SHELLEY-FIRTH FIRE PROTECTION DISTRICT
SHELLEY, IDAHO
ANNUAL FINANCIAL STATEMENTS
And
COMPLIANCE REPORTS
With
INDEPENDENT AUDITOR'S REPORT
For the Year Ended September 30, 2024

SHELLEY-FIRTH FIRE PROTECTION DISTRICT - STATE OF IDAHO
ANNUAL FINANCIAL STATEMENTS
For the Year Ended September 30, 2024

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Searle Hart & Associates, PLLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

The Honorable Board of Commissioners
Shelley-Firth Fire Protection District
Shelley, Idaho

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Shelley-Firth 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 financial position of the Shelley-Firth Fire Protection District, as of September 30, 2024, and the respective changes in financial position and cash flows, where applicable, 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 Shelley-Firth 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

Management is responsible for the preparation and the 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 the Shelley-Firth Fire Protection 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 Responsibility

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 judgement made by a reasonable user based on the financial statements.

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Idaho Falls • Rexburg

In performing an audit in accordance with GAAS, 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 Shelley-Firth 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Shelley-Firth 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require supplementary information, such as management's discussion and analysis and budgetary comparison information 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 response 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

In accordance with *Government Auditing Standards*, we have also issued a report dated May 1, 2025 on our consideration of the Shelley-Firth 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 the 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 Shelley-Firth Fire Protection District's internal control over financial reporting and compliance.

Searle Hart + Associates PLLC

Idaho Falls, Idaho
May 1, 2025

FINANCIAL SECTION

SHELLEY-FIRTH FIRE PROTECTION DISTRICT - STATE OF IDAHO
STATEMENT OF NET POSITION
September 30, 2024

	GOVERNMENTAL ACTIVITIES	TOTAL
ASSETS		
Cash and cash equivalents	$ 2,890,415	$ 2,890,415
Cash held by trustee	-	-
Investments	-	-
Accounts receivable	72,065	72,065
Taxes receivable	22,633	22,633
Due from other governmental agencies	3,383	3,383
Inventories	-	-
Other assets	12,159	12,159
Capital Assets		
Land and improvements not being depreciated	568,495	568,495
Construction in progress	306,466	306,466
Buildings and improvements	1,909,393	1,909,393
Equipment and furniture	2,700,421	2,700,421
Equipment under capital leases	-	-
Less: accumulated depreciation	(2,228,897)	(2,228,897)
		-
Total Capital Assets	3,255,878	3,255,878
TOTAL ASSETS	6,256,533	6,256,533
DEFERRED OUTFLOWS	$ 61,817	$ 61,817

The notes to the financial statements are an integral part of this statement.

	GOVERNMENTAL ACTIVITIES	TOTAL
LIABILITIES		
Accounts payable and accrued expenses	$ 57,876	$ 57,876
Due to other governmental agencies	-	-
Revenue unavailable for use	-	-
Long-term liabilities		
Due within one year		
Bonds, capital leases and contracts	40,000	40,000
Accrued interest	3,271	3,271
Compensated absences	-	-
Claims and judgments	-	-
Due in more than one year		
Bonds, capital leases and contracts	955,000	955,000
Compensated absences	-	-
Claims and judgments	-	-
Net pension liability	95,132	95,132
TOTAL LIABILITIES	1,151,279	1,151,279
DEFERRED INFLOWS		
Unamortized bond premium	197,003	197,003
Pension	-	-
TOTAL DEFERRED INFLOWS	197,003	197,003
NET POSITION		
Net investment in capital assets	2,257,607	2,257,607
Restricted for:		
Capital projects	43,420	43,420
Debt service	89,545	89,545
Other projects	474,579	474,579
Unrestricted	2,104,917	2,104,917
TOTAL NET POSITION	$ 4,970,068	$ 4,970,068

SHELLEY-FIRTH FIRE PROTECTION DISTRICT - STATE OF IDAHO
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2024

FUNCTIONS/PROGRAMS	Expenses	PROGRAM REVENUE: Charges for Services	PROGRAM REVENUE: Operating Grants and Contributions	PROGRAM REVENUE: Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	$ -	$ -	$ -	$ -
Public safety	1,058,234	173,923	339,557	-
Public works	-	-	-	-
Health, welfare and sanitation	-	-	-	-
Culture and recreation	-	-	-	-
Education	-	-	-	-
Conservation/economic development	-	-	-	-
Interest on long-term debt	30,603	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	1,088,837	173,923	339,557	-
TOTAL PRIMARY GOVERNMENT	$ 1,088,837	$ 173,923	$ 339,557	$ -
General revenues:				
Taxes:				
Property taxes, levied for general purposes				
Property taxes, levied for debt service				
Franchise taxes				
Public service taxes				
Sales taxes				
Grants and contributions not restricted to specific programs				
Unrestricted investment earnings				
Miscellaneous				
Special item - gain on sale of assets				
Extraordinary item - insurance from fire loss				
Transfers				
TOTAL GENERAL REVENUES, SPECIAL ITEMS, AND TRANSFERS				
Change in net position				
Net Position, October 1, 2023				
NET POSITION, SEPTEMBER 30, 2024				

The notes to the financial statements are an integral part of this statement.

NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION	
Primary Government	
Governmental Activities	Total
$ -	$ -
(544,754)	(544,754)
-	-
-	-
-	-
-	-
-	-
(30,603)	(30,603)
(575,357)	(575,357)
(575,357)	(575,357)
446,309	446,309
103,665	103,665
6,619	6,619
-	-
39,785	39,785
-	-
53,170	53,170
64,821	64,821
-	-
679,977	679,977
-	-
1,394,346	1,394,346
818,989	818,989
4,151,079	4,151,079
$ 4,970,068	$ 4,970,068

SHELLEY-FIRTH FIRE PROTECTION DISTRICT - STATE OF IDAHO
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2024

	GENERAL FUND	EMS FUND
ASSETS		
Cash and cash equivalents	$ 2,280,441	$ 477,190
Cash held by trustee	-	-
Investments	-	-
Taxes receivable, net	21,543	-
Due from other funds	-	-
Receivable from other governments	-	3,383
Other receivables	-	72,065
Inventories	-	-
Prepaid expenses	6,855	5,304
TOTAL ASSETS	2,308,839	557,942
DEFERRED OUTFLOWS	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS	$ 2,308,839	$ 557,942
LIABILITIES		
Accounts payable	$ 18,948	$ 38,928
Due to other funds	-	-
Payable to other governments	-	-
Other payables	-	-
TOTAL LIABILITIES	18,948	38,928
DEFERRED INFLOWS		
Revenue unavailable for use	18,834	39,131
FUND BALANCES		
Nonspendable	6,855	5,304
Restricted	-	474,579
Assigned	-	-
Unassigned	2,264,202	-
TOTAL FUND BALANCES	2,271,057	479,883
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	$ 2,308,839	$ 557,942

The notes to the financial statements are an integral part of this statement.

CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
$ 43,420	$ 89,364	$ 2,890,415
-	-	-
-	-	-
-	1,090	22,633
-	-	-
-	-	3,383
-	-	72,065
-	-	-
-	-	12,159
43,420	90,454	3,000,655
-	-	-
$ 43,420	$ 90,454	$ 3,000,655
$ -	$ -	$ 57,876
-	-	-
-	-	-
-	-	-
-	-	57,876
-	909	58,874
-	-	12,159
43,420	89,545	607,544
-	-	-
-	-	2,264,202
43,420	89,545	2,883,905
$ 43,420	$ 90,454	$ 3,000,655

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SHELLEY-FIRTH FIRE PROTECTION DISTRICT - STATE OF IDAHO
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
September 30, 2024

Total fund balance, governmental funds:	$	2,883,905
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.		3,255,878
Certain other long-term assets are not available to pay current period expenditures and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position. The unamortized bond premium is reported as a deferred inflow on the Statement of Net Position, but is not included in the fund financial statements.		(138,129)
A net pension liability for the measured portion of the present value of projected benefit payments is reported on the Statement of Net Position, but not in the fund financial statements.		
Net pension liability		(95,132)
Deferred outflows associated with the net pension liability		61,817
Deferred inflows associated with the net pension liability		-
Some liabilities, (such as notes payable, capital lease contracts payable, long-term compensated absences, and bonds payable), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.		(998,271)
Net position of governmental activities in the Statement of Net Position:	$	4,970,068

SHELLEY-FIRTH FIRE PROTECTION DISTRICT - STATE OF IDAHO
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
For the Year Ended September 30, 2024

	GENERAL FUND	EMS FUND
REVENUES		
Property taxes	$ 446,832	$ -
Property taxes levied for debt service	-	-
Sales and miscellaneous taxes	46,404	-
Intergovernmental	-	339,557
Charges for services	-	134,792
Investment earnings	46,500	6,670
Miscellaneous	531	52,767
TOTAL REVENUES	540,267	533,786
EXPENDITURES		
Current:		
General government	-	-
Public safety	392,266	438,309
Public works	-	-
Health, welfare and sanitation	-	-
Culture and recreation	-	-
Education	-	-
Conservation/economic development	-	-
Debt Service:		
Principal	-	-
Interest and other charges	-	-
Capital outlay	950,147	68,828
TOTAL EXPENDITURES	1,342,413	507,137
Excess (deficiency) of revenues over expenditures	(802,146)	26,649
OTHER FINANCING SOURCES (USES)		
Proceeds from long-term debt, net	-	-
Equipment donations	-	-
Transfers in	-	-
Transfers out	-	-
	-	-
SPECIAL ITEM		
Extraordinary item (insurance recovery)	679,977	-
Net change in fund balances	(122,169)	26,649
Fund Balances, October 1, 2023	2,393,226	453,234
Fund Balances, September 30, 2024	$ 2,271,057	$ 479,883

The notes to the financial statements are an integral part of this statement.

CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
$ -	$ -	$ 446,832
-	104,716	104,716
-	-	46,404
-	-	339,557
-	-	134,792
-	-	53,170
-	-	53,298
-	104,716	1,178,769
-	-	-
-	-	830,575
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	40,000	40,000
-	41,681	41,681
-	-	1,018,975
-	81,681	1,931,231
-	23,035	(752,462)
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	679,977
-	23,035	(72,485)
43,420	66,510	2,956,390
$ 43,420	$ 89,545	$ 2,883,905

SHELLEY-FIRTH FIRE PROTECTION DISTRICT - STATE OF IDAHO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2024

Net change in fund balances - total governmental funds:	$	(72,485)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period.		
This is the amount by which depreciation of $211,173 was exceeded by capital outlay of $1,018,975 in the current period.		807,802
Governmental funds report the entire net sales price (proceeds) from sale of an asset as revenue because it provides current financial resources. In contrast, the Statement of Activities reports only the gain on the sale of the assets. Thus, the change in net position differs from the change in fund balance by the cost of the asset sold.		-
Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the Statement of Activities when earned. This is the net change in revenue unavailable for use.		49,080
Governmental funds report long-term debt proceeds as current financial resources. In contrast, the Statement of Activities treats such issuance of debt as a liability. Governmental funds report repayment of long-term debt principal as an expenditure. In contrast, the Statement of Activities treats such repayments as a reduction in long-term liabilities. This is the amount by which repayments were exceeded by proceeds.		40,000
Some expenses reported in the Statement of Activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:		
Net change in pension expense not reflected on governmental funds.		(16,486)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:		
The change in accrued interest not reflected on governmental funds.		133
Bond premium amortization		10,945
Change in net position of governmental activities:	$	818,989

The notes to the financial statements are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

SHELLEY-FIRTH FIRE PROTECTION DISTRICT - STATE OF IDAHO
INDEX TO NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended September 30, 2024

NOTES INDEX

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SHELLEY-FIRTH FIRE PROTECTION DISTRICT - STATE OF IDAHO
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended September 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Shelley-Firth Fire Protection District is organized and operates under the provisions of the Idaho Constitution and the accounting policies and practices of the District conform to accounting principles generally accepted in the United States of America as applied to governments, except for the exceptions noted hereafter.

A. GENERAL

The financial statements listed in the table of contents have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The District's basic financial statements consist of government-wide financial statements, including the Statement of Net Position and the Statement of Activities, and fund financial statements which provide a more detailed level of financial reporting.

B. REPORTING ENTITY

The scope of the reporting entity is intended to cover those funds under the direct jurisdiction of the fire district. Other governing boards, elected or appointed, that exercise substantial or total administrative and supervisory authority in their own name are considered to be substantially autonomous from the Shelley-Firth Fire Protection District government and are not included in this report.

C. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The District's financial statements consist of both government-wide and fund financial statements. The government-wide statements focus on the District as a whole, while the fund statements focus on the individual funds.

Government-wide Financial Statements

The government-wide statements present information on all non-fiduciary activities of the government. The District's activities are governmental in nature. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. The effects of interfund activity have been eliminated from the government-wide statements.

The Statement of Net Position presents the District's non-fiduciary assets, deferred outflows, liabilities, and deferred inflows with the difference reported as net position. Net position is restricted when constraints placed upon it are either externally imposed or are imposed by constitutional provisions or enabling legislation.

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 within a specific function. The District does not allocate general government (indirect) expenses to other functions. 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; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other revenues not meeting the definition of program revenues are reported as general revenues.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements

The financial transactions of the District are recorded in individual funds. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is used to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. Separate statements are provided for governmental, proprietary, and fiduciary funds. For governmental and proprietary funds, the emphasis is on major funds, with each displayed in a separate column.

Governmental Fund Types

Governmental funds account for the District's general activities including current expendable financial resources and are those through which most governmental functions of the District are financed.

The District reports the following major governmental funds:

- **General Fund** - This fund is the principal operating fund of the District. It is used to account for all financial resources not required to be accounted for in another fund and is supported primarily through property taxes and intergovernmental revenues.

- **EMS Fund** - This fund accounts for the operation and maintenance of the emergency medical services and is primarily funded through intergovernmental revenues provided through Bingham County, Idaho.

