



## AGENDA

### CRESCENT FIRE PROTECTION DISTRICT BOARD OF DIRECTORS

REGULAR MEETING  
HELD  
MONDAY, MARCH 10, 2025  
AT 5:00 P.M.

Submit comments via [ccfire@crescentcity.org](mailto:ccfire@crescentcity.org); or submit a written comment by filing it with the Administrative Specialist at 255 W Washington Blvd, Crescent City, California 95531 prior to 5:00 pm, March 10, 2025. If you require a special accommodation, please contact Administrative Specialist, Vanessa Duncan at 464-2421.

#### 1. OPEN SESSION

- 1.1 CALL TO ORDER
- 1.2 ROLL CALL
- 1.3 FLAG SALUTE

#### 2. PUBLIC PARTICIPATION

*Any member of the audience is invited to address the Board on any matter that is within the jurisdiction of the Crescent Fire Protection District. Comments of public interest or on matters appearing on the agenda are accepted. Note, however, that the Board is not able to undertake extended discussion or act on non-agendized items. Such items can be referred to staff for appropriate action, which may include placement on a future agenda. All comments shall be directed toward the entire Board. After receiving recognition from the Chairman, please state your name and city or county residency for the record. Public comment is limited to three (3) minutes. The public is additionally allotted five minutes each in which to speak on any item on the agenda prior to any action taken by the Board.*

#### 3. CONSENT CALENDAR

- 3.1 APPROVE MINUTES OF THE REGULAR MEETING OF FEBRUARY 10, 2025
- 3.2 APPROVAL OF WARRANT CLAIMS FOR PERIOD COVERING FEBRUARY 2025

TAKE PUBLIC COMMENT ON CONSENT CALENDAR  
CONSIDER AND ADOPT CONSENT CALENDAR

**4. NEW BUSINESS**

*Take action as necessary and appropriate.*

**4.1 APPROVAL OF BOARD MEMBER RESIGNATION**

RECOMMENDATION

1. Receive letter of resignation
2. Technical questions from the Board
3. Take public comment
4. Further Board discussion
5. Accept and vote to approve the resignation of Board Member Joe Gregorio

**5. OLD BUSINESS**

*Take action as necessary and appropriate.*

**5.1 REVIEW AND APPROVE ENGAGEMENT LETTER FOR CRESCENT FIRE PROTECTION AUDIT SERVICES**

RECOMMENDATION

1. Receive staff report
2. Technical questions from the Board
3. Take public comment
4. Further Board discussion
5. Select the most suitable firm to conduct the audits for Crescent Fire Protection District and authorizing signing the engagement letter to initiate the auditing process

**6. CHIEFS REPORT**

*Take action as necessary and appropriate.*

UPDATE ON CURRENT MATTERS AND THOSE IN PROGRESS

**6.1** RESPONSES OCCURRED BETWEEN: 02-01-25 to 02-28-25

**6.2** WATER TENDER UPDATE

**6.3** SCBA PURCHASE

**6.4** MEASURE S EQUIPMENT REQUEST FOR FY 25/26

**7. BOARD COMMENTS**

THIS AGENDA ITEM ALLOWS BOARD MEMBERS THE OPPORTUNITY TO DISCUSS ITEMS OF GENERAL INTEREST, PROVIDE A REFERENCE OR OTHER RESOURCE TO STAFF, ASK FOR CLARIFICATION OR REQUEST STAFF TO REPORT TO THE BOARD ON A CERTAIN MATTER

**8. ADJOURNMENT**

ADJOURN TO THE NEXT REGULARLY SCHEDULED MEETING ON MONDAY, APRIL 14, 2025 AT  
5:00 PM

**POSTED:**

3/7/2025

/s/ Vanessa Duncan

Clerk of the Board/Administrative Specialist

*Notice Regarding Americans with Disabilities Act: In compliance with the Americans with Disabilities Act, if you need special assistance to participate in the meeting, please contact the Administrative Specialist's office at (707)464-2421. Notification 48 hours before the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting [28 CFR 35.102-35.104 ADA Title II]*

*For TTYDD use for speech and hearing impaired, please dial 711. A full agenda packet may be reviewed at Crescent City Fire & Rescue, 255 W Washington Blvd, during business hours, 8:00 a.m. - 5:00 p.m., or on-line at [cfpd.crescentcity.org](http://cfpd.crescentcity.org)*



**MINUTES OF THE  
CRESCENT FIRE PROTECTION DISTRICT  
BOARD OF DIRECTORS**

**REGULAR MEETING HELD  
FEBRUARY 10, 2025  
AT 5:00 P.M.**

**1. OPEN SESSION**

**1.1 CALL TO ORDER**

Vice Chair Short called the meeting to order at 5:00 PM.

