12 was lacking sufficient documentation.
- An electronic purchase dated 09/05/2023 payable to WS Darley Co in the amount of \$1,053.58 was lacking sufficient documentation.
- Check number 1240 dated 09/12/2023 payable to Sure Flo in the amount of \$1,754.24 was lacking sufficient documentation.
- An electronic purchase dated 09/18/2023 payable to WS Darley Co in the amount of \$1,171.57 was lacking sufficient documentation.
- Check number 1247 dated 09/25/2023 payable to Mobile Communications, Inc. in the amount of \$12,347.49 was lacking sufficient documentation.
- Check number 1249 dated 10/16/2023 payable to Ridgeview Grocery in the amount of \$1,174.08 was lacking sufficient documentation.
- An electronic purchase dated 02/16/2024 payable to G&B Energy in the amount of \$1,597.70 was lacking sufficient documentation.
- A cash withdrawal dated 02/28/2024 in the amount of \$3,000.00 was lacking sufficient documentation.
- Check number 1275 dated 03/26/2024 payable to Robbins Tax Firm in the amount of \$3,750.00 was lacking sufficient documentation.
- Check number 1277 dated 03/26/2024 payable to David Higgins in the amount of \$2,275.00 was lacking sufficient documentation.
- Check number 1292 dated 06/24/2024 payable to CW Williams in the amount of \$7,086.46 was lacking sufficient documentation.

1. Reviewed all disbursements over \$1,000.00 in the operating account by comparing such disbursements against detailed invoices or contracts and cancelled checks as returned from the bank. (continued)

*B. General Fund Bank Account:*

- The Organization does not use purchase orders and we were not able to ascertain a documented approval process for 24 of 24 purchases over \$1,000.
  - Per inquiry, the Organization requires two check signers on each check. During our testing, we noted that 11 of 11 checks issued over \$1,000 did include two check signers. The other 13 purchases over \$1,000 were debit card, EFT, or cash withdrawals.
  - Check number 1712 dated 07/31/2023 payable to David Higgins in the amount of \$1,010.00 was lacking sufficient documentation.
  - A cash withdrawal dated 08/09/2023 in the amount of \$5,000.00 was lacking sufficient documentation.
  - A cash withdrawal dated 08/14/2023 in the amount of \$2,000.00 was lacking sufficient documentation.
  - Check number 1716 dated 09/11/2023 payable to David Higgins in the amount of \$1,018.38 was lacking sufficient documentation.
  - An electronic purchase dated 09/14/2023 payable to Grace Stone Graphics in the amount of \$1,133.56 was lacking sufficient documentation.
  - An electronic purchase dated 10/03/2023 payable to I Heart Media in the amount of \$2,040.00 was lacking sufficient documentation.
  - A cash withdrawal dated 10/13/2023 in the amount of \$3,000.00 was lacking sufficient documentation.
  - A cash withdrawal dated 11/02/2023 in the amount of \$1,000.00 was lacking sufficient documentation.
  - Check number 1732 dated 11/16/2023 payable to Food City in the amount of \$2,425.00 was lacking sufficient documentation.
  - An electronic purchase dated 12/04/2023 payable to Golden Corral in the amount of \$1,457.55 was lacking sufficient documentation.
  - Check number 1757 dated 05/11/2024 payable to David Higgins in the amount of \$2,200.00 was lacking sufficient documentation.
  - A cash withdrawal dated 05/17/2024 in the amount of \$5,000.00 was lacking sufficient documentation.
  - Check number 1761 dated 05/29/2024 payable to Town of Sparta in the amount of \$3,000.00 was lacking sufficient documentation.
  - A cash withdrawal dated 06/10/2024 in the amount of \$1,800.00 was lacking sufficient documentation.
  - An electronic purchase dated 06/14/2024 payable to Grace Stone Graphics in the amount of \$1,123.50 was lacking sufficient documentation.
2. For the remaining disbursement population, selected a sample of 25 disbursements or 10% of the remaining population, whichever was less, from all accounts and compared such disbursements against detailed invoices or contracts and cancelled checks as returned from the bank.
- The Organization made 635 payments during the year. After removing the 61 scope tested items, the remaining population was 574 payments. We reviewed 25 of these items at random.
  - The Organization does not use purchase orders and we were not able to ascertain a documented approval process for 25 of 25 purchases reviewed.
  - Per inquiry, the Organization requires two check signers on each check. During our testing, we noted that 12 of 12 checks randomly selected for testing did include two check signers. The other 13 purchases randomly selected for testing were debit card, EFT, or cash withdrawals.