- **Capital Projects Fund –** This fund is used to account for all activity related to capital project construction and acquisition.

- **Debt Service Fund** - This fund is used to account for the accumulation and expenditure of resources intended for the repayment of long-term debt principle, interest and other related costs.

Proprietary Fund Types – Enterprise Funds

Enterprise Funds account for operations that meet one of two criteria: 1) the activity runs in a manner similar to private business enterprises. Moreover, the intent of the governing body is that the ongoing operating costs (including depreciation) of providing goods or services to the public are financed or recovered primarily through user charges, or 2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The District does not have any proprietary funds.

Fiduciary Fund Types

Fiduciary Funds account for assets held in a trustee capacity or as an agent for individuals, private organizations, or other governments. The District does not have any fiduciary funds.

Private Purpose Trust Funds account for funds held in a trustee capacity. Custodial funds are primarily used to collect and remit funds for other governmental agencies. The District does not have any trust or custodial funds.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the related liability is incurred, regardless of the timing of the cash flows. Property taxes are recognized as revenues in the year for which they are levied. Other revenues are recognized in the year in which the related sales or other activity has occurred. Grants and similar items are recognized as revenue when all eligibility requirements have been met.

The proprietary and fiduciary fund statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues generally result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating items, such as interest expense and investment earnings, result from nonexchange transactions or ancillary activities.

The governmental fund financial statements are prepared and reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Expenditures are generally recorded when the related liability is incurred.

E. ASSETS, LIABILITIES, AND FUND BALANCES/NET POSITION

Following are the District's significant policies regarding recognition and reporting of certain assets, liabilities, and equity.

Cash and Investments

Cash and cash equivalents consist primarily of demand deposits with financial institutions and short-term investments with original maturities of three months or less from the purchase date. Investments include pooled investments and certificates of deposit with original maturities greater than three months.

Receivables

Receivables include accrued amounts for sales taxes and ambulance apportionments from Bingham County. Receivables from other governments are reasonably assured; accordingly, no allowance for uncollectible accounts has been established.

Taxes Receivable

Property taxes are levied in September of each year and become payable on December 20 and June 20 of the following year for real property taxes and December 20 for personal property taxes.

Property taxes attach as an enforceable lien as of December 20 following levy in September. Therefore, no amount has been set aside for an allowance for doubtful accounts. Property taxes not collected before December 1, 2024 are classified as revenue unavailable for use in the governmental fund statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

The District defines a capital asset as an asset with an initial cost of $5,000 or more for equipment, $50,000 or more for land and buildings and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at estimated aquisition value on the date of acquisition.

Capital assets purchased in governmental funds are recorded as expenditures in the governmental fund statements. Interest expense for the financing of capital asset construction related to governmental activities is not capitalized. Interest expense incurred during construction of capital assets related to business-type activities is capitalized. The costs 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.

Building, equipment, infrastructure, and other depreciable assets are depreciated using the straight-line method over estimated useful lives from 5 to 40 years.

Capital assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

Long-term Obligations

In the government-wide statements and proprietary fund statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Issuance costs are expensed in the year they are incurred. Bonds payable are reported net of the applicable bond premium or discount.

In the governmental fund financial statements, bond premiums, discounts, and issuance costs are recognized as expenditures in the current period. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. The face amount of debt issued is reported as other financing sources.

Net Position/Fund Balances

The difference between assets plus deferred outflows and liabilities plus deferred inflows is reported as net position on the government-wide and fund balance on the governmental fund statements.

Nonspendable and Spendable Fund Balances

Fund balance is separated into nonspendable and spendable fund balance. The following is a list of nonspendable and spendable fund balance designations for the Shelley-Firth Fire Protection District.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Nonspendable: This designation segregates fund balances that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.

Restricted: This designation segregates a portion of the fund balance when constraints have been placed on the use of the resources either externally by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Committed: This designation indicates a portion of the fund balance which can only be used for specific purposes pursuant to constraints imposed by formal action of the District's Board. It cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action it employed to previously commit it.

Assigned: This designation indicates a fund balance that can only be spent for purposes officially delegated by authority (such as the budget process) or is constrained by governmental intent, but is not restricted or committed.

Unassigned: This designation indicates a fund balance is not assigned to any specific purpose or is a negative fund balance. The District will use the positive unassigned fund balance for expenditures in the subsequent fiscal year.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District generally uses restricted fund balance first, then unrestricted.

F. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the Statement of Net Position and the fund-based Balance Sheet will sometimes report a separate section for deferred outflows of resources. This financial statement element represents a consumption of net position that applies to a future period, or periods, so it will not be recognized as an outflow of resources until that time. The District does not have any deferred outflows at this time.