**1.2 ROLL CALL**

Board members present:

- Vice Chair Dave Short
- Director Jim Erler
- Director Rick Kelley

Board members absent:

- Chair Jim Nelson
- Director Joe Gregorio

Staff members present:

- Administrative Specialist Vanessa Duncan

**1.3 FLAG SALUTE**

The Pledge of Allegiance was led by Director Erler.

**2. PUBLIC PARTICIPATION**

No public comment at this time.

**3. CONSENT CALENDAR**

**3.1 APPROVE MINUTES OF THE REGULAR MEETING OF JANUARY 13, 2025**

**3.2 APPROVAL OF WARRANT CLAIMS FOR PERIOD COVERING JANUARY 2025**

On a motion by Director Erler, seconded by Director Kelley, motion carried 3/0/2 with Chair Nelson and Director Gregorio being absent; the Board of Directors approved the Consent Calendar.

**4. NEW BUSINESS**

*Take action as necessary and appropriate.*

**4.1 REVIEW AND APPROVE LETTER OF INTEREST FOR BOARD MEMBER VACANCY**

RECOMMENDATION

1. Receive staff report
2. Technical questions from the Board
3. Take public comment
4. Further Board discussion
5. Make a recommendation to appoint the candidate to fill the Board vacancy and send the recommendation to the Del Norte County Board of Supervisors

The following citizen addressed the Board:

Rich Wier: expressed his interest in joining the Crescent Fire Protection District Board of Directors should a vacancy arise in the future.

On a motion by Director Erler, seconded by Director Kelley, motion carried 3/0/2 with Chair Nelson and Director Gregorio being absent; the Board of Directors approved the letter of interest from Joe Gregorio and signed the letter of recommendation to fill the Board vacancy, addressed to the Del Norte County Board of Supervisors.

**5. OLD BUSINESS**

*Take action as necessary and appropriate.*

No old business at this time.

**6. CHIEFS REPORT**

*Take action as necessary and appropriate.*

Update on current matters and those in progress

**6.1 RESPONSES OCCURRED BETWEEN: 01-01-25 to 01-31-25**

Staff stated that there were no major incidents to report on for the month of January.

**6.2 AUDIT UPDATE**

Staff reported that they are in the process of obtaining a quote from another CPA firm capable of conducting audits for the Crescent Fire Protection District. Once received, this quote will be presented to the Board alongside the quote from Harshwal & Company LLP for comparison and a final decision on which firm to select.

**7. BOARD COMMENTS**

No Board comments at this time.

**8. ADJOURNMENT**

There being no further business to come before the Board, Vice Chair Short adjourned the meeting at 5:16 PM of the Crescent Fire Protection District Board of Directors to the next regularly scheduled meeting on March 10, 2025 at 5:00PM.

ATTEST:

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Vanessa Duncan, Clerk of the Board  
Crescent Fire Protection District

