WOOD RIVER FIRE PROTECTION DISTRICT

Financial Statements

SEPTEMBER 30, 2024

WOOD RIVER FIRE PROTECTION DISTRICT

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INDEPENDENT AUDITORS' REPORT

To the Members of the
Wood River Fire Protection District

We have audited the accompanying financial statements of Wood River Fire Protection District (the District) as of and for the year ended September 30, 2024 and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the District as of September 30, 2024, and the changes in its financial position, and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental 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 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 opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material 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 opinion. 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules, schedule of employer's share of net pension liability, and schedule of employer contributions listed as required supplementary information in the table of contents 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 the 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 for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the 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 February 07, 2025, 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.

Mahlke Hunsaker & Co.

Mahlke Hunsaker & Company, pllc
Twin Falls, Idaho
February 07, 2025

FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Wood River Fire Protection District
Statements of Net Position
September 30, 2024

	2024
ASSETS	
Current Assets	
Cash and Cash Equivalents	$ 2,742,898
Property Taxes Receivable	38,322
Accounts Receivable, net	1,461
Prepaid Deposits	275,000
Total Current Assets	3,057,681
Noncurrent Assets	
Capital Assets:	
Equipment & Vehicles	3,196,816
Land, Buildings and Improvements	1,709,957
Total	4,906,773
Less Accumulated Depreciation	3,192,797
Total Capital Assets	1,713,976
Total Assets	4,771,657
DEFERRED OUTFLOWS OF RESOURCES	
Pension Obligations	297,868
Total Deferred Outflows of Resources	297,868
Total Assets and Deferred Outflows of Resources	$ 5,069,525
LIABILITIES	
Current Liabilities	
Accounts Payable	$ 29,674
Accrued Expense	-
Accrued Wages and Benefits	71,127
Compensated Absences	205,087
Total Current Liabilities	305,888
Long Term Liabilities	
Net Pension Liability	1,342,759
Total Long Term Liabilities	1,342,759
Total Liabilities	1,648,647
DEFERRED INFLOWS OF RESOURCES	
Employer Pension Assumption	-
Total Deferred Inflows of Resources	-
NET POSITION	
Net Investment in Capital Assets	1,713,976
Unrestricted	1,706,902
Total Net Position	3,420,878
Total Liabilities, Deferred Inflows of Resources and Net Position	$ 5,069,525

See Accompanying Notes to the Financial Statements.

WOOD RIVER FIRE PROTECTION DISTRICT
Statements of Activities
For the Year Ended September 30, 2024

Functions/Programs	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Net (Expenses) Revenue and Changes in Net Assets Governmental Activities
Primary Government:					
Governmental Activities:					
Public Protection:	$(3,166,286)	$ 1,642,022	$ -	$ 19,328	$ (1,504,936)
Total Governmental Activities	(3,166,286)	1,642,022	-	19,328	(1,504,936)
General Revenues					
Property Taxes					1,311,959
Interest					137,806
Miscellaneous					16,688
Intergovernmental Revenue					70,613
Total General Revenues					1,537,066
Change in Net Assets					32,130
Net Position - Beginning					3,388,748
Net Position - Ending					$ 3,420,878

See Accompanying Notes to the Financial Statements.

FUND FINANCIAL STATEMENTS

WOOD RIVER FIRE PROTECTION DISTRICT

Balance Sheets

Governmental Funds

September 30, 2024

		2024
ASSETS		
Cash and Cash Equivalents	$	2,742,898
Taxes Receivable		38,322
Accounts Receivable		1,461
Prepaid Deposits		275,000
Total Assets	$	3,057,681
LIABILITIES		
Accounts Payable	$	29,674
Accrued Expense		-
Accrued Wages and Benefits		71,127
Compensated Absences		205,087
Total Liabilities		305,888
FUND EQUITY		
Nonspendable Fund Balance		-
Restricted Fund Balance		-
Committed Fund Balance		-
Assigned Fund Balance		-
Unassigned Fund Balance		2,751,793
Total Fund Equity		2,751,793
Total Liabilities and Fund Equity	$	3,057,681

See Accompanying Notes to the Financial Statements.

WOOD RIVER FIRE PROTECTION DISTRICT
Reconciliation of the Governmental Funds Balance Sheet
to the Statements of Net Position
September 30, 2024

	2024
Total Fund Balances for Governmental Funds	$ 2,751,793
Capital assets are not financial resources in governmental funds, but are reported in the Statement of Net Position at their depreciable value. Those assets consist of Land, Buildings, Improvements, Equipment and Vehicles.	
Total Capital Assets, Net	1,713,976
Net pension liability and related pension obligation deferred outflow and employer pension assumption deferred inflow of resources are not due and payable in the current period and therefore are not reported in the funds.	(1,044,891)
Total Net Position of Governmental Activities	$ 3,420,878

See Accompanying Notes to the Financial Statements.