The Statement of Net Position and the fund-based Balance Sheet will sometimes report a separate section for deferred inflows of resources in addition to liabilities. This financial statement element represents an acquisition of net position that applies to a future period, or periods, so it will not be recognized as an inflow of resources until that time. The District reports revenue unavailable for use as a deferred inflow on the governmental fund statements.

G. BUDGETS AND BUDGETARY ACCOUNTING

The Idaho Constitution and the Idaho Department of Revenue and Taxation prescribe the budget process and procedures for governmental subdivisions. The Shelley-Firth Fire Protection District has satisfied the basic requirements prescribed in the following particulars:

1) Formulation of subsequent year budget requirements by internal District officers and personnel.

2) Perusal of formulated budgets by the Commissioners and management.

3) Presentation of preliminary and final budget requirements in formal news media of the District.

4) Open hearings to permit taxpayer input before such budgets are formally adopted.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent control budgets following adoption are accomplished through a budget-expenditures control system with interim status accounting and reporting made available to officers and employees for management purposes. Budgets are adopted on a cash basis which is a basis of accounting other than generally accepted accounting principles (GAAP). The District does not maintain a formal encumbrance accounting system.

H. COMPENSATED ABSENCES AND POST-EMPLOYMENT BENEFITS
There were no compensated absences or post-employment benefits payable at September 30, 2024.

I. REVENUE RECOGNITION
Under the modified accrual basis of accounting, revenues are recognized in governmental funds when measurable and available. Revenues are considered to be available when they are collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. Shelley-Firth Fire Protection District considers property tax revenues to be available if they are collected within 60 days after year-end. All other revenues, including sales taxes, are considered to be available if they are collected within 30 days after year-end. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

In proprietary funds and government-wide statements, revenues are recognized when earned. Operating revenue consists of income derived from charges for services and other miscellaneous fees. All revenues not meeting this definition are reported as non-operating revenues.

J. EXPENDITURE/EXPENSE RECOGNITION
In governmental funds, expenditures are generally recorded when the related liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Capital asset acquisition and construction are reported as expenditures in the period in which they are acquired or the construction takes place.

In proprietary funds and government-wide statements, expenses are recorded when the related liability is incurred. Operating expenses for enterprise funds, if applicable, include the cost of services, administrative expenses, and depreciation on capital assets. All expenses not meeting this definition are reported as non-operating expenses.

When an expenditure or expense is incurred for purposes for which both restricted, committed, assigned and unassigned resources are available, the District generally uses restricted resources first, and then committed, assigned and unassigned resources.

K. INTERFUND ACTIVITY AND BALANCES
Government-wide Statements
In general, eliminations have been made to minimize the double-counting of internal activity. There were no interfund receivables or payables at September 30, 2024.

Governmental Fund Statements
Interfund transactions for goods and services provided and used are reported as revenues and expenditures/expenses in the funds involved. Cash transfers between funds of the District are reported as other financing sources and uses in the governmental fund statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. 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 these estimates.

2. CASH AND INVESTMENTS

Cash and cash equivalents are defined as those financial instruments that have a maturity date of three months or less from the date of acquisition.

Cash deposits and investments of the District as of September 30, 2024, totaled $2,890,415 of which $790,563 represented demand deposits and $2,099,852 represented investments in certificates of deposit. Of the total deposits, $2,890,415 were allocated to governmental funds, of that amount, $43,420 was restricted for capital construction and $89,364 was restricted for future debt service.

The deposits and simple investments by the District are not collateralized nor are they required to be by Idaho statute. The District follows the requirements of the Idaho Public Depository Law (Idaho Code Section, Title 57-100), and applicable investment rights and restrictions cited by the Idaho Code Section, Title 67, 67-210.

Deposits

At September 30, 2024, the carrying amount of the District's deposits in financial institutions was $2,890,415. The bank balance at year end was $2.898.947. At September 30, 2024, $2,398,947 of the demand deposits were not covered by the FDIC.

The District does not have a written policy addressing credit risk, custodial credit risk or interest risk.

3. CAPITAL ASSETS

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

	Balance 10-01-2023	Additions	Deletions	Balance 09-30-2024
Governmental Activities				
Capital assets, not being depreciated				
Land	$ 67,656	$ 500,839	$ -	$ 568,495
Equipment – build phase	-	263,560	-	263,560
Construction in Progress	30,598	12,308	-	42,906
Total capital assets, not being depreciated	98,254	776,707	-	874,961
Capital assets, being depreciated				
Buildings and improvements	1,909,393	-	-	1,909,393
Machinery and equipment	2,458,153	242,268	-	2,700,421
Buildings and improvements – leased	-	-	-	-
Machinery and equipment – leased	-	-	-	-
Total capital assets, being depreciated	4,367,546	242,268	-	4,609,814
Less accumulated depreciation for				
Buildings and improvements	(410,124)	(49,592)	-	(459,716)
Machinery and equipment	(1,607,600)	(161,581)	-	(1,769,181)
Total accumulated depreciation	(2,017,724)	(211,173)	-	(2,228,897)
Total capital assets, being depreciated, net	2,349,822	31,095	-	2,380,917
Governmental activity, capital assets, net	$ 2,448,076	$ 807,802	$ -	$ 3,255,878

