McCALL FIRE PROTECTION DISTRICT

Report on Audited
Basic
Financial Statements
and
Supplemental Information

For the Year Ended December 31, 2024

Table of Contents

	Page
Independent Auditor's Report	3
Government-wide Financial Statements:	
Statement of Net Position	6
Statement of Activities	7
Fund Financial Statements:	
Balance Sheet – Governmental Funds	8
Reconciliation of the Balance Sheet of the Governmental Funds to the Statement of Net Position	9
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	10
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of the Governmental Funds to the Statement of Activities	11
Notes to Financial Statements	12
Required Supplementary Information	
Budgetary (GAAP Basis) Comparison Schedule – General Fund	28
Notes to Required Supplementary Information	29
Schedules of Required Supplemental Information - Pension	30
Federal Reports	
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*	32
Schedule of Findings	33
Management's Response	34

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Independent Auditor's Report

Board of Commissioners
McCall Fire Protection District
McCall, Idaho

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of McCall Fire Protection District (the District) as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and the major fund information of McCall Fire Protection District, as of December 31, 2024, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of McCall Fire Protection District and to meet our other ethical responsibilities, in accordance with the 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 audit opinions.

Management's Responsibility for the Financial Statements

McCall Fire Protection District's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about McCall Fire Protection District's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. 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. 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, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, 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 amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of McCall Fire Protection District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about McCall Fire Protection District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, schedule of District's proportionate share of the net pension liability, and schedule of District contributions on pages 28 to 30 be presented to supplement the 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about 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 do 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.

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated July 15, 2025, on our consideration of McCall Fire Protection District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering McCall Fire Protection District's internal control over financial reporting and compliance.

Zwygart John & Associates, CPAs, PLLC

Nampa, Idaho
July 15, 2025

McCall Fire Protection District
Statement of Net Position
December 31, 2024

	Governmental Activities
Assets	
Cash and Cash Equivalents	$ 1,494,886
Receivables:	
Property Taxes, Net	2,167,716
Accounts, Net	48,462
Due from Other Governments	40,171
Prepaid Items	10,805
Payroll Advances	1,733
Capital Assets:	
Construction in Progress	15,000
Buildings and Improvements, Net	871,156
Equipment, Net	520,006
Total Capital Assets	1,406,162
Total Assets	5,169,935
Deferred Outflows	
Pension Related Items	577,109
Total Deferred Outflows	577,109
Liabilities	
Accounts Payable and Other Current Liabilities	178,388
Long-Term Liabilities:	
Due Within One Year:	
Compensated Absences	245,664
Lease Payable, Current	53,406
Due in More Than One Year:	
Lease Payable	361,997
Net Pension Liability	1,588,938
Total Liabilities	2,428,393
Deferred Inflows	
Pension Related Items	28,842
Deferred Taxes	2,186,702
Deferred Revenue - Impact Fees	172,453
Total Deferred Inflows	2,387,997
Net Position	
Invested in Capital Assets, Net of Related Debt	990,759
Unrestricted (Deficit) Surplus	(60,105)
Total Net Position	$ 930,654

The accompanying notes are an integral part of the financial statements.

McCall Fire Protection District
Statement of Activities
For the Year Ended December 31, 2024

	Expenses	Program Revenues: Charges for Services and Sales	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Governmental Activities
Primary Government:					
Governmental Activities:					
Public Safety and Protection	$ 3,567,271	$ 423,284	$ 704,388	$ -	$ (2,439,599)
Interest	16,320	-	-	-	(16,320)
Total Governmental Activities	$ 3,583,591	$ 423,284	$ 704,388	$ -	(2,455,919)
General Revenues and Special Items:					
Property Taxes					2,207,685
State Sources					108,447
Other					121,995
Investment Earnings					75,374
Disposal of Capital Assets					7,600
Total General Revenues and Special Items					2,521,101
Change in Net Position					65,182
Net Position, Beginning of Year - Previous					910,895
Prior Period Adjustment					(45,423)
Net Position, Beginning of Year					865,472
Net Position, End of Year					$ 930,654

The accompanying notes are an integral part of the financial statements.