2. For the remaining disbursement population, selected a sample of 25 disbursements or 10% of the remaining population, whichever was less, from all accounts and compared such disbursements against detailed invoices or contracts and cancelled checks as returned from the bank. (continued)

*A. Fire Tax Fund Bank Account:*

- Check number 1222 dated 07/31/2023 payable to Ridgeview Grocery in the amount of \$780.13 was lacking sufficient documentation.
- An electronic purchase dated 11/07/2023 payable to Blue Ridge EMC in the amount of \$51.69 was lacking sufficient documentation.
- An electronic purchase dated 12/11/2023 payable to Scenic Motors, Inc. in the amount of \$553.90 was lacking sufficient documentation.
- An electronic purchase dated 12/21/2023 payable to Carquest in the amount of \$185.26 was lacking sufficient documentation.
- An electronic purchase dated 03/15/2024 payable to G&B Energy in the amount of \$565.67 was lacking sufficient documentation.

*B. General Fund Bank Account:*

- An electronic purchase dated 08/11/2023 payable to Saddle Mountain Café in the amount of \$195.33 was lacking sufficient documentation.
- Check number 1715 dated 09/11/2023 payable to Shane Presswood in the amount of \$350.00 was lacking sufficient documentation.
- A cash withdrawal dated 10/06/2023 in the amount of \$500.00 was lacking sufficient documentation.
- An electronic purchase dated 11/09/2023 payable to Cracker Barrel in the amount of \$53.34 was lacking sufficient documentation.
- An electronic purchase dated 11/27/2023 payable to The Big Pig of Sparta in the amount of \$163.65 was lacking sufficient documentation.
- Check number 1739 dated 02/05/2024 payable to Renea Crouse in the amount of \$100.00 was lacking sufficient documentation.
- Check number 1752 dated 04/18/2024 payable to Rebels & Rednecks in the amount of \$600.00 was lacking sufficient documentation.
- Check number 1754 dated 04/18/2024 payable to Lake Valley Store in the amount of \$451.34 was lacking sufficient documentation.
- Check number 1760 dated 05/29/2024 payable to David Higgins in the amount of \$750.00 was lacking sufficient documentation.

*C. Fuel Fund Bank Account:*

- An electronic purchase dated 08/07/2023 payable to Sparta on North Main in the amount of \$60.00 was lacking sufficient documentation.

3. Reviewed meeting minutes for the year ended June 30, 2024 for any commitments in excess of \$10,000.00 of which the County will be made aware.
  - The Organization has a business loan dated June 12, 2020, carrying an interest rate of 4.85% and secured by three fire trucks. The total loan amount is \$105,507.97 to be repaid in 14 semi-annual payments of \$8,819.84. The loan matures January 12, 2027. As of June 30, 2024, the balance on the loan was \$57,434.21.
  - The Organization has a business loan dated May 21, 2021, carrying an interest rate of 6.55% and secured by real estate. The total loan amount is \$197,000 to be repaid in 60 monthly payments of \$1,732.07. The loan matures May 21, 2036. As of June 30, 2024, the balance on the loan was \$170,797.36.

4. Traced amounts paid from the County to the Organization's bank accounts and/or ledger.

- Based on our review, it appears checks from the County were deposited as follows:

Contributions from Alleghany County	Check Date (Per Alleghany County)	Date Deposited Per Glade Creek Bank Statements	Type
\$ 15,405.92	7/20/2023	8/1/2023	Fire Tax
12,000.00	8/17/2023	8/25/2023	TDA contribution
15,405.92	8/17/2023	8/25/2023	Fire Tax
7,672.08	8/31/2023	9/13/2023	Fire Tax
15,405.92	9/14/2023	9/25/2023	Fire Tax
15,405.92	10/12/2023	10/23/2023	Fire Tax
15,405.92	11/22/2023	11/30/2023	Fire Tax
15,405.92	12/21/2023	12/29/2023	Fire Tax
17,212.75	1/18/2024	1/25/2024	Fire Tax
3,000.00	2/1/2024	2/20/2024	TDA contribution
11,527.00	2/1/2024	2/20/2024	County contribution
17,212.75	2/15/2024	2/28/2024	Fire Tax
17,212.75	3/14/2024	3/26/2024	Fire Tax
17,212.75	4/11/2024	4/23/2024	Fire Tax
7,500.00	4/25/2024	5/30/2024	TDA contribution
17,212.75	5/9/2024	5/30/2024	Fire Tax
17,212.73	6/20/2024	6/25/2024	Fire Tax
<u>\$ 237,411.08</u>	Total		

5. Reviewed bank statements and reconciliations at June 30, 2024 and validated the amounts reported in the books or per the Organization's reconciliation for all accounts back to those statements and reconciliations.

- The Organization's fire tax checking account had a reconciled balance of \$21,253.96 which agrees to the Organization's accounting records maintained in QuickBooks.
- The Organization's auxiliary checking account had a reconciled balance of \$1,162.89 which agrees to the Organization's accounting records maintained in QuickBooks.
- The Organization's fireman's relief checking account had a reconciled balance of \$20,736.36 which agrees to the Organization's accounting records maintained in QuickBooks.
- The Organization's general checking account had a reconciled balance of \$29,834.76 which agrees to the Organization's accounting records maintained in QuickBooks.
- The Organization's fuel checking account had a reconciled balance of \$1,622.34 which agrees to the Organization's accounting records maintained in QuickBooks.