Depreciation expense for 2023 was charged to current function of the primary government as follows:

Governmental activities	
Public safety	$ 211,173
Total governmental activities	$ 211,173

4. LITIGATION AND CONTINGENT LIABILITIES

No claims or lawsuits are pending against the District.

5. PENSION PLAN

Plan Description

The 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 of 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 police and firefighters. As of June 30, 2024, it was 6.71% for general employees and 9.83% for police and firefighters. The employer contribution rate of covered payroll is set by the Retirement Board and was 11.18% for general employees and 13.26% for police and firefighters. The District's contributions were $13,934 for the year ended June 30, 2024.

5. PENSION PLAN (continued)

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

At September 30, 2024, the 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. The District's proportion of the net pension liability was based on the 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, the District's fire and ambulance proportions were .00074212 and .00180109 percent respectively.

For the year ended September 30, 2024, the District recognized pension expense/(revenue) of $39,374. At September 30, 2024, the 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	$ 15,146	$ -
Changes in assumptions or other inputs	3,769	-
Net difference between projected and actual earnings on pension plan investments	(1,728)	-
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	33,988	-
District contributions subsequent to the measurement date	10,642	-
Total	$ 61,817	$ -

$10,642 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 4.4 and 4.4 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 expenses/(revenue) as follows:

Year ended June 30:	
2025	$ 4,695
2026	17,738
2027	(3,059)
2028	(2,186)

5. PENSION PLAN (continued)

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 (net of investment expenses)	6.35%
Net Cost-of-living adjustments	1.00%

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 Disable Tables, increased 38%
Disabled Members – Females Pub-2010 Disable 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 the 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.

5. PENSION PLAN (continued)

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	2024
Cash	0.00%
Fixed Income	30.00%
US/Global Equity	55.00%
International Equity	15.00%
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%, 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%) or 1-percentage-point higher (7.35%) 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)	$180,782	$95,132	$25,179

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.

5. PENSION PLAN (continued)

Payables to the pension plan

At September 30, 2024, the District reported payables to the defined benefit pension plan of $0 for legally required employer contributions and $0 for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

6. LONG-TERM DEBT

During the 2015 fiscal year, the District issued a bond for $1,700,000. In November of 2013 the voters of the District approved a bond in that amount. The District applied for and received an interim loan as they began construction on a new fire station during the 2014 fiscal year. The main construction on the new fire stations was completed during the 2015 fiscal year, the bond was sold and the interim loan was paid in full on December 17, 2014. The loan was refinanced in June 2021 with a new face value of $1,185,000 and an interest rate of 4%. The agreement also required a payment before the end of the 2021 physical year in the amount of $80,000. The refinancing included a net bond premium of $232,607 amortized over the remaining life of the bond.

During the 2024 fiscal year, the following changes occurred in long-term debt:

Governmental Activities	Balance 10-01-2023	Additions	Reductions	Balance 09-30-2024	Due within One year
Accrued interest	$ 3,404	$ -	$ (133)	$ 3,271	$ 3,271
Bond Payable	1,035,000	-	(40,000)	995,000	40,000
Net Pension Liability	54,821	40,311	-	95,132	-
Total	$ 1,093,225	$ 40,311	$ (40,133)	$ 1,093,403	$ 43,271

6. LONG-TERM DEBT (Continued)

Debt Service Requirements:

Debt service requirements on long-term debt at September 30, 2024 are as follows:

	Bond payable 4.0%	
	Principal	Interest
2025	40,000	39,800
2026	40,000	38,200
2027	40,000	36,600
2028	45,000	35,000
2029	45,000	33,200
2030 – 2034	255,000	137,600
2035 – 2039	310,000	81,800
2040 – 2042	220,000	17,800
Total	$ 995,000	$ 420,000

Debt service for governmental fund types is budgeted and expended from the debt service fund. Total interest incurred and expensed in the government-wide statements was $30,603 and $41,681 in the fund-based statements.

7. RELATED PARTY TRANSACTIONS

The District has not been directly involved in related party transactions that would violate the Idaho Code or Federal Regulations.

8. MATERIAL VIOLATION OF FINANCE-RELATED LEGAL AND CONTRACTUAL PROVISIONS

There are no known violations of direct finance-related legal and contractual provisions.