McCall Fire Protection District
Balance Sheet -
Governmental Funds
December 31, 2024

	General	Nonmajor Impact Fees	Total Government Funds
Assets			
Cash and Cash Equivalents	$ 1,322,433	$ 172,453	$ 1,494,886
Property Taxes Receivable, Net	2,167,716	-	2,167,716
Accounts Receivable, Net	48,462	-	48,462
Due from Other Governments	40,171	-	40,171
Prepaid Items	10,805	-	10,805
Payroll Advances	1,733	-	1,733
Total Assets	$ 3,591,320	$ 172,453	$ 3,763,773
Liabilities and Fund Balances			
Liabilities:			
Accounts Payable	$ 43,993	$ -	$ 43,993
Payroll and Payroll Taxes Payable	134,395	-	134,395
Total Liabilities	178,388	-	178,388
Deferred Inflows			
Unavailable Revenue - Property Taxes	2,195,182	-	2,195,182
Deferred Revenue - Impact Fees	-	172,453	172,453
Total Deferred Inflows	2,195,182	172,453	2,367,635
Fund Balances:			
Nonspendable	12,538	-	12,538
Unassigned	1,205,212	-	1,205,212
Total Fund Balances	1,217,750	-	1,217,750
Total Liabilities and Fund Balances	$ 3,591,320	$ 172,453	$ 3,763,773

The accompanying notes are an integral
part of the financial statements.

McCall Fire Protection District
Reconciliation of the Balance Sheet of the
Governmental Funds to the Statement of Net Position
December 31, 2024

Total Fund Balances - Governmental Funds		$ 1,217,750
Amounts reported for governmental activities in the Statement of Net Position are different because of the following:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds. The cost of assets consist of:		
Construction in Progress	$ 15,000	
Buildings and Improvements, net of $963,879 accum. depreciation	871,156	
Equipment, net of $1,676,341 accum. depreciation	520,006	
		1,406,162
Property taxes receivable will be collected this year, but are not available soon enough to pay for current period's expenditures and, therefore, are deferred in the funds.		8,480
Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term - are reported in the Statement of Net Position.		
Compensated Absences	$ (245,664)	
Bonds Payable	(415,403)	
		(661,067)
The District participates in the Public Employer Retirement System of Idaho, which is a cost-sharing plan. As a participant they are required to report their share of the Net Pension Liability and the related deferred inflows and outflows on their Statement of Net Position.		
Net Pension Liability	$ (1,588,938)	
Pension Related Deferred Inflows	(28,842)	
Pension Related Deferred Outflows	577,109	
		(1,040,671)
Net Position of Governmental Activities		$ 930,654

The accompanying notes are an integral
part of the financial statements.

McCall Fire Protection District
Statement of Revenues, Expenditures, and
Changes in Fund Balances -
Governmental Funds
For the Year Ended December 31, 2024

	General	Nonmajor Impact Fees	Total Government Funds
Revenues			
Property Taxes	$ 2,207,685	$ -	$ 2,207,685
Sales Tax	108,447	-	108,447
Charges for Services	423,284	-	423,284
Earnings on Investments	75,374	-	75,374
Grants	704,388	-	704,388
Miscellaneous	121,995	-	121,995
Total Revenues	3,641,173	-	3,641,173
Expenditures			
Current:			
Personnel Costs	1,873,036	-	1,873,036
Benefits	893,183	-	893,183
Operating Expenses			
Personnel - Other	66,811	-	66,811
Professional Services	63,479	-	63,479
Operations	95,808	-	95,808
Apparatus & Equipment	57,385	-	57,385
Building Occupancy	104,634	-	104,634
Debt Service:			
Principal	51,603	-	51,603
Interest	16,320	-	16,320
Capital Outlay	61,151	-	61,151
Total Expenditures	3,283,410	-	3,283,410
Excess (Deficiency) of Revenues Over Expenditures	357,763	-	357,763
Other Financing Sources (Uses)			
Sale of Capital Assets	7,600	-	7,600
Net Change in Fund Balances	365,363	-	365,363
Fund Balances - Beginning - Previous	827,292	-	827,292
Prior Period Adjustment	25,095	-	25,095
Fund Balances - Beginning	852,387	-	852,387
Fund Balances - Ending	$ 1,217,750	$ -	$ 1,217,750

The accompanying notes are an integral
part of the financial statements.