## CFPD CLAIMS LIST FEBRUARY FY 2025

CLAIM ID	CLAIM DATE	VENDOR	ACCOUNT	AMOUNT	INVOICE#	DESCRIPTION	GRAND TOTAL	
480-3230	2/6/25	EUREKA OXYGEN	20170	\$ 400.54	499356	CFPD FIRE EXTINGUISHER SERVICING	\$ 400.54	PO# 258984
480-3231	2/6/25	DROWN, RIVERS DBA LAWN & ORDER	20230	\$ 200.00	9041	LAWN CARE - COOPER & BERTSCH	\$ 200.00	PO# 258985
480-3232	2/6/25	GEORGE'S AUTO & DIESEL	20271	\$ 92.99	289607	MIC HOLDER FOR 5112	\$ 92.99	
480-3233	2/6/25	CRESCENT CITY WATER	20302	\$ 62.09	005222-000	WATER - HUMBOLDT	\$ 62.09	
480-3234	2/6/25	CRESCENT ACE HARDWARE	20170	\$ 23.80	29116	BAR & CHAIN OIL FOR CHAINSAWS	\$ 23.80	
480-3235	2/6/25	CITY OF CRESCENT CITY	20234	\$ 28,310.89	7162099	PIONEER FIRE MUTUAL AID SERVICES - OVERHEAD PERSONN	\$ 28,310.89	
480-3236	2/6/25	PACIFIC POWER & LIGHT CO.	20300	\$ 1,816.76	62204731-0017	POWER- COOPER & WASHINGTON	\$ 1,816.76	
<b>TOTAL</b>							<b>\$ 30,907.07</b>	
481-3237	2/28/25	ROSS JANITORIAL	20230	\$ 380.00	0880	JANITORIAL SERVICES - WASHINGTON STATION	\$ 380.00	PO# 258986
481-3237	2/28/25	ROSS JANITORIAL	20230	\$ 380.00	0899	JANITORIAL SERVICES - WASHINGTON STATION	\$ 380.00	PO# 258986
481-3238	2/28/25	CITY OF CRESCENT CITY	20173	\$ 691.35	7162274	FIX COOLANT LEAK AND BROKEN PTO SHAFT 5132	\$ 691.35	PO# 258987
481-3239	2/28/25	DN SOLID WASTE MANAGEMENT	20140	\$ 47.70	30015373	TRASH FEE - JANUARY 2025	\$ 47.70	
481-3240	2/28/25	CITY OF CRESCENT CITY	20234	\$ 17,397.24	7162284	FIRE MUTUAL AID SERVICES: OES ASSIGNMENT 11-19-24 TO 1	\$ 17,397.24	
481-3241	2/28/25	PACIFIC POWER & LIGHT CO.	20300	\$ 80.54	61913251-0014	POWER - HUMBOLDT	\$ 80.54	
481-3241	2/28/25	PACIFIC POWER & LIGHT CO.	20300	\$ 1,769.70	62204731-0017	POWER- COOPER & WASHINGTON	\$ 1,769.70	
481-3242	2/28/25	CHARTER COMMUNICATIONS	20120	\$ 210.74	177067401020125	CABLE/INTERNET WASHINGTON STATION	\$ 210.74	
481-3243	2/28/25	CRESCENT CITY WATER	20302	\$ 22.49	006251-001	WATER - COOPER	\$ 22.49	
481-3243	2/28/25	CRESCENT CITY WATER	20302	\$ 246.67	006251-000	WATER - WASHINGTON	\$ 246.67	
481-3244	2/28/25	CANON FINANCIAL SERVICES	20260	\$ 241.76	38591198	LEASE PAYMENT - COPIER	\$ 241.76	
481-3245	2/28/25	RECOLOGY DEL NORTE	20140	\$ 199.23	200304329	TRASH FEE - FEBRUARY 2025	\$ 199.23	
481-3246	2/28/25	US BANK	20297	\$ 175.00	20297	CHEVRON - FUEL FOR TRANSPORT OF E-5137	\$ 175.00	
481-3246	2/28/25	US BANK	20297	\$ 175.00	20297	CHEVRON - FUEL FOR TRANSPORT OF E-5137	\$ 175.00	
481-3246	2/28/25	US BANK	20290	\$ 12.00	20290	FASTRACK - TOLL CHARGE FOR BC ROOK DURING CAL-OES /	\$ 12.00	
481-3246	2/28/25	US BANK	20271	\$ 64.91	20271	HOME DEPOT - GRASS SHEARS FOR WASHINGTON	\$ 64.91	
481-3246	2/28/25	US BANK	20220	\$ 99.17	20220	CHARGES/FEES	\$ 99.17	
481-3247	2/28/25	BLUE STAR GAS	20301	\$ 1,631.42	1719832	PROPANE FILL UP - WASHINGTON STATION	\$ 1,631.42	
<b>TOTAL</b>							<b>\$ 23,824.92</b>	

March 3, 2025

Team,

I'd like to submit my resignation from the Crescent Fire Protection District Board of Directors effective immediately. It was a pleasure serving on the Board of Directors with Chairman Jim Nelson, Vice Chair Dave Short, Director Jim Eler and Director Rick Kelly.

Joe

**Joe Gregorio**  
Regional Director

311 Cove Rd | Brookings, OR 97415

**W:** 541.469.7911 ext. 430105 | **C:**541.661.2083 | **F:** 541.469.4518

[www.cal-ore.com](http://www.cal-ore.com)



# CRESCENT FIRE PROTECTION DISTRICT STAFF REPORT

**TO: BOARD OF DIRECTORS**

**FROM: KEVIN CAREY, FIRE CHIEF**

**DATE: MARCH 10, 2025**

**SUBJECT: REVIEW AND APPROVE ENGAGEMENT LETTER FOR CRESCENT FIRE PROTECTION AUDIT SERVICES**

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## **BACKGROUND**

The Crescent Fire Protection District requires an independent financial audit to ensure transparency and compliance with accounting standards. Two firms have submitted engagement letters detailing their audit services and proposed fees: O'Connor & Company and Harshwal & Company LLP. This report presents a comparison of their proposals and seeks direction from the Board regarding the selection of the firm to conduct the District's audits for the fiscal years 2017-2024.

## **SUMMARY OF PROPOSALS:**

### **O'Connor & Company:**

- Will audit governmental-type activities and the major fund, including related notes and required supplementary information.
- Conducts audits in accordance with Generally Accepted Auditing Standards (GAAS).
- Will provide financial statement preparation services.
- Estimated fee: \$10,000 - \$12,000 per year, plus expenses.

