NORTH CASSIA RURAL
FIRE PROTECTION DISTRICT

Basic Financial Statements

September 30, 2024

NORTH CASSIA RURAL FIRE PROTECTION DISTRICT

BASIC FINANCIAL STATEMENTS
For the Year Ended September 30, 2024
TABLE OF CONTENTS

	Page
INTRODUCTORY SECTION	
Title Page	
Table of Contents	2
FINANCIAL SECTION	
Independent Auditor's Report	4-5
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	6
Statement of Activities	7
Fund Financial Statements:	
Balance Sheet - Governmental Funds	8
Reconciliation of Total Governmental Fund Balances to the Statement of Net Position	9
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds	10
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	11
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual:	
General Fund	12
Notes to the Financial Statements	13 - 18
Independent Auditor's Report on Compliance and Internal Control	19 - 20

FINANCIAL SECTION

Poulsen VanLeuven & Catmull PA

Certified Public Accountants

Members of the American Institute of CPA's
and the Idaho Society of CPA's
Jeffrey D. Poulsen, CPA
Darren B. VanLeuven, CPA
Jacob H. Catmull, CPA

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
North Cassia Rural Fire Protection District
Burley, Idaho

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of North Cassia Rural Fire Protection 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 and each major fund of North Cassia Rural Fire Protection District as of September 30, 2024, and the respective changes in financial position thereof and the respective budgetary comparison for the general fund 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 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 the 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

Management is responsible for the preparation and fair presentation of the 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 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 the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 generally accepted 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

1408 Pomerelle Ave Suite C • Burley, Idaho 83318 • (208) 678-1300 • Fax (208) 678-1301 • www.pvc.cpa

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 generally accepted 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 the 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 the 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.

Other Matters

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 December 12, 2024 on our consideration of the 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 District's internal control over financial reporting and compliance.

Poulsen VanLeuven & Catmull

Burley, Idaho
December 12, 2024

NORTH CASSIA RURAL FIRE PROTECTION DISTRICT

Statement of Net Position
September 30, 2024

	Governmental Activities
ASSETS	
Cash & Investments - Note 1	$ 1,628,445
Receivables:	
Property Taxes - Note 3	6,724
Prepaid Expenses	3,008
Capital Assets - Note 2:	
Land	22,000
Other Capital Assets, Net of Depreciation	1,049,227
Other Assets, Net of Amortization	-
Total assets	2,709,404
LIABILITIES	
Accounts Payable and Accrued Expenses	16,985
Interest Payable	-
Long-Term Liabilities:	
Due Within One Year	-
Due in More Than One Year	-
Total liabilities	16,985
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows	-
Total deferred inflows of resources	-
NET POSITION	
Net Investment in Capital Assets	1,071,227
Restricted	-
Unrestricted	1,621,192
Total Net Position	$ 2,692,419

See accompanying notes to the financial statements.

NORTH CASSIA RURAL FIRE PROTECTION DISTRICT

Statement of Activities
For the Year Ended September 30, 2024

Functions / Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental Activities:					
Fire Protection	$ 427,698	$ 6,000	$ 3,235	$ -	$ (418,463)
Interest	-	-	-	-	-
Total Governmental Activities	427,698	6,000	3,235	-	(418,463)
General Revenues					
Property Tax					526,892
Investment Earnings					70,574
Miscellaneous (including Ins. Reimbursement)					-
Gain on Sale of Capital Assets					5,000
Total General Revenues and Transfers					602,466
Change in Net Position					184,003
Net Position Beginning of Year					2,508,416
Net Position End of Year					$ 2,692,419

See accompanying notes to the financial statements.

NORTH CASSIA RURAL FIRE PROTECTION DISTRICT

Balance Sheet
Governmental Funds
September 30, 2024

	General Fund
ASSETS	
Cash & investments	$ 1,628,445
Taxes receivable	6,724
Prepaid expenses	3,008
Total assets	$ 1,638,177
LIABILITIES AND FUND EQUITY	
Liabilities	
Accounts payable	$ 16,985
Accrued liabilities	-
Total liabilities	16,985
Deferred inflows of resources	
Unavailable revenue - property taxes	6,409
Total deferred inflows of resources	6,409
Fund Balances	
Nonspendable	-
Unassigned	1,614,783
Total fund balances	1,614,783
Total liabilities and fund balances	$ 1,638,177

See accompanying notes to the financial statements.