WOOD RIVER FIRE PROTECTION DISTRICT
Statements of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended September 30, 2024

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	2024
REVENUES	
Fire District Levy	$ 1,311,960
County Contract	1,562,610
Plan Reviews	70,223
Burn Permits	3,801
Services	5,388
Interest Earnings	137,806
Intergovernmental Revenue	70,613
Grants	19,328
Miscellaneous	16,688
Total Revenues	3,198,417
EXPENDITURES	
Contractual	64,139
Personnel	2,376,899
Operations	179,264
Administration	64,179
Divisions/Groups/Programs	105,420
Capital Expenditures	96,583
Total Expenditures	2,886,484
Excess (Deficit) of Revenue over Exp.	311,933
Transfers In (Out)	-
Fund Balance, Beginning of Year	2,439,860
Fund Balance, End of Year	$ 2,751,793

See Accompanying Notes to the Financial Statements.

WOOD RIVER FIRE PROTECTION DISTRICT
Reconciliation of the Statements of Revenues,
Expenditures and Changes in Fund Balances of Governmental Funds
to the Statements of Activities
For the Year Ended
September 30 2024

	2024
Net Changes in Fund Balances - Total Governmental Funds	$ 311,933
The amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statements of activities, the costs of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount capital outlays exceeded depreciation in the current period.	(102,752)
Changes in net pension liability and related pension obligations deferred outflow and employer pension assumption deferred inflow of resources do not provide required current financial resources and therefore are not reflected in the funds	(177,051)
Change in Net Position of Governmental Activities	$ 32,130

See Accompanying Notes to the Financial Statements.

NOTES TO FINANCIAL STATEMENTS

INTRODUCTION

Wood River Fire Protection District (the District) was formed in Blaine County, Idaho, in May 1974, as a result of an election to allow the District to provide fire protection services to a portion of the citizens of Blaine County. The ambulance portion of the District is contracted with Blaine County Ambulance District.

NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES

Reporting Entity

The accounting policies of the District conform to generally accepted accounting principles as promulgated in the various statements and interpretations issued by the Governmental Accounting Standards Board, and other authoritative pronouncements.

The District is the primary, special purpose government responsible for all fire protection within its service areas. As a result, all significant activities have been included in the government-wide financial statements. The District's financial statements represent those of a stand-alone government, as there are no component units.

Basis of Presentation

The County's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-wide and Fund Financial Statements

The government-wide financial statements report information on all of the governmental activities of the District. Eliminations have been made to minimize the double counting of internal activities. Governmental activities are financed primarily through property taxes, investment earnings, grants and contributions, and charges for services to other governments.

The Statement of Activities presents a comparison between direct expenses of the public safety program of the District and program revenues. Direct expenses are those that are specifically associated with the public safety function and, therefore, are clearly identifiable to that function. Program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Property taxes, investment earnings, insurance refunds, and other items that are not properly classified as program revenues, are presented as general revenues.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES - Continued

Measurement Focus, Basis of Accounting, and Financial Statement Presentation-continued
The 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 government considers revenues to be available if they are collected within 60 days of the end of the current fiscal 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. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Real and personal property taxes are levied during the first week of September and are payable in two installments. The first installment is due on December 20th and the second installment is due on June 20th of the following year. All property taxes are billed and collected by Blaine County and remitted to the District. In the governmental fund financial statements, property taxes are reflected as revenues in the fiscal period for which they were levied, provided they are due, or past due and receivable within the current period, and collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period (60 days). Otherwise, they are reported as deferred inflows of resources.

Intergovernmental revenues are recognized as revenues when all eligibility requirements are met. There are, however, essentially two types of intergovernmental revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the District; therefore, all eligibility requirements are determined to be met when the underlying expenditures are recorded. In the other, monies are virtually unrestricted as to the purpose of the expenditure and are usually revocable only for failing to comply with prescribed requirements; therefore, all eligibility requirements are determined to be met at the time of receipt or earlier if the susceptible to accrual criteria are met.

When both restricted and unrestricted resources are available for use, it is the policy of the District to use restricted resources first, then unrestricted resources as they are needed.

The District reports the following major governmental funds:

The General Fund is the primary operating fund of the District. It accounts for all financial resources of the District, except those required to be accounted for in another fund, either legally or by Board direction. The principal revenue sources are property taxes and County Contracts. Primary expenditures are for public safety.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES - Continued

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

Cash and Cash Equivalents
The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments
State statutes authorize the District to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds and repurchase agreements, and the Idaho State Treasurer Local Government Investment Pool.