McCall Fire Protection District
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of the
Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2024

Total Net Change in Fund Balance - Governmental Funds		$ 365,363
Amounts reported for governmental activities in the Statement of Activities are different because of the following:		
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their useful lives as depreciation expense. The cost and related accumulated depreciation, when capital assets are disposed are also not reported in the governmental funds. In the current period these amounts are:		
Capital Outlay	$ 61,151	
Depreciation Expense	(199,792)	
Net		(138,641)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and are not reported as expenditures in governmental funds. These include changes in:		
Compensated Absences		(15,751)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		
Bond Principal		51,603
The District participates in the Public Employer Retirement System of Idaho, which is a cost-sharing plan. As a participant they are required to report their share of the Net Pension Liability and the related deferred inflows and outflows on their Statement of net Position. The changes in the Net Pension Liability and the related deferred inflows and outflows does not affect the governmental funds, but are reported in the Statement of Activities.		(197,392)
Change in Net Position of Governmental Activities		$ 65,182

The accompanying notes are an integral
part of the financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The accompanying financial statements present the activities of McCall Fire Protection District (the District), which has responsibility and control over all activities related to public safety within the District. The District receives funding from local, state, and federal government sources and must comply with all of the requirements of these funding source entities. However, the District is not included in any other government reporting entity as defined by generally accepted accounting principles. Board members are elected by the public and have decision-making authority, the power to designate management, the ability to significantly influence operations, and the primary accountability for fiscal matters. In addition, the District's reporting entity does not contain any component units as defined in Governmental Accounting Standards.

B. Basis of Presentation, Basis of Accounting

Basis of Presentation

Government-wide Statements: The Statement of Net Position and the Statement of Activities display information about the financial activities of the District, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities.

- Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function.
- Indirect expenses are expenses of the general government related to the administration and support of the District's programs, such as personnel and accounting (but not interest on long-term debt)—are allocated to programs based on their percentage of total primary government expenses. Interest expenses are allocated to the programs that manage the capital assets financed with long-term debt.
- Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes and state formula aid, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the District's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds, as applicable.

The District reports the following major governmental funds:

- *General fund.* This is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund.

Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if they are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, and claims and judgments, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term liabilities and acquisitions under capital leases are reported as other financing sources.

Fund Balance Reporting and Governmental Funds

Different measurement focuses and bases of accounting are used in the government-wide Statement of Net Position and in the governmental fund Balance Sheet.

The District uses the following fund balance categories in the governmental fund Balance Sheet:

- *Nonspendable.* Balances for items that are permanently precluded from conversion to cash.
- *Restricted.* Balances constrained to a specific purpose by enabling legislation, external parties, or constitutional provisions.
- *Unassigned.* Balances available for any purpose.

The remaining fund balance classifications (committed and assigned) are either not applicable or no formal policy has yet been established to be able to utilize such classifications of fund balance. However, if there had been committed funds, these amounts would have been decided by the Board of Commissioners, the District's highest level of decision-making authority, through a formal action. The Board of Commissioners would also have the authority to assign funds or authorize another official to do so.

Under the terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position/fund balance available to finance the program. When both restricted and unrestricted resources are available for use, it is the District's intent to use restricted resources first, then unrestricted resources as they are needed.

There is also no formal policy regarding the use of committed, assigned, or unassigned fund balances. However, it is the District's intent that when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the District considers committed amounts to be reduced first, followed by assigned amounts, and then unassigned amounts.

C. Assets and Liabilities

Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with an original maturity of three months or less. All short-term surpluses are maintained in cash and state investment pools. See Note 2.

Receivables

All trade and property tax receivables are shown net of an allowance for uncollectible accounts.

Property Tax Calendar

The District levies its real property taxes through the county in September of each year based upon the assessed valuation as of the previous July 1. Property taxes are due in two installments on December 20 and June 20 and are considered delinquent on January 1 and July 1, at which time the property is subject to lien.

Capital Assets

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed assets are reported at estimated fair value at the time received.

Capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the government-wide statements:

	Capitalization Policy	Depreciation Method	Estimated Useful Life
Buildings and Improvements	$5,000	Straight-Line	15 – 40 Years
Equipment and Vehicles	$5,000	Straight-Line	5 – 10 Years

Depreciation is used to allocate the actual or estimated historical cost of all capital assets over their estimated useful lives.

The District has no infrastructure to report.

Accounts Payable

Accounts payable represent debts that will be paid in the next billing cycle. Accounts payable are not over 60 days past due.

Pensions

For purposes of measuring the net pension liability and pension expense, information about the fiduciary net position of the Public Employee Retirement System of Idaho Base Plan (Base Plan) and additions to/deductions from Base Plan's fiduciary net position have been determined on the same basis as they are reported by the Base Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

New Accounting Principles

The District adopted, GASB 101, Compensated Absences, during the fiscal year. This has caused a restatement of prior year net position due to compensated absences that were not previously recognized. See footnote 7.

2. CASH AND INVESTMENTS

Deposits

As of December 31, 2024, the carrying amount of the District's deposits $110,737 and the respective bank balances totaled $111,501. The entire bank balance was insured or collateralized with pooled securities held by the pledging institution in the name of the District.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned. As of December 31, 2024, all of the District's deposits were covered by the federal depository insurance or by collateral held by the District's agent or pledging financial institution's trust department or agent in the name of the District, and thus were not exposed to custodial credit risk. The District does not have a formal policy limiting its exposure to custodial credit risk for deposits.

Custodial Credit Risk – Investments

Credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligations. The District does not have a formal policy limiting its custodial credit risk for investments.

Interest Rate Risk

The District does not have a formal policy limiting investment maturities that would help manage its exposure to fair value losses from increasing interest rates.

Investments

The District voluntarily participates in the State of Idaho Investment Pool, which has not been rated. The Pool is not registered with the Securities and Exchange Commission or any other regulatory body. The State Treasurer oversees the Pool and Idaho Code defines allowable investments. The fair value of the District's investments in the Pool is the same as the value of the Pool shares.

It is the District's policy to limit investments to the safest types of securities and to diversify the District's investment portfolio so that potential losses on securities will be minimized. The District follows Idaho Statute that outlines qualifying investment options as follows:

> Idaho Code authorizes the District to invest any available funds in obligations issued or guaranteed by the United States Treasury, the State of Idaho, local Idaho municipalities and taxing districts, the Farm Credit System, or Idaho public corporations, as well as time deposit accounts and repurchase agreements.

The District's investments at December 31, 2024, are summarized below:

		Investment Maturities (in Years)	
Investment	Fair Value	Less than 1	1 - 5
Money Market Fund	$ 663,768	$ 663,768	$ -
LGIP	720,381	720,381	-
Total	$ 1,384,149	$ 1,384,149	$ -

At period-end, the deposits and investments were reported in the basic financial statements in the following categories:

	Governmental Activities
Cash and cash equivalents	$ 110,737
Investments categorized as deposits	1,384,149
	$ 1,494,886

3. DUE FROM OTHER GOVERNMENTS

The following summarizes the intergovernmental receivables at 12/31/2024:

State Revenue Sharing	$ 26,183
Valley County EMS District	13,988
	$ 40,171

4. PROPERTY TAXES

McCall Fire Protection District receives tax revenue from Valley County. The County is responsible for property valuation and collection of tax levies. The taxes that have not been remitted to the District by the County as of December 31, 2024, are considered a receivable by the District. Taxes not collected within 60 days after December 31, 2024, are not considered available for use by the District and are recorded as deferred revenue in the fund financial statements.

5. PENSION PLAN

Plan Description

McCall Fire Protection District contributes to the Base Plan which is a cost-sharing multiple-employer defined benefit pension plan administered by Public Employee Retirement System of Idaho (PERSI or System) that covers substantially all employees of the State of Idaho, its agencies and various participating political subdivisions. The cost to administer the plan is financed through the contributions and investment earnings of the plan. PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at www.persi.idaho.gov.

Responsibility for administration of the Base Plan is assigned to the Board comprised of five members appointed by the Governor and confirmed by the Idaho Senate. State law requires that two members of the Board be active Base Plan members with at least ten years of service and three members who are Idaho citizens not members of the Base Plan except by reason of having served on the Board.