### **Harshwal & Company LLP:**

- Will audit governmental activities, each major fund, and the aggregate remaining fund information.
- Conducts audits in accordance with GAAS and Government Auditing Standards.

- Provides additional reporting on internal controls and compliance.
- Will assist in preparing financial statements and adjusting journal entries.
- Estimated fee: \$10,500 per year, plus applicable gross receipts taxes and out-of-pocket costs.

**CONSIDERATIONS:**

1. **Scope of Audit:** Harshwal & Company LLP includes additional compliance and internal control reporting, which may provide added value.
2. **Cost:** Both firms offer similar pricing, with O'Connor & Company having a slightly higher upper range.
3. **Experience & Standards:** Both firms comply with GAAS, but Harshwal & Company LLP also follows Government Auditing Standards.
4. **Additional Services:** Both firms offer financial statement preparation, but Harshwal & Company LLP includes assistance with adjusting journal entries.

**RECOMMENDATION:**

Staff requests the Board review the engagement letters and select the firm that best meets the District's needs. Please provide direction on which firm should be engaged for the audit services.

**FISCAL ANALYSIS**

The estimated cost over the full engagement period (2017-2024) would range from approximately \$80,000 to \$96,000 for O'Connor & Company and approximately \$84,000 plus taxes and expenses for Harshwal & Company LLP.

**ATTACHMENTS**

1. Engagement Letter – O'Connor & Company
2. Engagement Letter – Harshwal & Company LLP

February 14, 2025

Ms. Venessa Duncan  
Crescent City Fire District  
255 W. Washington Blvd  
Crescent City, CA 95531

Dear Ms. Venessa Duncan:

We are pleased to confirm our understanding of the services we are to provide Crescent City Fire District for the years ended June 30, 2018, 2019, 2020, 2021, 2022, 2023, and 2024.

### **Audit Scope and Objectives**

We will audit the financial statements of the governmental-type activities and the major fund, including the related notes to the financial statements, and the disclosures which collectively comprise the basic financial statements of Crescent City Fire District as of and for the years ended June 30, 2018, 2019, 2020, 2021, 2022, 2023, and 2024. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Crescent City Fire District basic financial statements. Such information, although not a 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 for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Crescent City Fire District RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of management inquiries regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis.
2. Schedule of Revenue, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. 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 GAAS will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

We will conduct our audit in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of the financial statements does not relieve you of your responsibilities.

### **Audit Procedures—Internal Control**

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

We identified the following significant risk(s) of material misstatement as part of our audit planning: management override of controls, improper revenue recognition, and unallowable and fraudulent expenses.

### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Crescent City Fire District compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

### **Other Services**

We will also prepare the financial statements of Crescent City Fire District in conformity with U.S. generally accepted accounting principles based on information provided by you. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities for the financial statement preparation services and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

### **Responsibilities of Management for the Financial Statements**

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America with the oversight of those charged with governance.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with accounting principles generally accepted in the United States of America (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary

information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

**Engagement Administration, Fees, and Other**

We understand that your employees will prepare all cash, accounts receivable, and other confirmations we request and will locate any documents selected by us for testing. Further, we understand that your employees will prepare all information we request in our Client Participation List in the format requested and send it to us 30 days prior to scheduling the audit field work. If you have insufficient personnel or time to prepare these items we can assist you in this area and we will discuss with you the additional time required and estimated fee for these services.

The audit documentation for this engagement is the property of O'Connor & Company and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to regulatory agencies or their designees. We will notify you of any such request. If requested, access to such audit documentation will be provided under supervision of O'Connor & Company's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to regulatory agencies or their designees. The regulatory agencies or their designees may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

Michael O'Connor is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our estimated fees for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our estimated fee, including expenses will be \$10,000-12,000 for each year's audit.

Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes thirty days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If additional time is needed for us to assist Crescent City Fire District in the resolution or investigation of accounting errors, discrepancies, or reconciliation issues, assistance in the preparation of schedules, or to reflect in our workpapers corrections to Crescent City Fire District accounting records made after the start of the engagement, we will perform such additional work at our standard hourly rates indicated below:

Director	\$210
Audit Director/Audit Manager	\$160
Audit Supervisor	\$130
Senior Accountant	\$110
Staff Accountant	\$110
Administrator	\$110

You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

In addition to the estimated fees noted above, we reserve the right to invoice Crescent City Fire District at our standard hourly rates for time incurred providing information to successor auditors in compliance with AU Sec. 315. Our invoices and related fees for this service will be payable upon presentation.

