NORTH ADA COUNTY FIRE AND RESCUE DISTRICT

Report on Audited
Basic
Financial Statements
And
Supplemental Information

For the Year Ended September 30, 2024

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Independent Auditor's Report

Board of Commissioners
North Ada County Fire and Rescue District
Garden City, Idaho

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of North Ada County Fire and Rescue District (the District), as of and for the year ended September 30, 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of North Ada County Fire and Rescue District, as of September 30, 2024, and the respective changes in financial position thereof for the year then ended in conformity 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 North Ada County Fire and Rescue 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.

Responsibilities of Management for the Financial Statements

North Ada County Fire and Rescue 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 and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, 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 North Ada County Fire and Rescue 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 North Ada County Fire and Rescue 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 North Ada County Fire and Rescue 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 net pension liability, and schedule of District's contributions on pages 25 through 27 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 the 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Supplementary Schedule of Expenditures on page 29 is presented for purposes of additional analysis and is not a required part of the financial statements.

The supplementary schedule of expenditures is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United State of America. In our opinion, the Schedule of Expenditures are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Governmental Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 28, 2025, on our consideration of North Ada County Fire and Rescue District's internal control over financial reporting and 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 the District's internal control over financial reporting and compliance.

Zwygart John & Associates, CPAs PLLC

Nampa, Idaho
May 28, 2025

North Ada County Fire and Rescue District
Statement of Net Position
September 30, 2024

	Governmental Activities
Assets	
Current Assets:	
Cash and Cash Equivalents	$ 11,549,375
Receivables, Net:	
Property Taxes	121,362
Interest	50,432
Intergovernmental	101,106
Prepaid Items	12,666
Total Current Assets	11,834,941
Noncurrent Assets:	
Restricted Impact Fees	441,943
Capital Assets:	
Land	285,000
Buildings and Improvements, Net	1,155,017
Equipment, Net	783,407
Total Capital Assets	2,223,424
Total Assets	14,500,308
Deferred Outflows	
Pension Related Items	14,928
Total Deferred Outflows	14,928
Liabilities	
Current Liabilities:	
Accounts Payable	382,401
Salaries and Benefits Payable	4,652
Accrued Interest	5,824
Deferred Revenue - Impact Fees	441,943
Current Portion - Long Term Debt	140,534
Long-Term Liabilities:	
Due Within One Year:	
Compensated Absences	11,010
Due in More Than One Year:	
Notes Payable	143,739
Net Pension Liability	63,542
Total Liabilities	1,193,645
Deferred Inflows	
Pension Related Items	1,153
Total Deferred Inflows	1,153
Net Position	
Net Investment in Capital Assets	2,223,424
Restricted	441,943
Unrestricted	10,655,071
Total Net Position	$ 13,320,438

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

North Ada County Fire and Rescue District
Statement of Activities
For the Year Ended September 30, 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 Changes in Net Position - Governmental Activities
Primary Government:					
Governmental Activities:					
Public Safety and Protection	$ 5,917,495	$ 3,377	$ -	$ -	$ (5,914,118)
Total Governmental Activities	$ 5,917,495	$ 3,377	$ -	$ -	(5,914,118)
General Revenues:					
Property Taxes					6,037,193
Impact Fees					-
Sales Tax					368,601
Earnings on Investments					568,064
Miscellaneous Income					4,738
Total General Revenues and Special Items					6,978,596
Change in Net Position					1,064,478
Net Position, Beginning of Year (Previously Stated)					12,590,112
Prior Period Adjustment. *See Note 13.*					(334,152)
Net Position, Beginning of Year					12,255,960
Net Position, End of Year					$ 13,320,438

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

North Ada County Fire and Rescue District
Balance Sheet -
Governmental Funds
September 30, 2024