NORTH CASSIA RURAL FIRE PROTECTION DISTRICT

Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
September 30, 2024

Total Governmental Fund Balances	$	1,614,783
Amounts reported for governmental activities in the Statement of Net Position is different because:		
Capital assets used in governmental activities are not financial resourses and therefore are not reported in the funds.		1,071,227
Other long-term assets are not available to pay for current-period expenditures and therefore are unavailable in the funds.		
Property Taxes		6,409
Net Position of Governmental Activities	$	2,692,419

See accompanying notes to the financial statements.

NORTH CASSIA RURAL FIRE PROTECTION DISTRICT

Statement of Revenues, Expenditures, and
Changes in Fund Balance
Governmental Funds
Year Ended September 30, 2024

	General Fund
Revenues:	
Property tax	$ 525,971
Interest income	70,574
Rent Income	6,000
Grants	3,235
Proceeds from sale of assets	5,000
Miscellaneous	-
Total revenues	610,780
Expenditures:	
Housing and manning	203,004
Declo Volunteer Fire Department	34,904
Insurance	4,955
Stipend - Commissioners	3,500
Legal and accounting	13,058
Equipment and capital expenditures	27,382
Supplies, repairs and maintenance	40,046
Miscellaneous	4,008
Debt service - principle	-
Debt service - interest	-
Total expenditures	330,857
Excess (deficiency) of revenues over expenditures	279,923
Fund balance - beginning	1,334,860
Fund balance - ending	$ 1,614,783

See accompanying notes to the financial statements.

NORTH CASSIA RURAL FIRE PROTECTION DISTRICT

Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended September 30, 2024

Net Change in Fund Balances - Total Governmental Funds		$ 279,923
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital outlay less depreciation expense in the current period:		
Fixed asset additions - purchased	$ 22,600	
Fixed asset disposals	-	
Depreciation expense	(119,441)	
		(96,841)
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. This is the current year increase/(decrease) in unavailable revenue.		921
Change in Net Position of Governmental Activities		$ 184,003

See accompanying notes to the financial statements.

NORTH CASSIA RURAL FIRE PROTECTION DISTRICT

Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
General Fund
Year Ended September 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget: Favorable (Unfavorable)
Revenues:				
Property tax	$ 464,360	$ 464,360	$ 525,971	$ 61,611
Interest income	22,000	22,000	70,574	48,574
Rent	4,000	4,000	6,000	2,000
Grants	20,000	20,000	3,235	(16,765)
Gain on sale of assets	-	-	5,000	5,000
Miscellaneous	-	-	-	-
Total revenues	510,360	510,360	610,780	100,420
Expenditures:				
Housing and manning	229,000	229,000	203,004	25,996
Declo Volunteer Fire Department	59,331	59,331	34,904	24,427
Insurance	4,600	4,600	4,955	(355)
Stipend - Commissioners	5,000	5,000	3,500	1,500
Legal and accounting	15,000	15,000	13,058	1,942
Equipment and capital expenditures	650,000	650,000	27,382	622,618
Supplies, repairs and maintenance	100,000	100,000	40,046	59,954
Miscellaneous	10,162	10,162	4,008	6,154
Debt service - principle	-	-	-	-
Debt service - interest	-	-	-	-
Contingency/reserve	537,267	537,267	-	537,267
Total expenditures	1,610,360	1,610,360	330,857	1,279,503
Excess (deficiency) of revenues over expenditures	(1,100,000)	(1,100,000)	279,923	1,379,923
Fund balance - beginning	1,334,860	1,334,860	1,334,860	-
Fund balance - ending	$ 234,860	$ 234,860	$ 1,614,783	$ 1,379,923

See accompanying notes to the financial statements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of North Cassia Rural Fire Protection District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental activities provided they do not conflict with or contradict GASB pronouncements. The significant accounting policies of the District are described below.

A. Reporting Entity

As required by generally accepted accounting principles, these financial statements present the North Cassia Rural Fire Protection District. The District is governed by a board of three commissioners which has governing responsibility over all of the activities related to the District. The board is responsible for approving the budget, establishing spending limitations, funding any deficits and borrowing funds. There are no other boards, councils, or component units for which the District exercises authority.

B. Government-Wide Financial Statements

The government-wide financial statements, which are the statement of net position and the statement of activities, report information on all of the nonfiduciary activities of the primary government. This District reports only governmental activities and has no business-type or fiduciary activities.

