

**NEWCASTLE  
FIRE PROTECTION DISTRICT,  
CALIFORNIA**

**SINGLE AUDIT ACT  
REPORTS AND SCHEDULES  
FOR THE YEAR ENDED  
JUNE 30, 2023**

**THIS PAGE INTENTIONALLY LEFT BLANK**

**NEWCASTLE FIRE PROTECTION DISTRICT**  
**Single Audit Act**  
**For the Year Ended June 30, 2023**

**Table of Contents**

	Page
Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards .....	1-2
Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance .....	3-5
Schedule of Expenditures of Federal Awards for the Year Ended June 30, 2023 .....	6
Notes to Schedule of Expenditures of Federal Awards .....	7
Schedule of Findings and Questioned Costs .....	8-12
Schedule of Prior Year Findings and Questioned Costs .....	13-14
Management’s Corrective Action Plan .....	15-16

**THIS PAGE INTENTIONALLY LEFT BLANK**

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

To the Board of Directors  
Newcastle Fire Protection District  
Newcastle, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Newcastle Fire Protection District, California (District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated March 29, 2024.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2023-001 to be a material weakness.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2023-002 through 2023-004 to be significant deficiencies.

To the Board of Directors  
Newcastle Fire Protection District  
Newcastle, California

### **Report on Compliance and Other Matters**

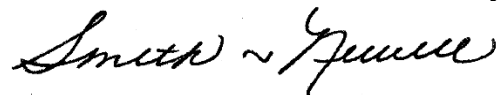
As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

### **District's Response to Findings**

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditory procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Smith & Newell CPAs  
Yuba City, California  
March 29, 2024

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY  
THE UNIFORM GUIDANCE**

To the Board of Directors  
Newcastle Fire Protection District  
Newcastle, California

**Report on Compliance for Each Major Federal Program**

**Opinion on Each Major Federal Program**

We have audited Newcastle Fire Protection District, California's (District) compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2023. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

**Basis for Opinion on Each Major Federal Program**

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

**Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

To the Board of Directors  
Newcastle Fire Protection District  
Newcastle, California

### **Auditor's Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, and the Uniform Guidance, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.



To the Board of Directors  
Newcastle Fire Protection District  
Newcastle, California

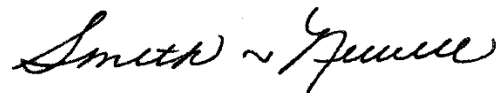
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

#### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities and each major fund of Newcastle Fire Protection District, California, (District) as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated March 29, 2024, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



Smith & Newell CPAs  
Yuba City, California  
March 29, 2024

**THIS PAGE INTENTIONALLY LEFT BLANK**

**NEWCASTLE FIRE PROTECTION DISTRICT**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2023**

<b>Federal Grantor/Pass-Through Grantor/Program Title</b>	<b>Assistance Listing Number</b>	<b>Pass-Through Entity Identifying Number</b>	<b>Passed Through to Subrecipients</b>	<b>Total Federal Expenditures</b>
<b>U.S. Department of Agriculture</b>				
Direct Program:				
Community Facilities Loans and Grants	10.766	-	\$ -	\$ 3,775,800
<b>Subtotal 10.766 - Community Facilities Loans and Grants Cluster</b>			-	3,775,800
<b>Total U.S. Department of Agriculture</b>			-	3,775,800
<b>Total</b>			\$ -	\$ 3,775,800

See the accompanying Notes to Schedule of Expenditures of Federal Awards

**THIS PAGE INTENTIONALLY LEFT BLANK**

**NEWCASTLE FIRE PROTECTION DISTRICT**  
**Notes to Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2023**

**1. REPORTING ENTITY**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of Newcastle Fire Protection District, California (District). The District's reporting entity is defined in Note 1 to the District's basic financial statements. All federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included on the Schedule of Expenditures of Federal Awards. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position or cash flows of the District.