	General Fund	Nonmajor Fund Impact Fees	Total
Assets			
Cash and Cash Equivalents	$ 11,549,375	$ -	$ 11,549,375
Receivables, Net:			
Property Taxes	121,362	-	121,362
Interest	50,432	-	50,432
Intergovernmental	101,106	-	101,106
Prepaid Items	12,666	-	12,666
Restricted Impact Fees	-	441,943	441,943
Total Assets	$ 11,834,941	$ 441,943	$ 12,276,884
Liabilities			
Accounts Payable	$ 382,401	$ -	$ 382,401
Salaries and Benefits Payable	4,652	-	4,652
Compensated Absences	10,377	-	10,377
Deferred Revenue - Impact Fees	-	441,943	441,943
Total Liabilities	397,430	441,943	839,373
Deferred Inflows			
Unavailable Revenue - Property Taxes	106,488	-	106,488
Total Deferred Inflows	106,488	-	106,488
Fund Balances			
Nonspendable	12,666	-	12,666
Assigned:			
Future Staffing	2,339,677	-	2,339,677
Apparatus	1,975,346	-	1,975,346
Equipment	1,131,698	-	1,131,698
Station Improvement	1,330,830	-	1,330,830
Joint Powers Agreement	1,520,000	-	1,520,000
Unassigned	3,020,806	-	3,020,806
Total Fund Balances	11,331,023	-	11,331,023
Total Liabilities, Deferred Inflows, and Fund Balances	$ 11,834,941	$ 441,943	$ 12,276,884

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

North Ada County Fire and Rescue District
Reconciliation of the Balance Sheet of the Governmental Funds
to the Statement of Net Position
September 30, 2024

Total Fund Balances - Governmental Funds		$ 11,331,023
Amounts reported for governmental activities in the Statement of Net Position are		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds. Those assets consist of:		
Land	$ 285,000	
Buildings and Improvements, Net of $1,793,139 Accum. Depr.	1,155,017	
Equipment, Net of $2,088,675 Accum. Depr.	783,407	
		2,223,424
Property taxes receivable will be collected this year, but are not available to pay for current period's expenditures and, therefore, are deferred in the funds.		106,488
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.		
Accrued Interest	$ (5,824)	
Municipal Lease	(284,273)	
		(290,730)
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	$ (63,542)	
Pension Related Deferred Outflows	14,928	
		(49,767)
Total Net Position-Governmental Activities		$ 13,320,438

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

North Ada County Fire and Rescue District
Statement of Revenues, Expenditures, and
Changes in Fund Balances -
Governmental Funds
For the Year Ended September 30, 2024

	General Fund	Nonmajor Fund Impact Fees	Total
Revenues			
Property Taxes	$ 6,050,128	$ -	$ 6,050,128
Impact Fees	-	-	-
Sales Tax	368,601	-	368,601
Investment Income	568,064	-	568,064
Charges for Services	3,377	-	3,377
Miscellaneous Income	4,738	-	4,738
Total Revenues	6,994,908	-	6,994,908
Expenditures			
Personnel Expenses	202,540	-	202,540
Supplies and Materials	9,319	-	9,319
Professional Services	5,108,361		5,108,361
Utilities	11,507		11,507
Insurance	12,229	-	12,229
Other Operating Expenses	38,709	-	38,709
Capital Outlay - Equipment	359,424		359,424
Capital Outlay - Vehicles	147,015		147,015
Capital Outlay - Buildings	606,479	-	606,479
Total Expenditures	6,495,583	-	6,495,583
Net Change in Fund Balances	499,325	-	499,325
Fund Balances - Beginning, Previous	10,831,698	334,152	10,831,698
Prior Period Adjustment. *See Note 13.*	-	(334,152)	-
Fund Balances - Beginning	10,831,698	-	10,831,698
Fund Balances - Ending	$ 11,331,023	$ -	$ 11,331,023

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

North Ada County Fire and Rescue 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 September 30, 2024