Pension Benefits

The Base Plan provides retirement, disability, death and survivor benefits of eligible members or beneficiaries. Benefits are based on members' years of service, age, and highest average salary. Members become fully vested in their retirement benefits with five years of credited service (5 months for elected or appointed officials). Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. The annual service retirement allowance for each month of credited service is 2.0% (2.3% for police/firefighters) of the average monthly salary for the highest consecutive 42 months.

The benefit payments for the Base Plan are calculated using a benefit formula adopted by the Idaho Legislature. The Base Plan is required to provide a 1% minimum cost of living increase per year provided the Consumer Price Index increases 1% or more. The PERSI Board has the authority to provide higher cost of living increases to a maximum of the Consumer Price Index movement or 6%, whichever is less; however, any amount above the 1% minimum is subject to review by the Idaho Legislature.

Member and Employer Contributions

Member and employer contributions paid to the Base Plan are set by statute and are established as a percent of covered compensation and earnings from investments. Contribution rates are determined by the PERSI Board within limitations, as defined by state law. The Board may make periodic changes to employer and employee contribution rates (expressed as percentages of annual covered payroll) if current rates are actuarially determined to be inadequate or in excess to accumulate sufficient assets to pay benefits when due.

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 74% for public safety. As of June 30, 2024 it was 6.71% for general employees and 9.83% for public safety. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.18% for general employees and 13.26 % for police and firefighters. McCall Fire Protection District's contributions were $255,810 the year ended December 31, 2024.

Pension Liabilities, Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2024, McCall Fire Protection District reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. McCall Fire Protection District's proportion of the net pension liability was based on McCall Fire Protection District's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2024, McCall Fire Protection District's proportion was 0.0424777 percent.

For the year ended December 31, 2024, McCall Fire Protection District recognized pension expense (revenue) of $453,201 . At December 31, 2024, McCall Fire Protection District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 252,974	$ -
Changes in assumptions or other inputs	62,946	-
Net difference between projected and actual earnings on pension plan investments	-	28,842
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	123,692	-
McCall Fire Protection Distrct's contributions subsequent to the measurement date	137,497	-
Total	$ 577,109	$ 28,842

$137,497 reported as deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2024.

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined at July 1, 2024, the beginning of the measurement period ended June 30, 2023, is 4.6 and 4.6 for the measurement period June 30, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (revenue) as follows:

For the Year Ended December 30:	PERSI
2025	$ 249,378
2026	322,802
2027	(24,550)
2028	(9,978)
2029	10,615

Actuarial Assumptions

Valuations are based on actuarial assumptions, the benefit formulas, and employee groups. Level percentages of payroll normal costs are determined using the Entry Age Normal Cost Method. Under the Entry Age Normal Cost Method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated as a level percentage of each year's earnings of the individual between entry age and assumed exit age. The Base Plan amortizes any unfunded actuarial accrued liability based on a level percentage of payroll. The maximum amortization period for the Base Plan permitted under Section 59-1322, Idaho Code, is 25 years.

The total pension liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Salary increases	3.05%
Salary inflation	3.05%
Investment rate of return	6.35%, net of investment expense
Cost-of-living adjustments	1%

Contributing Members, Service Retirement Members, and Beneficiaries
General Employees and All beneficiaries _ Males Pub-2020 General Tables, increased 11%.
General Employees and All Beneficiaries – Females Pub-2010 General Tables, increased 21%.
Teachers – Males Pb-2010 Teacher Tables, increased 212%.
Teachers – Females Pub-2010 Teacher Tables, increased 21%.
Fire & Police – Males Pub-2010 Safety Tables, increased 21%.
Fire & Police – Females Pub-2010 Safety Tables, increase 26%
Disabled Members – Males Pub-2010 Disabled Tables, increased 38%.
Disabled Members – Females Pub-2010 Disabled Tables, increase 36%.

An experience study was performed for the period July 1, 2015 through June 30, 2020 which reviewed all economic and demographic assumptions including mortality. The Total Pension Liability as of June 30, 2024 is based on the results of an actuarial valuation date of July 1, 2024.