**2. BASIS OF ACCOUNTING**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements, regardless of the measurement focus applied. The accompanying Schedule of Expenditures of Federal Awards, is presented using the modified accrual basis of accounting for grants accounted for in the governmental fund types, as described in the notes to the District financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursements.

**3. INDIRECT COST RATE**

The District has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

**4. RELATIONSHIP TO FEDERAL FINANCIAL REPORTS**

The amounts reported in the accompanying Schedule of Expenditures of Federal Awards agree or can be reconciled with amounts reported in the related federal financial assistance reports.

**5. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

The amounts reported in the accompanying Schedule of Expenditures of Federal Awards agree or can be reconciled with amounts reported in the District's basic financial statements.

**6. PASS-THROUGH ENTITIES' IDENTIFYING NUMBER**

When federal awards were received from a pass-through entity, the Schedule of Expenditures of Federal Awards shows, if available, the identifying number assigned by the pass-through entity. When no identifying number is shown, the District determined that no identifying number is assigned for the program or the District was unable to obtain an identifying number from the pass-through entity.

**THIS PAGE INTENTIONALLY LEFT BLANK**

**NEWCASTLE FIRE PROTECTION DISTRICT**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2023**

**SECTION I - SUMMARY OF AUDITOR'S RESULTS**

<b>Financial Statements</b>	<u>Status</u>
1. Type of auditor's report issued	Unmodified
2. Internal controls over financial reporting:	
a. Material weaknesses identified?	Yes
b. Significant deficiencies identified and not considered to be material weaknesses?	Yes
3. Noncompliance material to financial statements noted?	No

**Federal Awards**

1. Internal control over major programs:	
a. Material weaknesses identified?	No
b. Significant deficiencies identified and not considered to be material weaknesses?	No
2. Type of auditor's report issued on compliance for major programs:	Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?	No
4. Identification of major programs: 10.766 Community Facilities Loans and Grants	
5. Dollar threshold used to distinguish between Type A and Type B programs?	\$750,000
6. Auditee qualified as a low-risk auditee under 2 CFR Section 200.520?	No

**SECTION II - FINANCIAL STATEMENT FINDINGS**

Audit Adjustments	2023-001
Policies and Procedures	2023-002
Budget	2023-003
Credit Card Documentation	2023-004

**SECTION III - FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

None

**NEWCASTLE FIRE PROTECTION DISTRICT**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2023**

**2023-001 Audit Adjustments (Material Weakness)**

**Criteria**

Governmental auditing standards require independent auditors to evaluate all unadjusted misstatements of financial statements. Also, producing timely audited financial statements is more difficult when adjustments are not recorded prior to the start of the annual audit.

**Condition**

At the time of our audit, we noted that the financial statements as presented to us for audit contained misstatements in cash and investments, salaries and benefits payable, and capital outlay.

**Cause**

Cash and investments, salaries and benefits payable, and capital outlay had not been reconciled at year-end.

**Effect**

The financial statements as presented to us contained misstatements and required adjustment.

**Questioned Cost**

No questioned costs were identified as a result of our procedures.

**Context**

Not applicable.

**Repeat Finding**

This is a repeat or prior year finding 2022-001.

**Recommendation**

We recommend that the District reconcile all accounts timely so that the financial statements are correctly stated. All required adjustments should be recorded prior to the start of the annual audit.

**Views of Responsible Officials and Planned Corrective Action**

Refer to separate Management's Corrective Action Plan for views of responsible officials and management's responses.



**NEWCASTLE FIRE PROTECTION DISTRICT**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2023**

**2023-002 Policies and Procedures (Significant Deficiency)**

**Criteria**

Good internal control requires that procedures be documented and performed in a consistent manner in accordance with approved District policy.

**Condition**

During our audit we noted that the District has developed policies and procedures for many District operations. However, these policies and procedures need to be reviewed for accuracy, updated as needed, and organized into a system which allows for easy access. In addition, we noted that the District has not adopted written policies for fund balance, capitalization policy or investment policy.

