

RESCUE
FIRE PROTECTION DISTRICT

REPORT ON ACCOUNTING CONTROLS
AND PROCEDURES

June 30, 2019

ROBERT W. JOHNSON
Certified Public Accountant



Robert W. Johnson
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December 9, 2019

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

We have audited the financial statements of Rescue Fire Protection District as of and for the year ended June 30, 2019. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the State Controller's Minimum Audit Requirements for California Special Districts.

In planning and performing our audit of the financial statements of Rescue Fire Protection District as of and for the year ended June 30, 2019, in accordance with auditing standards generally accepted in the United States of America, we considered Rescue Fire Protection 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 opinion on the effectiveness of the District's internal controls. Accordingly, we do not express an opinion on the effectiveness of the District's internal controls.

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 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.

Our consideration of internal control was for the limited purpose described in the second paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above. However, we have enclosed other recommendations for your consideration.

This communication is intended solely for the information and use of management and Board of Directors and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

Robert W. Johnson, An Accountancy Corporation

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1. Ogerational Comgarison:

	<u>2018/19</u>	<u>2017/18</u>	<u>Favorable (Unfavorable) Variance</u>
Revenues	\$1,646,154	\$1,642,975	\$ 3,179
Expenses	1,852.350	1,771,733	(80,617)
Net income (loss)	\$(206.196)	\$(128.758)	\$(77.438)
Cash	\$1.336.281	<u>\$1!327,791</u>	\$ <u>8!420</u>

Financial Overview:

Increase of expenses mainly due to increase in accruals of net pension and OPEB liabilities and related deferreds.