Total Net Change in Fund Balance - Governmental Funds		$ 499,325
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. In the current period these amounts are:		
Capital Outlay	$ 843,922	
Depreciation Expense	(251,064)	
Net		592,858
Accrued interest on long-term debt reported in the Statement of Activities does not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This amount represents the net change in accrued interest.		(8,432)
Because some property taxes will not be collected for several months after the District's fiscal year ends, they are not considered as "available" revenues in the governmental funds and are, instead, counted as deferred tax revenues. Also, some property taxes are levied for the next fiscal period and are, therefore, also considered unavailable. They are, however, recorded as revenues in the Statement of Activities.		(12,935)
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 does not affect the governmental funds, but are reported in the Statement.		(6,338)
Change in Net Position of Governmental Activities		$ 1,064,478

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 North Ada County Fire and Rescue District (the District), which has responsibility and control over activities related to public fire 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), and 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 District reports the following major governmental fund:

- *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 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 is 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 thirty 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 in Governmental Funds

Different measurement focuses and bases of accounting are used in the government-wide statements and in the governmental fund Balance Sheet. The District may use the following fund balance categories in the governmental fund Balance Sheet:

- *Nonspendable*. Balances, for example, in permanent funds, prepaid expenditures, and inventories that are permanently precluded from conversion to cash.
- *Restricted.* These amounts are restricted because they are Impact Fees and can be used for a specific purpose.
- *Assigned.* Balances intended for a specific purpose by the District's governing body.
- *Unassigned.* Balances available for any purpose.

The Board of Commissioners has a formal policy to assign fund balance. In 2024, they assigned funds for capital outlay. Specifically, assigned funds consist of $1,330,830 for station improvements, $1,131,698 for equipment, $1,975,346 for apparatus fund, $2,339,677 for future staffing, and $1,520,000 for future Eagle Fire District JPA payments. The total assigned fund balances is $8,297,551 .

The remaining fund balance classifications (committed, and assigned) are either not applicable or no formal action was taken by the Board of Commissioners to utilize this classification of fund balance. Assigned amounts were determined by the Board of Commissioners, the District's highest level of decision-making authority. The Board of Commissioners could also have authorized another official to assign fund balance.

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 resources available to finance the program. When both restricted resources are available for use, it is the government's intent to use restricted resources first, then unrestricted resources as they are needed.

There is also no formal policy regarding the order of use of committed, assigned, or unassigned fund balances. However, it is the District's intent that when an expenditure is incurred for the 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

All cash and investments with a maturity of less than ninety days are considered to be cash and cash equivalents. All short-term cash surpluses are maintained in the state investment pool.

Accounts Payable

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

Property Tax Calendar

The District's property taxes are levied on or before the third Monday in September and billed to taxpayers in November. The taxes are due in two installments. One half of the property taxes are due on December 20. The remainder is due the following June 20. Real property taxes not paid constitute a lien on the property when entered on the real property assessment role as delinquent on the first day of January of the succeeding year.

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 are shown below:

	Capitalization Policy	Depreciation Method	Estimated Useful Life
Buildings and Improvements	$5,000	Straight-Line	20 – 40 Years
Equipment and Vehicles	$5,000	Straight-Line	3 – 7 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.

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.

2. CASH AND INVESTMENTS

Deposits

As of September 30, 2024, the carrying amount of the District's deposits was a balance of $131,968 and the respective bank balances totaled $147,754. All of the bank balance was insured through the Federal Depository Insurance Corporation (FDIC).

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned. As of September 30, 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. The District also keeps $101 petty cash on hand.

Custodial Credit Risk – Investments

Custodial 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. Oversight of the pool is with the State Treasurer, and Idaho Code defines allowable investments. The fair value of the District's investment in the pool is the same as the value of the pool shares. 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 September 30, 2024, are summarized below:

	Investment Maturities (in Years)		
Investment	Fair Value	Less Than 1	1 - 5
External Investment Pool	$ 11,859,249	$ 11,859,249	$ -

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

	Governmental Activities
Cash and cash equivalents	$ 132,069
Investments categorized as deposits	11,417,306
Investments - Restricted	441,943
	$ 11,991,318

3. PROPERTY TAXES

The District receives tax revenue from Ada 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 September 30, 2024, are considered a receivable by the District. Taxes not collected within 60 days after September 30, 2024, are not considered available for use by the District and are recorded as deferred revenue in the fund financial statements. All taxes collected for the most recent levy are also not considered available and are recorded as deferred revenue in the fund financial statements.