**Cause**

The District has accumulated and adopted policies and procedures over the years, but does not have an adopted policy for fund balance, capitalization, and investment policy.

**Effect**

Without written procedures, tasks may not be performed in a consistent manner and internal control may be compromised.

**Questioned Cost**

No questioned costs were identified as a result of our procedures.

**Context**

Not applicable.

**Repeat Finding**

This is a repeat of prior year finding 2022-003.

**Recommendation**

We recommend that the District develop and review for accuracy all policies and procedures regarding District operations.

**Views of Responsible Officials and Planned Corrective Action**

Refer to separate Management's Corrective Action Plan for views of responsible officials and management's responses.

**NEWCASTLE FIRE PROTECTION DISTRICT**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2023**

**2023-003 Budget (Significant Deficiency)**

**Criteria**

California Government Code requires that appropriate operating budgets be adopted and amended as needed and that expenditures not exceed the approved budget.

**Condition**

For the year ended June 30, 2023, we noted that the District incurred expenditures in excess of appropriations of \$157,544 in the Mitigation Fees fund.

**Cause**

The District did not amend its budget for changes in the estimate of expenditures during the fiscal year.

**Effect**

Expenditures exceeded appropriations by \$157,544 in the Mitigation Fees fund.

**Questioned Cost**

No questioned costs were identified as a result of our procedures.

**Context**

Not applicable.

**Repeat Finding**

This is a repeat of prior year finding 2022-004.

**Recommendation**

We recommend that the District control and monitor expenditures so that they do not exceed the approved budget. If budget revisions are required, we recommend that the District take appropriate action to amend the budget.

**Views of Responsible Officials and Planned Corrective Action**

Refer to separate Management's Corrective Action Plan for views of responsible officials and management's responses.

**NEWCASTLE FIRE PROTECTION DISTRICT**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2023**

**2023-004 Credit Card Documentation (Significant Deficiency)**

**Criteria**

Good internal control and the District's credit card policy requires that all credit card charges are documented by a receipt or invoice.

**Condition**

During the audit, we noted that all receipts for purchases on the District credit card were not available.

**Cause**

The District did not obtain all receipts for credit card purchases.

**Effect**

There were charges on the District credit card that did not have adequate supporting receipts.

**Questioned Cost**

No questioned costs were identified as a result of our procedures.

**Context**

We tested the transaction process for 25 expenditures with a systematic sample for the fiscal year ending June 30, 2023.

**Repeat Finding**

This is not a repeat finding.

**Recommendation**

We recommend that the District follow their credit card policy and obtain all receipts for charges on the District credit card prior to paying the outstanding credit card balance.

**Views of Responsible Officials and Planned Corrective Action**

Refer to separate Management's Corrective Action Plan for views of responsible officials and management's responses.

**THIS PAGE INTENTIONALLY LEFT BLANK**



# NEWCASTLE FIRE PROTECTION DISTRICT

PO Box 262, 9211 CYPRESS ST, NEWCASTLE, CA 95658

916-663-3323 FAX 916-663-3907 WWW.NEWCASTLEFIRE.ORG

---

*DIRECTORS: Lawrence Bettencourt, John Burns, Jonita Elder, James Heisterkamp, William Kahl  
Fire Chief Ian Gow*

## NEWCASTLE FIRE PROTECTION DISTRICT, CALIFORNIA

Schedule of Prior Year Findings and Questioned Costs

And

Corrective Action Plan

For the Year Ended June 30, 2023

Compiled by: Michelle Armstrong, District Manager

**THIS PAGE INTENTIONALLY LEFT BLANK**

**NEWCASTLE FIRE PROTECTION DISTRICT**  
**Schedule of Prior Year Findings and Questioned Costs**  
**For the Year Ended June 30, 2023**