9. RISK MANAGEMENT

The District is exposed to various risks related to torts: theft of, damage to, and destruction of assets, errors and omissions, and natural disasters. The District's risk management program encompasses various means of protecting the District against loss by obtaining property, casualty, and liability coverage through commercial insurance carriers.

10. DEFICITS OF FUND BALANCES

There were no deficit fund balances as of September 30, 2024.

11. INTERFUND TRANSFERS

Transfers are used to transfer unrestricted revenues collected in the various funds to finance programs accounted for in other funds in accordance with budgetary authorizations. There were no interfund transfers for the 2024 fiscal year.

12. SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the balance sheet date but before the financial statements are available to be issued. The District recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the balance sheet, including the estimates inherent in the process of preparing the financial statements.

Subsequent events were evaluated up to May 1, 2025, the date the financial statements were available to be issued.

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REQUIRED SUPPLEMENTARY INFORMATION

SHELLEY-FIRTH FIRE PROTECTION DISTRICT - STATE OF IDAHO
BUDGET AND ACTUAL (WITH BUDGET TO GAAP DIFFERENCES)
GENERAL FUND
For the Year Ended September 30, 2024

	BUDGETED AMOUNTS		BUDGETARY
	ORIGINAL	FINAL	BASIS
REVENUES			
Taxes	$ 445,684	$ 445,684	$ 491,573
Licenses and permits	-	-	-
Intergovernmental revenues	-	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Investment interest	5,000	5,000	46,500
Miscellaneous and contributions	999	999	531
TOTAL REVENUES	451,683	451,683	538,604
EXPENDITURES			
Current:			
General government	-	-	-
Public safety	10,324,241	10,324,241	566,154
Public works	-	-	-
Health and sanitation	-	-	-
Conservation/economic development	-	-	-
Education	-	-	-
Debt service:			
Principal	-	-	-
Interest and other charges	-	-	-
Capital outlay	127,442	127,442	129,421
TOTAL EXPENDITURES	10,451,683	10,451,683	695,575
Excess (deficiency) of revenues over expenditures	(10,000,000)	(10,000,000)	(156,971)
OTHER FINANCING SOURCES (USES)			
Proceeds from long-term debt	-	-	-
Other sources	-	-	-
Transfers in	-	-	-
Transfers out	-	-	-
TOTAL OTHER FINANCING SOURCES AND USES	-	-	-
SPECIAL ITEM			
Extraordinary item (insurance recovery)	10,000,000	10,000,000	47,054
Net change in fund balances	-	-	(109,917)
Fund Balance, Oct. 1, 2023	2,393,226	2,393,226	2,393,226
FUND BALANCES, SEPT. 30, 2024	$ 2,393,226	$ 2,393,226	$ 2,283,309

	GAAP DIFFERENCES		GAAP BASIS
	$ 1,663	$	493,236
	-		-
	-		-
	-		-
	-		-
	-		46,500
	-		531
	1,663		540,267
	-		-
	(173,888)		392,266
	-		-
	-		-
	-		-
	-		-
	-		-
	-		-
	820,726		950,147
	646,838		1,342,413
	(645,175)		(802,146)
	-		-
	-		-
	-		-
	-		-
	-		-
	632,923		679,977
	(12,252)		(122,169)
	-		2,393,226
	$ (12,252)	$	2,271,057

SHELLEY-FIRTH FIRE PROTECTION DISTRICT - STATE OF IDAHO
BUDGET AND ACTUAL (WITH BUDGET TO GAAP DIFFERENCES)
DEBT SERVICE FUND
For the Year Ended September 30, 2024

	BUDGETED AMOUNTS		BUDGETARY
	ORIGINAL	FINAL	BASIS
REVENUES			
Taxes	$ 95,000	$ 95,000	$ 104,996
Licenses and permits	-	-	-
Intergovernmental revenues	-	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Investment interest	-	-	-
Miscellaneous and contributions	-	-	-
TOTAL REVENUES	95,000	95,000	104,996
EXPENDITURES			
Current:			
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and sanitation	-	-	-
Conservation/economic development	-	-	-
Education	-	-	-
Debt service:			
Principal	95,000	95,000	81,681
Interest and other charges	-	-	-
Capital outlay	-	-	-
TOTAL EXPENDITURES	95,000	95,000	81,681
Excess (deficiency) of revenues over expenditures	-	-	23,315
OTHER FINANCING SOURCES (USES)			
Proceeds from long-term debt	-	-	-
Transfers in	-	-	-
Transfers out	-	-	-
TOTAL OTHER FINANCING SOURCES AND USES	-	-	-
SPECIAL ITEM			
Proceeds from sale of capital assets	-	-	-
Net change in fund balances	-	-	23,315
Fund Balance, Oct. 1, 2023	66,510	66,510	66,510
FUND BALANCES, SEPT. 30, 2024	$ 66,510	$ 66,510	$ 89,825