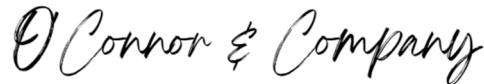
**Reporting**

We will issue a written report upon completion of our audit of Crescent City Fire District financial statements. Our report will be addressed to those charged with the governance of Crescent City Fire District. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or withdraw from this engagement.

We reserve the right to suspend or terminate our work if you have failed to fulfill your responsibilities set forth in this engagement letter, and such failure materially interferes with our work. If our work is suspended or terminated because of your failure to fulfill your responsibilities set forth in this engagement letter, you agree that we will not be responsible for your failure to meet government and other deadlines, for any penalties or interest that may be assessed against you resulting from your failure to meet such deadlines, and for any damages (including consequential damages) incurred as a result of the suspension or termination of our work.

We appreciate the opportunity to be of service to Crescent City Fire District, and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



O'Connor & Company

**RESPONSE:**

This letter correctly sets forth the understanding of the Crescent City Fire District:

Officer's signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

January 13, 2025

To the Board of Directors  
Crescent Fire Protection District  
Crescent City, California

We are pleased to confirm our understanding of the services we are to provide Crescent Fire Protection District (the District) for the years ended June 30, 2017 through June 30, 2024.

**Audit Scope and Objectives**

We will audit the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of the District as of and for the years ending June 30, 2017 through June 30, 2024. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the District's basic financial statements. Such information, although not a 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 for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1) Budgetary Comparison Schedule

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

**Auditor's Responsibilities for the Audit of the Financial Statements**

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting records of the district and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit. We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, an unavoidable risk exists that some material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

**Audit Procedures - Internal Control**

We will obtain an understanding of the government and its environment, including the system of internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements.

Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

### **Audit Procedures - Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

### **Other Services**

We will also assist in preparing the financial statements, proposed adjusting journal entries, and related notes of the District in conformity with accounting principles generally accepted in the United States of America based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

### **Responsibilities of Management for the Financial Statements**

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers); and for the evaluation of whether there are any conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for the 12 months after the financial statements date or shortly thereafter (for example, within an additional three months if currently known). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and *Government Auditing Standards*.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, or contracts or grant agreements that we report.

As per Federal and State Laws, we don't require, nor do we request, demand, collect, or desire any Personal Identifying Information ("PII"). PII includes but is not limited to individual's first name (or first initial) and last name combined with other types of personal information, such as Social Security Number; home addresses; online identifiers; passport numbers; bank or credit card numbers; clearances; biometrics; date of birth; birth place; age; mother's maiden name; medical, criminal, and financial records; educational transcripts; email addresses, phone numbers; birth marks, professional designation, employment history, social media account information; driver's license numbers, any other similar and unique personal identifiers, etc. As such, do not provide our firm, staff, employees, consultants, contractors, managers, admin staff, third-party service providers with any of the aforementioned PII as we will not be perusing the records provided to us to identify and purge such records.

By your signature below, you acknowledge and agree that Harshwal & Company LLP is not responsible for "sanitizing" or "scrubbing" its work papers in an attempt to identify and delete PII, and as such is not liable were such information to be retained by us or inadvertently accessed by third parties.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements, proposed adjusting journal entries, and related notes and any other non-audit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, proposed adjusting journal entries, and related notes and that you have reviewed and approved the financial statements, proposed adjusting journal entries, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the non-audit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

**Subpoena and Other Release of Documents**

As a result of our services to you, we may be required or requested to provide information or documents to you or a third-party pursuant to a subpoena, court order or other administrative or legal process in connection with governmental regulations or activities, or a legal, arbitration or administrative proceeding, in which we are not a party.

You agree that our efforts in complying with such requests or demands will be deemed a part of this engagement and Harshwal & Company LLP shall be entitled to additional compensation for our time and reimbursement for our out-of-pocket expenditures (including legal fees) in complying with such request or demand.

**Limitation on Liability**

IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY SPECIAL, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES IN CONNECTION WITH OR OTHERWISE ARISING OUT OF THIS AGREEMENT, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR EXEMPLARY OR PUNITIVE DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT.

**Engagement Administration, Fees, and Other**

We have our technical resources and audit software in the cloud. We may from time to time, and depending on the circumstances, use third-party service providers within and outside of the United States in serving your account. As required by Section 54.1 (b) of the California Code of Regulations, Title 16, confidential information provided by you to our firm, may be disclosed to persons, outside of the United States in connection with the services provided. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, and other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the District; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection. Our report on the financial statements must be associated only with the financial statements that were the subject of our engagement. You may make copies of our report, but only if the entire financial statements (including related footnotes) are reproduced and distributed with our report. You agree not to reproduce or associate our report with any other financial statements, or portions thereof, that are not the subject of this engagement.