The statement of net position presents the financial condition of the governmental activities for the District at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

C. Fund Financial Statements

The District maintains only one fund, the General fund, which presents all activities of the District. Accordingly, the General fund is the only major fund and there are no non-major funds.

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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 when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period and other revenues if they are collected within 90 days of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The District reports the General Fund as its only major fund. The General Fund accounts for all financial resources of the District.

Amounts reported as program revenues include charges to customers for goods and services, operating grants and contributions, and capital grants and contributions. All taxes are reported as general revenues as are internally dedicated resources.

E. Fund Classifications

Fund Balance Reserves - The District has adopted GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions". This Statement establishes criteria for classifying governmental fund balances into specifically defined classifications. Classifications are hierarchical and are based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the funds may be spent. Application of the Statement requires the District to classify and report amounts in the appropriate fund balance classifications. The District's accounting and finance policies are used to interpret the nature and/or requirements of the funds and their corresponding assignment of restricted, committed, assigned or unassigned.

The District reports the following classifications as applicable:

Non-spendable Fund Balance - Non-spendable fund balances are amounts that cannot be spent because they are either: (a) not in spendable form - such as inventory or prepaid insurance, or (b) legally or contractually required to be maintained intact - such as a trust that must be retained in perpetuity.

Restricted Fund Balance - Restricted fund balances are amounts that cannot be spent because they are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. Restrictions are placed on fund balances when legally enforceable legislation establishes a specific purpose for the funds. Legal enforceability means that the District can be compelled by an external party (e.g. citizens, public interest groups, the judiciary) to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed Fund Balance - Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by the Board of Commissioners. Amounts in the committed fund balance classification may be used for other purposes with appropriate due process by the Board of Commissioners. Committed fund balances differ from restricted balances because the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

Assigned Fund Balance - Assigned fund balances are amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by: (a) the secretary/treasurer, or (b) an appointed body (e.g. a budget or finance committee) or an official to which the Board of Commissioners have delegated the authority to assign, modify, or rescind amounts to be used for specific purposes. Assigned fund balance includes: (a) all remaining amounts that are reported in governmental funds (other than the general fund) that are not classified as non-spendable, restricted, or committed, and (b) amounts in the general fund that are intended to be used for a specific purpose. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service, or permanent fund, are assigned for purposes in accordance with the nature of their fund type. Assignment within the general fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the District itself.

Unassigned Fund Balance - Unassigned fund balance is the residual classification for the general fund. This classification represents general fund balance that has not been assigned to other funds, and that has not been restricted, committed, or assigned to specific purposes within the general fund.

F. Deposits and Investments

Deposits: Custodial credit risk, in the case of deposits, is the risk that in the event of a bank failure, the government's deposits may not be returned to it. At year end, the District had no deposits that were exposed to custodial credit risk.

Investments: Custodial credit risk, in the case of investments, is the risk that in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At year end, the District held the following investments:

Investment Type	Fair Value	Weighted Avg Maturity (days)
Idaho State Local Government Investment Pool	$ 1,577,272	84

This investment is an unrated external investment pool sponsored by the Idaho State Treasurer's Office. It is classified as "Investment in an External Investment Pool" and is exempt from custodial credit risk and concentration of credit risk reporting. Interest rate risk is summarized as follows: Asset-backed securities are reported using weighted average life to more accurately reflect the projected term of the security, considering interest rates and repayment factors.

The elected Idaho State Treasurer, following Idaho Code, Section 67-2328, is authorized to sponsor an investment pool in which the District voluntarily participates. The Pool is not registered with the Securities and Exchange Commission or any other regulatory body - oversight is with the State Treasurer, and Idaho Code defines allowable investments. All investments are entirely insured or collateralized with securities held by the Pool or by its agent in the Pool's name.

Credit Risk: The District's policy is to comply with Idaho State statutes which authorize the District to invest in obligations of the United States, obligations of the State or any taxing district in the State, obligations issued by the Farm Credit System, obligations of public corporations of the State of Idaho, repurchase agreements, tax anticipation notes of the State or taxing district in the State, time deposits, savings deposits, revenue bonds of institutions of higher education, and the State Treasurer's Pool.