<u>Audit Reference</u>	<u>Status of Prior Year Recommendations</u>
<b>2022-001</b>	<p><b>Audit Adjustments</b></p> <p><b>Recommendation</b></p> <p>We recommend that the District reconcile all accounts timely so that the financial statements are correctly stated. All required adjustments should be recorded prior to the start of the annual audit.</p> <p><b>Status</b></p> <p>Not implemented</p>
<b>2022-002</b>	<p><b>Prior Period Adjustment</b></p> <p><b>Recommendation</b></p> <p>We recommend that the District review all year-end balances for accuracy and make adjustments as necessary.</p> <p><b>Status</b></p> <p>Implemented</p>
<b>2022-003</b>	<p><b>Policies and Procedures</b></p> <p><b>Recommendation</b></p> <p>We recommend that the District develop and review for accuracy, all policies and procedures regarding District operations.</p> <p><b>Status</b></p> <p>Not implemented</p>
<b>2022-004</b>	<p><b>Budget</b></p> <p><b>Recommendation</b></p> <p>We recommend that the District control and monitor expenditures so that they do not exceed the approved budget. If budget revisions are required, we recommend that the District take appropriate action to amend the budget.</p> <p><b>Status</b></p> <p>Not implemented</p>

**NEWCASTLE FIRE PROTECTION DISTRICT**  
**Schedule of Prior Year Findings and Questioned Costs**  
**For the Year Ended June 30, 2023**

**Audit Reference**

**Status of Prior Year Recommendations**

---

**2022-005**

**Expenditures**

**Recommendation**

We recommend that the District maintain adequate documentation to support expenditure payments.

**Status**

Not implemented



**NEWCASTLE FIRE PROTECTION DISTRICT**  
**Management's Corrective Action Plan**  
**For the Year Ended June 30, 2023**

**Finding 2023-001      Audit Adjustments (Material Weakness)**

We recommend that the District reconcile all accounts timely so that the financial statements are correctly stated. All required adjustments should be recorded prior to the start of the annual audit.

Management's Response:      The District's checking account and county reports reconciled on a monthly basis.

Responsible Individual:      Michelle Armstrong, District Manager

Corrective Action Plan:      Checking accounts and county's monthly reports will be reconciled on a monthly basis. Audit journal entries will be input by the end of each fiscal year.

Anticipated Completion Date:      July 31, 2024

**Finding 2023-002      Policies and Procedures (Significant Deficiency)**

We recommend that the District develop and review for accuracy all policies and procedures regarding District operations.

Management's Response:      The District concurs with the finding. The policies are being updated in an online platform.

Responsible Individual:      Michelle Armstrong, District Manager

Corrective Action Plan:      Policies and procedures will continue to be updated and reviewed on an ongoing basis. A written capitalization policy has been adopted and fund balance and investment policies will be adopted, implemented and made available for review.

Anticipated Completion Date:      Already implemented and ongoing.

**Finding 2023-003      Budget (Significant Deficiency)**

We recommend that the District control and monitor expenditures so that they do not exceed the approved budget. If budget revisions are required, we recommend that the District take appropriate action to amend the budget.

Management's Response:      The District concurs with the finding.

Responsible Individual:      Michelle Armstrong, District Manager, and the Board

Corrective Action Plan:      The District will review the budget throughout the year and make necessary adjustments to cover any unbudgeted revenues or expenses. To be discussed and reviewed at the monthly board meeting.

Anticipated Completion Date:      Already implemented and ongoing.

**NEWCASTLE FIRE PROTECTION DISTRICT**  
**Management's Corrective Action Plan**  
**For the Year Ended June 30, 2023**

**Finding 2023-004      Credit Card Documentation (Significant Deficiency)**

We recommend that the District follow their credit card policy and obtain all receipts for charges on the District credit card prior to paying the outstanding credit card balance.

Management's Response:      The District concurs with the finding.

Responsible Individual:      Michelle Armstrong, District Manager

Corrective Action Plan:      A new procedures has been put in place to put more accountability on staff that hold credit cards. The District will follow up with staff on a monthly basis to ensure proper documentation is provided.

Anticipated Completion Date:      Already implemented.