6. Haphazardly selected two months of credit cards and selected the largest credit card statements for testing. Reviewed to ensure that all amounts on the statements were supported by detailed receipts, approval of the credit card payment was documented, the card was paid in full, and no finance charges were incurred. In the event that two statements have been tested through our disbursements testing, additional testing was not required.

- We noted that the Organization was not utilizing a credit card but using a debit card for purchases. Debit card transactions were included in the procedures number 1 and number 2 for testing.

7. Review all disbursements over \$500 in the Fire Fund checking account by comparing such disbursements against detailed invoices or contracts and cancelled checks as returned from the bank.
  - Check number 1231 dated 08/23/2023 payable to Ridgeview Grocery in the amount of \$880.55 was lacking sufficient documentation.
  - Check number 1260 dated 11/29/2023 payable to Ridgeview Grocery in the amount of \$827.07 was lacking sufficient documentation.
  - Check number 1224 dated 07/31/2023 payable to Rid-A-Bug in the amount of \$800.00 was only supported with a \$400.00 invoice.
  - Check number 1222 dated 07/31/2023 payable to Ridgeview Grocery in the amount of \$780.13 was lacking sufficient documentation.
  - Check number 1250 dated 10/16/2023 payable to Joy Caudle in the amount of \$590.00 lacked sufficient documentation.
  - An electronic purchase dated 11/13/2023 payable to Scenic Motors, Inc. in the amount of \$579.95 lacked sufficient documentation. We were unable to determine what was purchased from the credit card receipts provided.
  - An electronic purchase dated 11/20/2023 payable to Scenic Motors, Inc. in the amount of \$579.95 was lacking sufficient documentation. We were unable to determine what was purchased from the credit card receipts provided.
  - Check number 1241 dated 09/19/2023 payable to Advantage in the amount of \$574.42 was lacking sufficient documentation.
  - An electronic purchase dated 11/27/2023 payable to Scenic Motors, Inc. in the amount of \$563.87 was lacking sufficient documentation. We were unable to determine what was purchased from the credit card receipts provided.
  - An electronic purchase dated 12/05/2023 payable to Scenic Motors, Inc. in the amount of \$553.90 was lacking sufficient documentation. We were unable to determine what was purchased from the credit card receipts provided.
  - An electronic purchase dated 12/11/2023 payable to Scenic Motors, Inc. in the amount of \$553.90 was lacking sufficient documentation. We were unable to determine what was purchased from the credit card receipts provided.
  - An electronic purchase dated 12/19/2023 payable to Scenic Motors, Inc. in the amount of \$553.89 was lacking sufficient documentation. We were unable to determine what was purchased from the credit card receipts provided.
  - Check number 1230 dated 08/07/2023 payable to Clark Fischer in the amount of \$500.00 lacked sufficient documentation.
8. Review meeting minutes for the year ended June 30, 2024 for any commitments in excess of \$10,000 of which the County will be made aware and report which checking account is funding the loan payments.
  - The Organization has a business loan dated June 12, 2020, carrying an interest rate of 4.85% and secured by three fire trucks. The total loan amount is \$105,507.97 to be repaid in 14 semi-annual payments of \$8,819.84. The loan matures January 12, 2027. As of June 30, 2024, the balance on the loan was \$57,434.21.
    - During the fiscal year, we noted 12 automatic monthly payments in the amount of \$1,526.96, totaling \$18,323.52, paid from the Fire Fund bank account.
  - The Organization has a business loan dated May 21, 2021, carrying an interest rate of 6.55% and secured by real estate. The total loan amount is \$197,000 to be repaid in 60 monthly payments of \$1,732.07. The loan matures May 21, 2036. As of June 30, 2024, the balance on the loan was \$170,797.36
    - During the fiscal year, we noted 12 automatic monthly payments in the amount of \$1,732.09, totaling \$20,785.08, paid from the Fire Fund bank account.
9. Document any rental income received during the period of July 1, 2023 - June 30, 2024 including the amount, purpose, and which bank account it was deposited.
  - We were not provided with any rental income documentation to verify its purpose and deposits were not posted to the general ledger with sufficient detail to distinguish between rental income and donations.

We were engaged by Alleghany County, North Carolina 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 examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on evaluating the accounting processes and procedures of Glade Creek Volunteer Fire Department, Inc. for the period July 1, 2023 through June 30, 2024. 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 Alleghany County, North Carolina 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 Alleghany County, North Carolina and Glade Creek Volunteer Fire Department, Inc. and is not intended to be and should not be used by anyone other than those specified parties.

*Robinson, James, Cox Associates*

Blacksburg, Virginia

August 25, 2025 (except for procedures 7, 8, and 9, as to which the date is February 17, 2026)