4. AVAILABLE CREDIT

The District maintains credit cards with limits totaling $10,000. As of September 30, 2024, $121 of the available credit was in use.

5. PENSION PLAN

Plan Description

North Ada County Fire and Rescue 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 services 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. 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) that are adequate 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 police and firefighters. The employer contribution rate as a percentage of covered payroll is set by the Retirement Board and was 11.18% for general employees and 13.26% for police and firefighters. North Ada County Fire and Rescue District's contributions were $9,530 the year ended September 30, 2024.

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

At September 30, 2024, North Ada County Fire and Rescue 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. North Ada County Fire and Rescue District's proportion of the net pension liability was based on North Ada County Fire and Rescue 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, North Ada County Fire and Rescue District's proportion was 0.00169870 percent.

For the year ended September 30, 2024, North Ada County Fire and Rescue District recognized pension expense/(revenue) of $15,237 . At September 30, 2024, North Ada County Fire and Rescue 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	$ 10,117	$ -
Changes in assumptions or other inputs	2,517	-
Net difference between projected and actual earnings on pension plan investments	-	1,153
North Ada County Fire & Rescue District's contributions subsequent to the measurement date	2,294	-
Total	$ 14,928	$ 1,153

$2,294 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 September 30, 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 31:	PERSI
#NAME?	$ 5,430
#NAME?	11,848
#NAME?	(2,043)
#NAME?	(1,460)

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-2010 General Tables, increased 11%
General Employees and All Beneficiaries – Females Pub-2010 General Tables, increased 21%
Teachers – Males Pub-2010 Teacher Tables, increased 12%
Teachers – Females Pub-2010 Teacher Tables, increased 21%
Fire & Police – Males Pub-2010 Safety Tables, increased 21%
Fire & Police – Females Pub-2010 Safety Tables, increased 26%
Disabled Members – Males Pub-2010 Disabled Tables, increased 38%
Disabled Members – Females Pub-2010 Disabled Tables, increased 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.

Fixed Income	30.00%
US/Global Equity	55.00%
International Equity	15.00%
Cash	0.00%
Total	100.00%

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)	$ 120,750	$ 63,542	$ 16,818

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. 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.

7. JOINT POWERS AGREEMENT

The District has signed a Joint Powers Agreements with the City of Boise and with the Eagle Fire District. These agreements are renewed annually. The City of Boise and Eagle Fire District provides the District with fire and emergency medical services within the District boundaries. In return for this service, the District pays the City of Boise and the Eagle Fire District an annual fee. The District paid the City a total of $3,565,009 and the Fire District a total of $1,520,000 during the year ending September 30, 2024.

8. EMPLOYEE BENEFIT PLANS

The District participates in a post-employment insurance and a deferred compensation plan. The plans are administered by a third party and the District has no liability under the plans. In December 2009, the District signed a memorandum of understanding to move all but the one District employee to the City of Boise. The District currently makes contributions to these plans for one employee. The plan assets are immaterial to the District and the amounts were not presented. In 2024, the District paid $3,361 towards the Post-employment Health Insurance Plan and $1,300 towards the Deferred Compensation Plan.

9. COMPENSATED ABSENCES

The District also accumulates unused vacation time and 1/3 of unused sick time on an individual basis.

Changes in compensated absences for the year ended September 30, 2024, are as follows:

Description	9/30/2023	Increase	Decrease	9/30/2024	Current Portion
Compensated Absences	$ 6,934	$ 11,474	$ (7,398)	$ 11,010	$ 11,010

10. INTERGOVERNMENTAL RECEIVABLES

The District had a receivable of $101,106 due from the State of Idaho consisting of state revenue sharing.

11. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2024, was as follows:

	Balance 9/30/2023	Additions	Disposals	Balance 9/30/2024
Governmental Activities:				
Capital Assets not being depreciated:				
Land	$ 285,000	$ -	$ -	$ 285,000
Capital Assets being depreciated:				
Buildings and Improvements	2,655,741	292,415	-	2,948,156
Equipment	2,467,590	404,492	-	2,872,082
Total Historical Cost	5,123,331	696,907	-	5,820,238
Less: Accumulated Depreciation				
Buildings and Improvements	1,721,673	71,466	-	1,793,139
Equipment	1,909,077	179,598	-	2,088,675
Total Accumulated Depreciation	3,630,750	251,064	-	3,881,814
Net Depreciable Assets	1,492,581	445,843	-	1,938,424
Governmental Activities Capital Assets - Net	$ 1,777,581	$ 445,843	$ -	$ 2,223,424

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

Governmental Activities:	
Public Safety and Protection	$ 251,064

12. LONG-TERM OBLIGATIONS

The District recently obtained a long-term lease agreement for a fire truck with the intent of retaining ownership at the end of the lease. The obligation matures in 2026 and is at an interest rate of 2.28%.

The changes in long-term obligations for the year ending September 30, 2024, are as follows:

Description	9/30/23	Increase	Decrease	9/30/22	Current
Pierce Fire Enginge	$ 421,674	$ -	$ (137,401)	$ 284,273	$ 140,534

Debt service requirements as of September 30, 2024, are as follows:

Year Ending September 30,	Principal	Interest
2025	$ 140,534	$ 6,481
2026	143,739	3,277
	$ 284,273	$ 9,758

13. PRIOR PERIOD ADJUSTMENT

In the prior year, the total amounts of impact fees received by the District were reported as cash and restricted fund balance in the fund balance sheet and restricted net position in the statement of net position. These amounts should have been reported as a liability: deferred revenue from impact fees. The District has a performance obligation associated with these funds to add capacity through the purchase of infrastructure and capital assets or return the funds to the property owners in possession of the parcels which paid the impact fees. The effect of this misstatement is summarized as follows:

	Governmental Funds
Fund Balance, Beginning - As Previously Stated	$ 334,152
Decrease in Fund Balance due to understated impact fee liability	(334,152)
Fund Balance, Beginning - Restated	$ -

	Governmental Activities
Net Position, Beginning - As Previously Stated	$ 12,590,112
Decrease in Net Position due to understated impact fee liability	(334,152)
Net Position, Beginning - Restated	$ 12,255,960

REQUIRED SUPPLEMENTARY INFORMATION

North Ada County Fire and Rescue District
Budgetary Comparison Schedule (GAAP Basis)
General Fund
For the Year Ended September 30, 2024

	Budgeted Amounts			
	Original	Final	Actual	Variance
Revenues				
Property Taxes	$ 6,064,189	$ 6,064,189	$ 6,050,128	$ (14,061)
Sales Tax	250,000	250,000	368,601	118,601
Interest Earned	8,000	8,000	568,064	560,064
Charges for Services	5,866	5,866	3,377	(2,489)
Miscellaneous Income	-	-	4,738	4,738
Total Revenues	6,328,055	6,328,055	6,994,908	666,853
Expenditures				
Current:				
Operation and Maintenance	5,310,278	5,310,278	5,256,096	54,182
Wages and Volunteer Reimbursement	108,146	108,146	106,897	1,249
Insurance	11,837	11,837	12,229	(392)
Utilities	14,150	14,150	11,507	2,643
Capital Outlay	1,883,644	1,883,644	1,108,854	774,790
Total Expenditures	7,328,055	7,328,055	6,495,583	832,472
Net Change in Fund Balances	(1,000,000)	(1,000,000)	499,325	1,499,325
Fund Balances - Beginning	1,000,000	1,000,000	10,831,698	9,831,698
Fund Balances - Ending	$ -	$ -	$ 11,331,023	$ 11,331,023

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 October 1. The operating budget includes proposed expenditures and the means of financing them.