The District is a voluntary participant in the State of Idaho Local Government Investment Pool (LPIG). The LPIG is regulated by State of Idaho Code under the oversight of the Treasurer of the State of Idaho. The fair value of the District's investments in the pool is reported in the accompanying financial statements at amounts based on the District's pro-rata share of the fair market value provided by the fund for the entire portfolio. The LGIP is not rated by a nationally recognized statistical rating organization.

Custodial Credit Risk
For deposits and investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its deposits, investments or collateral securities that are in the possession of an outside party. The District does not have a policy for custodial credit risk outside of the deposit and investment agreements. The District is allowed to invest in the State of Idaho Local Government Investment Pool. This is part of Joint Powers Investment Pool managed by the State of Idaho Treasurer's Office and are established as a cooperative endeavor to enable public entities of the State of Idaho to aggregate funds for investment. This pooling is intended to improve administrative efficiency and increase investment yield.

Credit Risk
Credit risk is the risk that an issuer of debt securities or another counterparty to an investment will not fulfill its obligation is commonly expressed in terms of the credit quality rating issued by a nationally recognized statistical rating organization such as Moody's, Standard & Poor's and Fitch's. The investments of the District are not rated and the District's policy does not restrict them to rated investments.

Receivables
All accounts and property tax receivables are shown net of any allowance for uncollectible accounts. Property taxes receivable for the governmental fund types, which have been remitted within 60 days subsequent to year end, are considered measurable and available and recognized as revenues.

Property taxes are levied during the first week of September and are payable in two installments on December 20th and June 20th of the following year. Blaine County bills and collects property taxes for the District. No allowance for uncollectible receivables is deemed necessary.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES – Continued

Federal and state grants and contracts are recorded as intergovernmental receivables and revenues when the related expenditures are incurred. The portion of reimbursement in excess of expenditures and amounts not remitted within 60 days subsequent to year end, are recorded as deferred inflows of resources.

All other revenues are recognized when earned.

Capital Assets
Tangible and/or intangible assets used in operations with an initial useful life that extends beyond one year are capitalized. Capital assets are recorded at their historical cost and are depreciated using the straight-line method of depreciation over their estimated useful lives. They are reported net of accumulated depreciation on the Statements of Net Assets.

Depreciation of buildings, improvements, equipment and vehicles is computed using the straight-line method over the following estimated useful lives:

Buildings and Improvements	15-50 years
Equipment and Vehicles	5-25 years

Compensated Absences
It is the policy of the District to permit employees to accumulate earned but unused paid time off. A liability is reported for paid time off that the District will pay upon termination or retirement. None of the liability for compensated absences is expected to be liquidated with expendable available financial resources. Accordingly, compensated absences are accrued as a liability only in the government-wide financial statements.

Long-Term Debt
In the government-wide financial statements, long-term debt is reported as a liability in the Statement of Net Position. In the fund financial statements, the face amount of the debt issued is reported as other financing sources.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes include a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has one item that qualifies for reporting in this category: the pension obligation reported on the statement of net position. The pension obligation results from changes in assumptions or other inputs in the actuarial calculation of the District's net pension liability.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category: the employer pension assumption. The employer pension assumption results from differences between expected and actual experience and the net difference between projected and actual earnings on pension plan investments derived from the actuarial calculation of the District's net pension liability.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES – Continued

Fund Balances

The District has implemented the provisions of GASB Statement No. 54, *Fund Balance Reporting and Government 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 nonspendable, restricted, committed, assigned, or unassigned.

Nonspendable Fund Balance - Includes amounts that cannot be spent because they are not in spendable form, or they are legally or contractually required to be maintained intact. This classification includes inventories, prepaid amounts, assets held for sale, and long-term receivables.

Fund Balances-Continued

Restricted Fund Balance – Constraints placed on the use of these resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or other governments; or are imposed by law (through constitutional provisions or enabling legislation.

Committed Fund Balance - Amounts that can only be used for specific purposes because of a formal action (resolution or ordinance) by the District's highest level of decision-making authority, the District Board of Directors.

Assigned Fund Balance – Amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. This intent can be expressed by the District Board of Directors.

Unassigned Fund Balance – This classification includes amounts that are available for any purpose. Positive amounts are reported only in the general fund.

Beginning fund balances for the District's governmental funds have been restated to reflect the above classifications.