The long-term expected rate of return on pension plan investments was determined using the building block approach and a forward-looking model in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Even though history provides a valuable perspective for setting the investment return assumption, the System relies primarily on an approach which builds upon the latest capital market assumptions.

Specifically, the System uses consultants, investment managers and trustees to develop capital market assumptions in analyzing the System's asset allocation. The assumptions and the System's formal policy for asset allocation are shown below. The formal asset allocation policy is somewhat more conservative than the current allocation of System's assets.

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are as of 2024.

Asset Class	
Fixed Income	30.0%
US/Global Equity	55.0%
International Equity	15.0%
Cash	0.0%
Total	100.0%

Discount Rate

The discount rate used to measure the total pension liability was 6.35%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the pension plans' net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for pension plan administrative expense.

Sensitivity of the Employer's proportionate share of the net pension liability to changes in the discount rate.

The following presents the Employer's proportionate share of the net pension liability calculated using the discount rate of 6.35 percent, as well as what the Employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.35 percent) or 1-percentage-point higher (7.35 percent) than the current rate:

	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
Employer's proportionate share of the net pension liability (asset)	$3,019,478	$ 1,558,938	$ 420,552

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERSI financial report.

PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at www.persi.idaho.gov.

6. POST EMPLOYMENT HEALTH PLAN

The District makes contributions to a third-party administrator, who holds funds for employees to pay medical expenses and health insurance premiums after their employment for the District has ended. The District only contributes to the plan while the employees is employed with the District and has no control over the funds. For the year ended December 31, 2024 the District contributed $58,991 to the plan. The District owed $14,409 to Nationwide at December 31, 2024.

7. COMPENSATED ABSENCES

Vacation leave is granted to all regular District employees. In the event of termination, an employee is reimbursed for accumulated vacation leave. Accumulated vacation is estimated as follows:

Governmental Activities	12/31/2023	Increase	Decrease	12/31/2024	Current Portion
Vacation	$ 159,395	$132,812	$ 131,155	$ 161,052	$ 161,052
Sick	70,518	73,106	59,012	84,612	84,612
	$ 229,913	$205,918	$ 190,167	$ 245,664	$245,664

8. RISK MANAGEMENT

The District is exposed to a considerable number of risks of loss including, but not limited to, a) damage to and loss of property and contents, b) employee torts, c) professional liabilities, i.e. errors and omissions, d) environmental damage, e) worker's compensation, i.e. employee injuries, and f) medical insurance costs of its employees. Commercial insurance policies are purchased to transfer the risk of loss for property and content damage, employee torts, and professional liabilities.

9. ACCOUNTS RECEIVABLE

Accounts receivable is shown net of the allowance for doubtful accounts. Accounts greater than ninety days old are considered doubtful.

Ambulance Fees Receivable	$62,964
Inspection Fees Receivable	6,045
Less: Allowance for Doubtful Accounts	(20,547)
	$48,462

10. CONTINGENCY

Amounts received or receivable from grantor agencies are subject to audit and adjustment. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time. The District expects such amounts, if any, to be immaterial.

11. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2024, was as follows:

	Balance 12/31/2023	Additions	Disposals	Balance 12/31/2024
Governmental Activities:				
Construction in Progress	$ -	$ 15,000	$ -	15,000
Capital Assets Being Depreciated:				
Buildings and Improvements	1,835,035	-	-	1,835,035
Equipment	2,190,228	46,151	40,032	2,196,347
Total Historical Cost	4,025,263	61,151	40,032	4,046,382
Less: Accumulated Depreciation				
Buildings and Improvements	917,917	45,962	-	963,879
Equipment	1,562,543	153,830	40,032	1,676,341
Total Acc. Depr.	2,480,460	199,792	40,032	2,640,220
Governmental Activities Capital Assets – Net	$ 1,544,803	$ (138,641)	$ -	$ 1,406,162

Depreciation expense was charged to the functions of the District as follows:

Governmental Activities:	
Public Safety and Protection	$ 199,792

12. LONG-TERM OBLIGATIONS

The District entered into a 12-year agreement to purchase a Pierce Impel Pumper Truck. The agreement requires annual payments of . The agreement carries an interest rate of 3.5%.