B. Public hearings are conducted at the Fire Station to obtain taxpayer comments.

C. Prior to October 1, the budget is legally enacted through passage of a resolution.

D. The District is authorized to transfer budgeted amounts between departments within any fund; however, no revision can be made to increase the overall tax supported funds except when federal or state grants are approved. The District, however, must follow the same budgetary procedures as they followed when the original budget was approved.

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

North Ada County Fire Protection District
Schedule of the Required Supplemental Information
Public Employees Retirement System of Idaho
Last 10 - Fiscal Years

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

Year	District proportion of the net pension liability	District proportion of the net pension liability	District's covered-employee payroll	District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability
2024	0.0016987%	$ 63,542	$ 84,111	75.55%	85.54%
2023	0.0018185%	72,569	79,020	91.84%	83.83%
2022	0.0018210%	71,724	52,738	136.00%	83.09%
2021	0.0017440%	(1,377)	66,290	-2.08%	100.36%
2020	0.0017640%	40,962	66,606	61.50%	88.22%
2019	0.0018311%	20,901	61,780	33.83%	93.79%
2018	0.0016750%	24,707	61,073	40.45%	91.69%
2017	0.0015430%	24,253	48,082	50.44%	90.68%
2016	0.0017271%	35,011	46,752	74.89%	87.28%
2015	0.0016243%	21,389	45,315	47.20%	91.38%

Data reported is measured as of June 30, 2024.

Schedule of County Contributions

Year	Contractually required contributions	Contributions in relation to the contractually required contributions	Contribution deficiency (excess)	District's covered-employee payroll	Contributions as a percentage of covered-employee payroll
2024	$ 9,530	$ 9,530	-	$ 84,111	11.33%
2023	9,319	9,319	-	79,020	11.79%
2022	6,297	6,297	-	52,738	11.94%
2021	7,915	7,915	-	66,290	11.94%
2020	7,953	7,953	-	66,606	11.94%
2019	7,156	7,156	-	61,780	11.58%
2018	6,913	6,913	-	61,073	11.32%
2017	5,443	5,443	-	48,082	11.32%
2016	5,292	5,292	-	46,752	11.32%
2015	5,130	5,130	-	45,315	11.32%

Data reported is measured as of September 30, 2024.

SUPPLEMENTAL INFORMATION

North Ada County Fire and Rescue District
Supplementary Schedule of Expenditures
- Budget versus Actual - General Fund
For the Year Ended September 30, 2024

	Budget	Actual	Variance
Expenditures:			
Commissioners	$ 8,950	$ 8,141	$ 809
Contract Services	5,127,075	5,085,009	42,066
NACFR M & O	146,697	135,467	11,230
Insurance	11,837	12,229	(392)
Legal and Accounting	16,800	18,160	(1,360)
Salaries	108,146	106,897	1,249
Admin Office M & O	10,756	9,319	1,437
Utilities	14,150	11,507	2,643
Current Expenditures	5,444,411	5,386,729	57,682
Capital Outlay	1,883,644	1,108,854	774,790
Total Expenditures	$ 7,328,055	$ 6,495,583	$ 832,472

FEDERAL REPORTS

ZWYGART JOHN
CERTIFIED PUBLIC ACCOUNTANTS
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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
North Ada County Fire and Rescue District
Garden City, 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 the fund information of North Ada County Fire and Rescue District (the District), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated May 28, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered North Ada County Fire and Rescue 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 the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 the internal control over financial reporting 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weakness. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of 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*.

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 District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the North Ada County Fire and Rescue District internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Zwygart John & Associates, CPAs PLLC

Nampa, Idaho
May 28, 2025