The audit documentation for this engagement is the property of Harshwal & Company LLP and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the grantor agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request.

If requested, access to such audit documentation will be provided under the supervision of Harshwal & Company LLP's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

Your records are the primary records for your operations and comprise the backup and support for the results of this engagement. Our records and files, including our engagement documentation whether kept on paper or electronic media, are our property and are not a substitute for your own records. Our firm policy calls for us to destroy our engagement files and all pertinent engagement documentation after a retention period of seven years (or longer, if required by law or regulation), after which time these items will no longer be available. We are under no obligation to notify you regarding the destruction of our records. We reserve the right to modify the retention period without notifying you. Catastrophic events or physical deterioration may result in our firm's records being unavailable before the expiration of the above retention period.

Except as set forth above, you agree that Harshwal & Company LLP may destroy paper originals and copies of any documents, including, without limitation, correspondence, agreements, and representation letters, and retain only digital images thereof.

Mr. Sanwar Harshwal is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. Fieldwork for audit will be determined with the District's management based on the availability of accounting records and supporting documentation. Our scheduling depends on your completion of the year-end closing and adjusting process prior to our arrival to begin the fieldwork. We may experience delays in completing our services due to your staff's unavailability or delays in your closing and adjusting process. You understand our fees are subject to adjustment if we experience these delays in completing our services.

Certain engagement personnel who are not licensed as certified public accountants may provide services during this engagement.

Our fee for the services described in this letter will be \$10,500 for each year ended June 30, 2017 through June 30, 2024, plus applicable gross receipts taxes and out-of-pocket costs (such as travel costs). We have estimated our fees assuming that accounting records will be in balance and supported by appropriate documentation. Also, our cost assumes that the District's personnel will provide supporting schedules or material account balances and transactions, and provide general assistance, such as locating documents, typing confirmation requests, and coordinating meetings.

If there were significant changes to the District's operations or the scope of work related to the financial statements, we will discuss with you additional time and fees that may be incurred.

Our ability to provide services in accordance with our estimated fees depends on the quality, timeliness and accuracy of the District's records, and, for example, the number of general ledger adjustments required as a result of our work. To assist you in this process, we will provide you with an Audit Preparation Letter that identifies the key work you will need to perform in preparation for the audit. We will also need your accounting staff to be readily available during the engagement to respond in a timely manner to our requests. Lack of preparation, poor records, general ledger adjustments and/or untimely assistance will result in an increase of our fees.

To keep fees at a minimum and provide the reports to you on a timely basis, we are planning on significant assistance from your personnel. In this regard, we will furnish you with a list of schedules and data to facilitate our work. We understand that all records, documentation, and information we request in connection with our audit will be made available to us. Your preparation of schedules and providing supporting evidence requested timely is imperative for us to perform our audit procedures in the most efficient manner possible. If audit related accounting assistance is required to reconcile accounts, these fees will be billed separately at our standard hourly rates. We will obtain your concurrence before we begin such services significantly beyond the scope of the audit.

In the future, you may decide that you need the services of one or more full-time employee. At that time, we could assist you in identifying individuals, our fees for which would then be agreed upon in a separate engagement letter. However, because of the knowledge that our staff have or will obtain of your organization, you may wish to hire one or more of them. If this should occur, please notify us immediately so that we may avoid any potential independence issues. Also if this should occur, we will charge you a recurring fee of one hundred percent (100%) of the annual gross salary or wages (on an annualized basis) offered to our employee to compensate us for the loss of our valued and extensively trained employee(s). Such amount shall be paid within thirty (30) days following the date of such notification.

The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit.

The District acknowledges that the following unexpected circumstances will result in an increase of our fees:

- Failure to prepare for the audit as evidenced by accounts and records that have not been subject to normal year-end closing and reconciliation procedures;
- Failure to complete the audit preparation work by the applicable due dates; Significant unanticipated transactions, audit issues, or other such circumstances;
- Delays causing scheduling changes or disruption of fieldwork;
- After audit or post fieldwork circumstances requiring revisions to work previously completed or delays in resolution of issues that extend the period of time necessary to complete the audit;
- Issues with the prior audit firm, prior year account balances or report disclosures that impact the current year engagement; and
- An excessive number of audit adjustments.

Unexpected circumstances are also defined as fire, destruction or disappearance of records, discovery of fraud, or similar situations beyond our control or knowledge. Our invoices for these fees will be rendered as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. Any invoices left unpaid beyond 30 days will be charged a 1.5% late fee per month, added to the then outstanding balance.

If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination.