The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES & PROCEDURES - Continued

Pensions

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

STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets and Budgetary Accounting

The following procedures are used in establishing the budgetary data reflected in the financial statements:

Prior to August, the District's Chief submits to the Board of Fire Commissioners a proposed operating budget of the District outlining the fiscal year commencing the following October 1st. The operating budget summary includes proposed expenditures and the means of financing them. The Fire Commissioners have final say in both approval and amendments to the fire-operating budget. Budgeted excess expenditures over revenues are covered by the existing current account balance.

NOTE 2 - CASH AND CASH EQUIVALENTS

The District's funds are deposited in bank accounts, covered by federal depository insurance, for checking and current needs. The balances of the District's funds are invested with the Idaho State Treasurer, Local Government Investment Pool. The funds of the Local Government Pool are invested in certificates of deposit, repurchase agreements, and U.S. Government Securities. The certificates of deposit are federally insured. The U.S. Government securities and the collateral for the repurchase agreements are held in trust by a safekeeping bank. For purposes of efficient cash flow management and the management of temporary investments, the District utilizes the Investment Pool for its cash. Balances of cash and investments at year end are as follows:

Cash on hand	$ 80
Cash Invested in FDIC Demand Deposits	105,626
Cash Invested in Local Government Pool	2,637,192
	$ 2,742,898

NOTES 3 - RECEIVABLES

The following is a summary of receivables on September 30, 2024:

	2024
Property Taxes Receivable	$ 38,322

NOTE 4 - CAPITAL ASSETS

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

	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets Not Being Depreciated				
Land	$ 308,969	$ -	$ -	$ 308,969
Construction in Progress	-	-		-
Total	308,969	-	-	308,969
Capital Assets Being Depreciated				
Equipment & Vehicles	3,158,557	38,259	-	3,196,816
Buildings & Improvements	1,342,664	58,324	-	1,400,988
Total	4,501,221	96,583	-	4,597,804
Less Accumulated Depreciation For:				
Equipment & Vehicles	(2,399,937)	(165,989)	-	(2,565,926)
Buildings & Improvements	(593,524)	(33,347)	-	(626,871)
Total	(2,993,461)	(199,336)	-	(3,192,797)
Capital Assets Being Depreciated, Net	1,406,295	(102,753)	-	1,405,007
Capital Assets, Net	$ 1,715,264	$ (102,753)	$ -	$ 1,713,976

NOTE 5 – LONG-TERM LIABILITIES

Changes in accrued compensated absences are as follows:

Beginning Balance	Increases	Decreases	Ending Balance
$ 185,881	$ 19,206		$ 205,087

NOTE 6 - PENSION PLANS

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 or 6%, whichever is less; however, any amount above the 1% minimum is subject to review by the Idaho Legislature.

Member and Employer Contributions

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

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 74% for public safety. As of June 30, 2024, it was 6.71% for general employees and 9.83% for public safety. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.18% general employees and 13.26% for police and firefighters. The District's contributions were $198,681 for the year ended June 30, 2024.

NOTE 6 – PENSION PLAN–Continued

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

On 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. On June 30, 2024, the District's proportion was 0.000362629 percent.

For the year ended September 30, 2024, the District recognized pension expense (revenue) of $177,050. On 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	$ 215,962	$ -
Changes in assumptions or other inputs	53,736	-
Net difference between projected and actual earnings on pension plan investments	(24,622)	-
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	2,459	-
The Districts contributions subsequent to the measurement date	50,333	-
Total	$ 297,868	$ -

$50,333 reported as deferred outflows of resources related to pensions resulting from the Districts 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 on July 1, 2023 the beginning of the measurement period ended June 30, 2023 is 4.6 and 4.6 for the measurement period June 30, 2024.

NOTE 6– PENSION PLAN–Continued

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

Year ended September 30	
2025	$ 68,793
2026	254,759
2027	(41,774)
2028	(34,243)

Actuarial Assumptions

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

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

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

Contributing Members, Service Retirement Members, and Beneficiaries

General Employees and All Beneficiaries – Male Pub – 2010 General Tables, increased 11%
General Employees and All Beneficiaries – Female Rub – 2010 General Tables, increased 21%
Teachers – Male Pub – 2010 Teacher Tables, increased 12%
Teachers – Female Pub – 2010 Teacher Tables, increased 21%
Fire & Police – Male Pub – 2010 Safety Tables, increased 21%
Fire & Police – Female Pub – 2010 Safety Tables, increase 26%
Disabled Members – Male Pub – 2010 Disabled Tables, increased 38%
Disabled Members – Female Pub – 2010 Disabled Tables, increase 36%

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

NOTE 6 – PENSION PLAN–Continued

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

Even though history provides a valuable perspective for setting the investment return assumption, the System relies primarily on an approach which builds upon the latest capital market assumptions. Specifically, the System uses consultants, investment managers and trustees to develop capital market assumptions in analyzing the System's asset allocation. The assumptions and the System's formal policy for asset allocation are shown below. The formal asset allocation policy is somewhat more conservative than the current allocation of System's assets.

