

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE AT THE CONCLUSION OF THE AUDIT

March 11, 2026

To the Board of Directors of
Rodeo-Hercules Fire Protection District
Hercules, CA

We have audited the financial statements of Rodeo-Hercules Fire Protection District for the year ended June 30, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated October 7, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Rodeo-Hercules Fire Protection District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year.

We noted no transactions entered into by Rodeo-Hercules Fire Protection District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were certain types of assets and liabilities.

Management's estimate of the depreciable assets is based on the historical cost and estimated useful lives. We evaluated the methods, assumptions, and data used to develop the liability for such obligation in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Rodeo-Hercules Fire Protection District

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The following misstatement attached in annexure 1, was detected as a result of audit procedure and corrected by management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to District's financial statements taken as a whole

Disagreements with Management

For purposes of this letter, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 11, 2026.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Rodeo-Hercules Fire Protection District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Rodeo-Hercules Fire Protection District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Rodeo-Hercules Fire Protection District

Restricted Use

This information is intended solely for the use of management of Rodeo-Hercules Fire Protection District, those charged with Rodeo-Hercules Fire Protection District's governance, others you deem appropriate within Rodeo-Hercules Fire Protection District, and governmental authorities that require you to submit this information. It is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

Harshmal & Company LLP

San Diego, California
March 11, 2026

Rodeo-Hercules Fire Protection District

Rodeo Hercules Fire Protection District: Governmental Funds

Year End: June 30, 2025

Adjusting entries

Date: 7/1/2024 To 6/30/2025

ANNEXURE-1				
Number	Account No	Name	Debit	Credit
1	301100.01 301100	ACCTS RECEIVABLE-YEAR END	34,868.00	
	301100.05 301100	ACCOUNTS PAYABLE-YEAR END		(79,743.66)
	301100.06 301100	Accrued Interest Payable		(55,745.00)
	301100.004 301100	CASH IN TRANSIT		(34,868.00)
	301100.018 301100	DUE FROM OTHR ENDS-YR END		(6.04)
	301100.019 301100	DUE FROM OTHER GOVERNMENTS	5,718.00	
	301100.021 301100	INVESTMENTS	25,523.74	
	301100.054 301100	DUE TO OTHER FUNDS-YR END		(41,309.53)
	301100.074 301100	BEGINNING FUND BALANCE	145,058.49	
	301200.001 301200	CASH		(253,237.00)
	301200.054 301200	DUE TO OTHER FUNDS-YR END	353,237.25	
	301200.074 301200	BEGINNING FUND BALANCE		(100,000.25)
	302100.001 302100	CASH	253,235.00	
	302100.001 302100	CASH		(253,237.00)
	302100.018 302100	DUE FROM OTHR FNDS-YR END		(253,237.00)
	302100.018 302100	DUE FROM OTHR FNDS-YR END		
	302100.054 302100	DUE TO OTHER FUNDS-YR END	6.00	
	302100.054 302100	DUE TO OTHER FUNDS-YR END		(4.00)
	302100.074 302100	BEGINNING FUND BALANCE		(4.00)
	302100.074 302100	BEGINNING FUND BALANCE		
301100.0003 301100	Wells Fargo Bank	504.00		
		To correct beginning balance		
2	301100.086 301100	INTER-FUND TRANSFERS		(100,000.00)
	301100.225 301100	RENTS & LEASES -EQUIPMENT	100,000.00	
	301200.086 301200	INTER-FUND TRANSFERS	100,000.00	
	301200.225 301200	RENTS & LEASES -EQUIPMENT		(100,000.00)
		Reclassification of \$100,000 from Fund 301200.225 to Fund 301100.225		
3	301200.018 301200	DUE FROM OTHR FNDS-YR END	353,237.00	
	301200.054 301200	DUE TO OTHER FUNDS-YR END		(353,237.00)
	302100.018 302100	DUE FROM OTHR FNDS-YR END	253,237.00	
	302100.054 302100	DUE TO OTHER FUNDS-YR END		(253,237.00)
		To reclass the negative balance of "Due to/from" balance.		
4	301100.001 301100	CASH		(133,886.50)
	301100.018 301100	DUE FROM OTHR ENDS-YR END	133,886.50	
	301200.001 301200	CASH	133,886.50	
	301200.018 301200	DUE FROM OTHR FNDS-YR END		(133,886.50)
		To adjust the negative balance of cash balance		

Rodeo-Hercules Fire Protection District

5	301100.021 301100 301100.0003 301100 301100.2480 301100 301100.9181 301100	INVESTMENTS Wells Fargo Bank Miscellaneous Expenditures EARNINGS ON INVESTMENT To record adjustment for closing the wells fargo account in CY and investment income recorded by client in CY but by auditor in PY.	504.00 25,523.74	(25,523.74) (504.00)
6	301100.054 301100 301100.231 301100	DUE TO OTHER FUNDS-YR END NON CNTY PROF SPCLZD SVCS To correct reversal of expenses in books against payment of Accounts Payable.	58,690.00	(58,690.00)
7	302100.2281 302100 302100.2475 302100	MAINTENANCE OF BUILDINGS Capital Expenditure To reclass capital outlay expenditures	143,826.08	(143,826.08)
8	301100.011 301100 301100.018 301100	ACCOUNTS RECEIVABLE DUE FROM OTHR ENDS-YR END Reclass due from transactions into Accounts receivable	32,310.61	(32,310.61)
9	301100.051 301100 301100.054 301100 302100.051 302100 302100.054 302100	ACCOUNTS PAYABLE DUE TO OTHER FUNDS-YR END ACCOUNTS PAYABLE DUE TO OTHER FUNDS-YR END Reclass due to transactions into Accounts payable	5,165.31 24.32	(5,165.31) (24.32)