This engagement letter may be terminated by either party, with or without cause, upon ten (10) days' written notice. In such event, we will stop providing services hereunder except on work, mutually agreed upon in writing, necessary to carry out such termination. In the event of termination, (a) you shall pay us for services provided and expenses incurred through the effective date of termination, (b) we will provide you with all finished reports that we have prepared pursuant to this engagement, and (c) neither party shall be liable to the other for any damages that occur as a result of our ceasing to render services.

In the interest of facilitating our services to you, we may communicate by facsimile transmission or send electronic mail over the Internet. Such communications may include information that is confidential. We employ measures in the use of electronic communications designed to provide reasonable assurance that data security is maintained. While we will use our best efforts to keep such communications secure in accordance with our obligations under applicable laws and professional standards, you recognize and accept we have no control over the unauthorized interception of these communications once they have been sent. Unless you issue specific instructions to do otherwise, we will assume you consent to our use of electronic communications to your representatives and other use of these electronic devices during the term of this engagement letter as we deem appropriate.

The proposed fee estimate is contingent upon the Crescent Fire Protection District having performed the following functions and sending us copies to review at least two weeks prior to us performing the audit fieldwork:

1. Submitting trial balances and general ledger to us in an electronic format.
2. Completing all steps and sending us copies of the requested information on the audit preparation guide, which we will provide.
3. All material balance sheet accounts need to be reconciled and scheduled. Prepare reconciliations of all checking (payroll and accounts payable, etc.) accounts, savings accounts and investment accounts on a monthly basis and send us copies of the year end reconciliations.
4. Providing us electronic copies of your payroll and accounts payable check registers for the fiscal year under audit.

### ***Reporting***

We will issue a written report upon completion of our audit of the District's financial statements. Our reports will be addressed to the Board of Directors of the District. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports or we may withdraw from this engagement.

We appreciate the opportunity to be of service to the District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Harshwal & Company LLP



Sanwar Harshwal  
(Managing Partner)

**RESPONSE:**

This letter correctly sets forth the understanding with the Crescent Fire Protection District.

Management signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Governance signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

# Crescent City Fire & Rescue

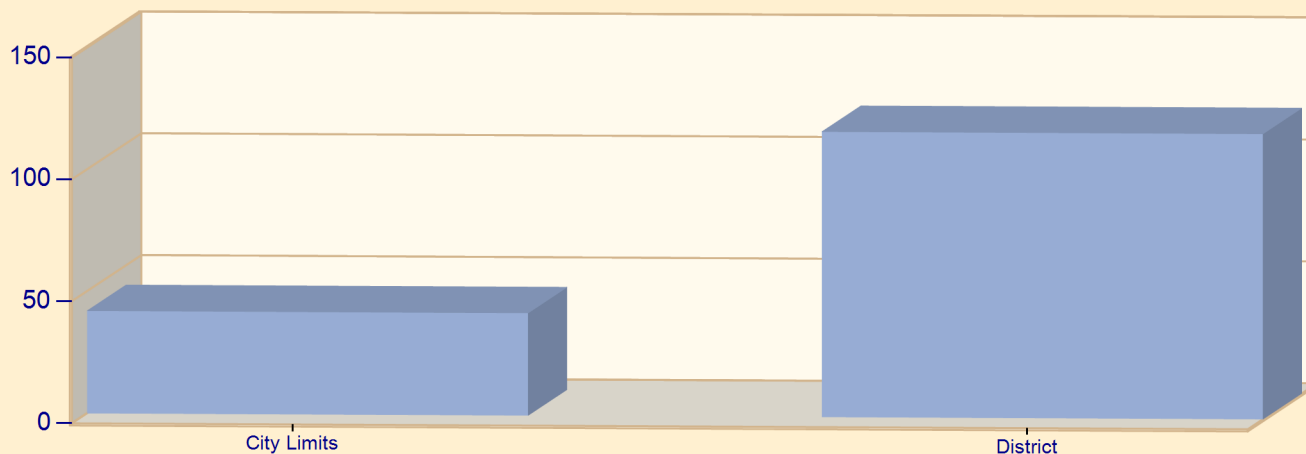
Crescent City, CA

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## Incident Type Count per Zone for Date Range

Start Date: 02/01/2025 | End Date: 02/28/2025



ZONES	INCIDENT TYPE	COUNT
<b>City Limits - City Limits</b>		
	111 - Building fire	1
	151 - Outside rubbish, trash or waste fire	1
	311 - Medical assist, assist EMS crew	25
	561 - Unauthorized burning	1
	611 - Dispatched & cancelled en route	11
	622 - No incident found on arrival at dispatch address	2
	745 - Alarm system activation, no fire - unintentional	1
	<i>Total Incidents for City Limits - City Limits:</i>	<i>42</i>
<b>District - District</b>		
	111 - Building fire	2
	114 - Chimney or flue fire, confined to chimney or flue	1
	131 - Passenger vehicle fire	1
	151 - Outside rubbish, trash or waste fire	2
	311 - Medical assist, assist EMS crew	65
	322 - Motor vehicle accident with injuries	3
	324 - Motor vehicle accident with no injuries.	3
	531 - Smoke or odor removal	1
	551 - Assist police or other governmental agency	1
	553 - Public service	1
	561 - Unauthorized burning	5

Zone information is defined on the Basic Info 3 screen of an incident.  
Only REVIEWED incidents included.