	GAAP DIFFERENCES		GAAP BASIS
	$ (280)	$	104,716
	-		-
	-		-
	-		-
	-		-
	-		-
	-		-
	(280)		104,716
	-		-
	-		-
	-		-
	-		-
	-		-
	-		-
	(41,681)		40,000
	41,681		41,681
	-		-
	-		81,681
	(280)		23,035
	-		-
	-		-
	-		-
	-		-
	-		-
	(280)		23,035
	-		66,510
	$ (280)	$	89,545

SHELLEY-FIRTH FIRE PROTECTION DISTRICT – STATE OF IDAHO
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended September 30, 2024

1. The legally adopted budget for the Shelley-Firth Fire Protection District – State of Idaho is based on the modified cash basis of accounting. Adjustments to the modified accrual basis of accounting are listed as GAAP differences.

2. Debt payments are reclassified from general operating expense to show principal and interest portions of cash payments.

3. Higher operating expenses may be reflected on the GAAP basis if equipment was purchased at year-end with a partial payment budgeted in the current year and an account payable booked to reflect the final payment in the subsequent year's budget.

4. The District is not legally required to publish a budget for the EMS Fund or the Capital Projects Fund; therefore, budget to actual information has not been presented for these funds. The District did create and maintain a budget for the EMS Fund for the 2023-2024 fiscal year.

5. During the 2023-2024 fiscal year there were no budgetary violations.

SHELLEY-FIRTH FIRE PROTECTION DISTRICT - STATE OF IDAHO
SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY
PERSI - BASE PLAN
Last 10 Fiscal Years*

	PERSI BASE PLAN					
Fiscal Year	Employer's portion of net pension liability (Fire)	Employer's portion of net pension liability (Ambulance)	Employer's proportionate share of the net pension liability	Employer's covered employee payroll	Employer's proportional share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2022	0.0003736%	0.0002691%	$ 25,313	$ 24,648	102.70%	83.09%
2023	0.0006748%	0.0006989%	$ 54,821	$ 56,822	96.48%	83.83%
2024	0.0007421%	0.0018011%	$ 95,132	$ 126,937	74.94%	85.54%

*GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full trend is compiled, the County will present information for those years for which information is available.

Data reported is measured as of June 30.

SHELLEY-FIRTH FIRE PROTECTION DISTRICT - STATE OF IDAHO
SCHEDULE OF EMPLOYER CONTRIBUTIONS
PERSI - BASE PLAN
Last 10 Fiscal Years*

	PERSI BASE PLAN				
Fiscal Year	Statutorily Required Contribution	Contribution in Relation to the Statutorily Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution as a % of Covered Payroll
2022	$ 4,798	$ 4,798	$ -	$ 39,089	12.27%
2023	$ 6,889	$ 6,889	$ -	$ 55,527	12.41%
2024	$ 22,889	$ 22,889	$ -	$ 189,226	12.10%

*GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full trend is compiled, the County will present information for those years for which information is available.

Data reported is measured as of September 30.

SHELLEY-FIRTH FIRE PROTECTION DISTRICT – STATE OF IDAHO
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
PERSI – BASE PLAN
For the Year Ended September 30, 2024

Methods and Assumptions Used in Calculations of Actuarily Determined Contributions

The actuarially determined contribution rates in the employer's contributions are calculated as of June 30, 2024. The following actuarial methods and assumptions were used to determine contribution rates reported in that schedule.

	PERSI Base Plan
Valuation date	June 30, 2024
Actuarial cost method	Entry age normal
Amortization method	Level percentage of projected payroll open
Remaining amortization period	10.8 years
Asset valuation method	Fair Market value
Actuarial assumptions:	
Investment Rate of Return *	6.35%
Projected salary increases including inflation	3.05%
Postretirement benefit increase	1.00%
Implied price inflation rate	2.30%
Discount Rate – Actuarial Accrued Liability	6.35%

* net of investment expenses

OTHER SUPPLEMENTARY INFORMATION

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF BASIC FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

INDEPENDENT AUDITOR'S REPORT

The Honorable Board of Commissioners
Shelley-Firth Fire Protection District
Shelley, Idaho

We have audited, in accordance with 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 the Shelley-Firth Fire Protection District, State of Idaho, 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 1, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Shelley-Firth Fire Protection District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Shelley-Firth Fire Protection District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Shelley-Firth Fire Protection District's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. 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 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 over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Shelley-Firth 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*.

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Idaho Falls • Rexburg

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 result 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.

Searle Hart + Associates PLLC

Idaho Falls, Idaho
May 1, 2025