G. Inventory
Inventory held by the District at year end is considered immaterial and has not been accounted for.

H. Capital Assets
Capital assets, which include equipment, are reported in the governmental activities column in the government-wide financial statements. All material fixed assets are valued at historical cost. Donated fixed assets are valued at their estimated fair value on the date donated. When an asset is disposed of, cost and related accumulated depreciation is removed, and any gain or loss arising from its disposal is credited or charged to operations. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

Depreciation of all exhaustible fixed assets is charged as an expense against operations in the statement of activities. Capital assets are reported net of accumulated depreciation on the statement of net assets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Equipment	3-20 years

I. Long-Term Liabilities
The District has no long term liabilities.

J. Budgets and Budgetary Accounting
The District follows the following procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to August each year the District commissioners determine budgeted expenditures and the means of financing them for the year beginning the following October 1.

2. At the regular meeting in August the tentative budget is submitted for publication and public comment.

3. A public hearing is held to obtain public comment. After public comment the budget is finalized and legally adopted.

4. Revisions to the budget can only be made by court order, public hearing or in certain emergencies defined by law.

K. Accumulated Unpaid Vacation, Sick Pay, and Other Employee Benefit Amounts
The District has no employees, therefore, there is no accrual of employee benefits.

L. Encumbrances
Encumbrance accounting under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the District because it is not considered necessary at present to assure effective budgetary control or to facilitate effective cash planning and control.

M. 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

N. Application of Restricted or Unrestricted Resources
The District's policy is to first apply unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

NOTE 2: CAPITAL ASSETS

A summary of changes in capital assets is as follows:

	Balance 9/30/2023	Addition	Deletion	Balance 9/30/2024
Governmental Activities				
Equipment	$ 1,954,612	$ 22,600	$ -	$ 1,977,212
Buildings	284,299	-	-	284,299
Const in Progress (Non-depreciable)	-	-	-	-
Land (Non-depreciable)	22,000	-	-	22,000
	2,260,911	22,600	-	2,283,511
Accumulated Depreciation:				
Equipment	989,785	112,333	-	1,102,118
Buildings	103,058	7,108	-	110,166
	1,092,843	119,441	-	1,212,284
Net Book Value:				
Equipment	964,827	(89,733)	-	875,094
Buildings	181,241	(7,108)	-	174,133
Const in Progress (Non-depreciable)	-	-	-	-
Land (Non-depreciable)	22,000	-	-	22,000
	$ 1,168,068	$ (96,841)	$ -	$ 1,071,227

All assets are being depreciated using the straight line method over the respective estimated lives described in Note 1. The District has no infrastructure assets.

NOTE 3: UNAVAILABLE REVENUE - PROPERTY TAXES

Property taxes are levied by the 2nd Monday in September, in conformity with Title 31, Section 1605, of the Idaho State Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before December 20 and June 20 of the year following the year in which imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available when they become due or past due and receivable within the current period and those expected to be collected during a 60-day period after the close of the fiscal year.

The unavailable revenue account in the General Fund represent the taxes receivable more than 60 days after year end.

NOTE 4: LITIGATION, COMMITMENTS AND CONTINGENT LIABILITIES

The District is not involved in any litigation that would create a contingent liability.

The District has entered into an agreement with the City of Burley Fire Department to provide fire protection services for the District and store some of the District's equipment. Under the terms of the agreement, the District is contingently liable to the City of Burley for payments of $16,917 per month.

NOTE 5: RISK MANAGEMENT/INSURANCE COVERAGE

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees, and natural disasters. The District has transferred most of its risk by the purchase of commercial insurance through the Idaho Counties Reciprocal Management Program (ICRMP). The coverage through ICRMP expires October 1 but is renewed annually.

NOTE 6: SUBSEQUENT EVENTS

Subsequent events have been evaluated through December 12, 2024, the date of the auditor's report, which is the date the financial statements were available to be issued.

Poulsen VanLeuven & Catmull PA
Certified Public Accountants

Members of the American Institute of CPA's
and the Idaho Society of CPA's
Jeffrey D. Poulsen, CPA
Darren B. VanLeuven, CPA
Jacob H. Catmull, CPA

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*

To the Board of Commissioners
North Cassia Rural Fire Protection District
Burley, 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 North Cassia Rural Fire Protection District as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise North Cassia Rural Fire Protection District's basic financial statements and have issued our report thereon dated December 12, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. 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 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

1408 Pomerelle Ave Suite C • Burley, Idaho 83318 • (208) 678-1300 • Fax (208) 678-1301 • www.pvc.cpa

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.

Poulsen VanLeuven & Catmull

Poulsen VanLeuven & Catmull PA
December 12, 2024