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Page # 1 of 2

ZONES	INCIDENT TYPE	COUNT
	600 - Good intent call, other	1
	611 - Dispatched & cancelled en route	17
	622 - No incident found on arrival at dispatch address	8
	631 - Authorized controlled burning	1
	651 - Smoke scare, odor of smoke	1
	733 - Smoke detector activation due to malfunction	1
	735 - Alarm system sounded due to malfunction	2
	745 - Alarm system activation, no fire - unintentional	1
	<i>Total Incidents for District - District:</i>	<i>117</i>
<b>Total Count for all Zone:</b>		<b>159</b>

Zone information is defined on the Basic Info 3 screen of an incident.  
Only REVIEWED incidents included.



**Measure S Oversight Committee**  
**Fire Department**

	Prior Years				Current Year			Future Years for 5-Year Plan			
	Actual				Budget FY 2024-25	Projected FY 2024-25	Comments FY 2024-25	Forecast			
	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24				FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
<b>Costs shared with Fire District</b>											
Volunteer stipends		27,166	48,971	80,137	88,174	69,118		75,000	75,000	75,000	75,000
Station staffing		4,689	10,112	22,238	29,790	22,511		25,000	25,000	25,000	25,000
Firefighter intern program (6 interns)								100,000	100,000	100,000	100,000
Full-time Captain positions (3)			16,551	366,813	422,305	422,305		442,500	442,500	442,500	442,500
Deputy Chief											
Training		11,992	8,336	511	10,000	10,000		15,000	15,000	15,000	15,000
Command Department Training System					15,000	15,000		3,125	3,125	3,125	3,125
First Due operating system								17,500	17,500	17,500	17,500
Volunteer recruitment and retention					5,000	5,000		5,000	5,000	5,000	5,000
Equipment and tools		39,533	26,047	8,771	20,000	20,000		10,000	10,000	10,000	10,000
Thermal imagers								20,000			
Rope rescue equipment					10,000	10,000			10,000	10,000	10,000
SCBA (\$15-17k each)			24,085								
Radios (handheld)				75,366							
Radios (apparatus)					10,000	10,000			10,000	10,000	
Turnouts and helmets (\$250,000 total)				48,469	70,000	70,000		50,000	50,000	50,000	50,000
Transfer to Veh/Equip Fund (future turnouts)				25,000	25,000	25,000		25,000	25,000	25,000	25,000
Regional training center (\$1,000,000 total)											
<b>City-only costs</b>											
Transfer to apparatus replacement fund		98,000	38,000	98,000	98,000	98,000		98,000	98,000	98,000	98,000
Transfer to CIP Fund (facility improvements)		40,000	10,000					50,000			
SCBA compressor (City station)				61,231							
Skid-mounted pump				11,843				45,000			
UTV equipment								5,000			
Combi tool								20,000			
Gym equipment for City station								20,000			
Lucas device								20,000			
Transfer to Veh/Equip Fund (quick response vehicle)				90,000	90,000	90,000					
Transfer to Veh/Equip Fund (Chief command vehicle)					90,000	90,000					
SCBA for City					200,000	200,000		15,000			
Transfer to Veh/Equip Fund (future SCBA)				32,500	32,500	32,500		32,500	32,500	32,500	32,500
<b>Total Fire Expenditures</b>	-	<b>221,380</b>	<b>182,101</b>	<b>920,879</b>	<b>1,215,769</b>	<b>1,189,435</b>		<b>993,625</b>	<b>918,625</b>	<b>918,625</b>	<b>908,625</b>
<b>Fire District Reimbursement</b>	-	<b>35,584</b>	<b>81,967</b>	<b>347,958</b>	<b>394,835</b>	<b>394,835</b>		<b>386,444</b>	<b>437,697</b>	<b>437,697</b>	<b>432,347</b>
<b>Net Fire Expenditures</b>	-	<b>185,796</b>	<b>100,134</b>	<b>572,921</b>	<b>820,934</b>	<b>794,600</b>		<b>607,181</b>	<b>480,928</b>	<b>480,928</b>	<b>476,278</b>