Changes in long-term obligations for the year ended December 31, 2024, are as follows:

Governmental Activities:

Description	Maturity	Rate	12/31/2023	Increase	Decrease	12/31/2024	Current
Lease - Pumper	2031	3.50%	$ 467,006	$ -	$ 51,603	$ 415,403	$ 53,406
			$ 467,006	$ -	$ 51,603	$ 415,403	$ 53,406

Debt service requirements on long-term debt at December 31, 2024, are as follows:

Year Ending	Notes	
December 30,	Principal	Interest
2024	$ 53,406	$ 14,517
2025	55,273	12,651
2023	57,204	10,719
2027	59,203	8,720
2028	61,272	6,651
2029-2031	129,045	6,803
	$ 415,403	$ 60,061

Interest paid during the year ending December 31, 2024 was $16,320 . No interest was capitalized during the period.

13. OTHER COMMITMENTS

The District has credit cards available for use with limits totaling $54,500 . As of December 31, 2024, $16,253 of the available credit was in use.

14. RESTATEMENT

The District adopted GASB 101, Compensated Absences, during the fiscal year. This has caused a prior period adjustment of prior year Net Position due to Compensated Absences that were not previously recognized.

In the prior year the District's Due from Other Governments and Sales Tax Revenue were understated by $25,095. This caused the Net Position to be misstated by the same amount. Net Position was restated in the current period as follows:

	Governmental Activities
Net Position, Beginning - As Previously Stated	$ 910,895
Decrease in Net Position due to adoption of GASB 101	(70,518)
Increase in Net Position due to understated Due from Other Governments	25,095
Net Position, Beginning - Restated	$ 865,472

	Government Funds
Fund Balance, Beginning - As Previously Stated	$ 827,292
Increase in Net Position due to understated Due from Other Governments	25,095
Fund Balance, Beginning - Restated	$ 852,387

REQUIRED SUPPLEMENTARY INFORMATION

McCall Fire Protection District
Budgetary (GAAP Basis) Comparison Schedule
General Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			
	Original	Final	Actual	Variance
Revenues				
Property Taxes	$ 2,068,417	$ 2,068,417	$ 2,207,685	$ 139,268
Sales Tax	50,000	50,000	108,447	58,447
Charges for Services	346,837	346,837	423,284	76,447
Earnings on Investments	15,000	15,000	75,374	60,374
Grants	951,289	951,289	704,388	(246,901)
Debt Proceeds	-	-	-	-
Miscellaneous	18,000	18,000	121,995	103,995
Total Revenues	3,449,543	3,449,543	3,641,173	191,630
Expenditures				
Current:				
Personnel Costs	1,868,500	1,868,500	1,873,036	(4,536)
Benefits	947,700	947,700	893,183	54,517
Operating Expenses				
Personnel - Other	89,525	89,525	66,811	22,714
Professional Services	101,150	101,150	63,479	37,671
Operations	97,200	97,200	95,808	1,392
Apparatus & Equipment	65,000	65,000	57,385	7,615
Building Occupancy	221,700	221,700	104,634	117,066
Debt Service				
Principal	67,923	67,923	51,603	16,320
Interest	-	-	16,320	(16,320)
Capital Outlay	146,249	146,249	61,151	85,098
Total Expenditures	3,604,947	3,604,947	3,283,410	321,537
Excess (Deficiency) of Revenues Over Expenditures	(155,404)	(155,404)	357,763	513,167
Other Financing Sources (Uses)				
Sale of Capital Assets	-	-	7,600	7,600
Total Other Financing Sources (Uses)	-	-	7,600	7,600
Net Change in Fund Balances	(155,404)	(155,404)	365,363	520,767
Fund Balances - Beginning - Previous	155,404	155,404	827,292	671,888
Prior Period Adjustment	-	-	25,095	25,095
Fund Balances - Beginning	155,404	155,404	852,387	696,983
Fund Balances - Ending	$ -	$ -	$ 1,217,750	$ 1,217,750

1. BUDGETS AND BUDGETARY ACCOUNTING

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

A. Prior to September 1, the Board of Commissioners prepares a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.

B. Public hearings are conducted to obtain taxpayer comments.

C. Prior to January 1, the budget is legally passed.

D. The Board of Commissioners, by following the same budgetary procedures used to adopt the original budget, may amend it to a greater amount if additional revenue will accrue to the District as a result of increases in state or federal grants or allocations, or as a result of an increase in revenues from any source other than ad valorem tax revenues.

E. Formal budgetary integration is employed as a management control device during the year for the General fund.

F. The budget for the General fund is adopted on a basis consistent with generally accepted accounting principles.

McCall Fire Protection District
Schedules of Required Supplemental Information
Public Employees Retirement System of Idaho
Last 10 - Fiscal Years
Public Employees Retirement System of Idaho

Schedule of the District's proportionate Share of Net Pension Liability

Year	District's proportion of the net pension liability	District's proportionate share of the net pension liability	District's covered-employee payroll	District's proportionate share of the net pension liability as a percentage of its covered-emplyee payroll	Plan fiduciary net position as a percentage of the total pension liability
2024	0.0424777%	$ 1,588,938	$ 1,844,780	86.13%	85.54%
2023	0.0378746%	1,511,449	1,707,041	88.54%	83.83%
2022	0.0402532%	1,585,476	1,631,792	97.16%	83.09%
2021	0.0382266%	(30,191)	1,470,772	-2.05%	100.36%
2020	0.0371659%	863,041	1,382,028	62.45%	88.22%
2019	0.0343900%	392,552	1,081,982	36.28%	93.79%
2018	0.0393843%	580,925	1,218,727	47.67%	91.69%
2017	0.0353711%	556,067	1,134,330	49.02%	90.68%
2016	0.0343184%	695,687	989,315	70.32%	87.26%
2015	0.0328603%	432,717	913,490	47.37%	91.38%

Data reported is measured as of June 30, 2024

Schedule of District's Contributions

Year	Contractually required contributions	Contributions in relation to the contractually required contributions	Contributions deficiency (excess)	District's covered-employee payroll	Contributions as a percentage of covered-employee payroll
2024	$ 255,810	$ 255,810	-	$ 1,844,780	13.87%
2023	217,181	217,181	-	1,707,041	12.72%
2022	200,145	200,145	-	1,631,792	12.27%
2021	180,376	180,376	-	1,470,772	12.26%
2020	170,715	170,715	-	1,392,028	12.26%
2019	128,393	128,393	-	1,081,982	11.87%
2018	141,869	141,869	-	1,218,727	11.64%
2017	133,346	133,346	-	1,134,330	11.76%
2016	115,149	115,149	-	989,315	11.64%
2015	106,311	106,311	-	913,490	11.64%

Data reported is measured as of September 30, 2024

FEDERAL REPORTS

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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*

Board of Commissioners
McCall Fire Protection District
McCall, Idaho

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 McCall Fire Protection District, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise McCall Fire Protection District's basic financial statements, and have issued our report thereon dated July 15, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered McCall Fire Protection District's internal control over financial reporting (internal control) to determine the 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 McCall Fire Protection District's internal control. Accordingly, we do not express an opinion on the effectiveness of McCall Fire Protection District's internal control.

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. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section 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. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and responses as item 2024-001 that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether McCall Fire Protection 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 determination of financial statement amounts. 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*.

McCall Fire Protection District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the McCall Fire Protection District's response to the findings identified in our audit and described in the accompanying schedule of findings and responses. McCall Fire Protection District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.

Zwygart John & Associates, CPAs, PLLC

Nampa, Idaho
July 15, 2025

2024-001: Bank Reconciliations

Conditions: While performing the audit it was noted that the Clerk had not completed accurate bank reconciliations for the year under audit.

Criteria: The District should have controls in place to make sure that all bank accounts are reconciled monthly.

Effect: This increases the risk of a misstatement to go unnoticed or fail to be corrected in a timely manner, whether due to error or fraud.

Recommendations: The District should put procedures in place to make sure that all bank accounts are reconciled in the accounting software monthly.

2024-001: Bank Reconciliations

The District has hired a new clerk and is putting into place procedures to make sure that all bank statements are reconciled monthly.

If there are any questions on management's response to findings please contact the District Clerk at (208)634-7070