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

	2024	
Asset Class	DB Plans	Sick Leave
Fixed Income	30.00%	50.00%
US/Global Equity	55.00%	39.30%
International Equity	15.00%	10.70%
Cash	0.00%	0.00%
Total	100.00%	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.

NOTE 6 – PENSION PLAN–Continued

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

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

	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
District's proportionate share of the net pension liability (asset)	$ 2,564,001	$ 1,342,759	$ 345,315

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.

NOTE 7 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets and errors and omissions. The District defends itself when claims arise through local law firms and its insurance company, if coverage is acknowledged. No claims for which the District may become liable are known or measurable at this time.

NOTE 8 - ENVIRONMENTAL ISSUES

The District owns a building to provide storage, repairs and maintenance on its vehicles and equipment and land for a future building site. These carry a responsibility for environmental issues, which if violated would be a liability to the District. There has been no environmental study of the District to determine the existence of any such liabilities.

NOTE 9 - LEASE OBLIGATIONS

The District leases its main facility, station #1, and land from the Blaine County Ambulance District for $20 per year. Station #2 is owned by the District and the land is leased from the City of Hailey for $1 per year.

NOTE 10 - BLAINE COUNTY AMBULANCE CONTRACT AND SERVICE FEES

Currently, the ambulance division of the District contracts annually with Blaine County Ambulance District to provide ambulance services to the citizens of Blaine County. The contract runs from October 1st to September 30th each year.

NOTE 11 – COMMITMENTS AND SUBSEQUENT EVENTS

The District has evaluated subsequent events through February 7, 2025, the date on which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

WOOD RIVER FIRE PROTECTION DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2024

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	Original Budget	Final Final	Actual	Variance Favorable (Unfavorable)
REVENUES				
Fire District Levy	$ 1,249,573	$ 1,249,573	$ 1,311,960	$ 62,387
County Contract	1,562,310	1,562,610	1,562,610	-
Plan Reviews	40,000	40,000	70,223	30,223
Burn Permits	4,000	4,000	3,801	(199)
Services	3,000	3,000	5,388	2,388
Interest Earnings	45,000	85,000	137,806	52,806
Intergovernmental Revenue	36,000	36,000	70,613	34,613
Grants	4,500	4,500	19,328	14,828
Miscellaneous	1,000	1,000	16,688	15,688
Total Revenues	2,945,383	2,985,683	3,198,417	212,734
EXPENDITURES				
Contractual	87,800	85,000	64,139	20,861
Personnel	2,394,652	2,422,788	2,376,899	45,889
Operations	132,483	200,533	179,264	21,269
Administration	84,800	89,800	64,179	25,621
Divisions/Groups/Programs	110,000	130,000	105,420	24,580
Capital Expenditures	-	-	96,583	(96,583)
Total Expenditures	2,809,735	2,928,121	2,886,484	41,637
Excess (Deficit) of Revenue over Exp.	135,648	57,562	311,933	254,371
Transfers In (Out)	-	-	-	
Fund Balance, Beginning of Year	2,439,860	2,439,860	2,439,860	-
Fund Balance, End of Year	$ 2,575,508	$ 2,497,422	$ 2,751,793	$ 254,371

See Accompanying Notes to Required Supplementary Information.

Schedule of Employer's Share of Net Pension Liability
PERSI-Base Plan
Last 10-Fiscal Years*

	2024	2023	2022	2021	2020
District's portion of the net pension liability	.000362629	.000345737	.0003627801	.000328683	.000284066
District's proportionate share of the net pension liability (asset)	$ 1,342,759	$ 1,446,851	$ 1,428,903	$ (112,853)	$ 689,492
District's covered-employee payroll	$ 1,526,878	$ 1,433,420	$ 1,450,859	$ 1,155,456	$ 985,265
District's proportional share of the net pension liability as a percentage of its covered-employee payroll	87.94%	100.94%	98.49%	-9.77%	69.98%
Plan fiduciary net position as a percentage of the total pension liability	85.54%	83.83%	83.09%	100.36%	88.22%

	2019	2018	2017	2016	2015
District's portion of the net pension liability	.000311710	.0002892257	.000292243	.000315577	.000327179
District's proportionate share of the net pension liability	$ 363,870	$ 484,228	$ 527,682	$ 666,614	$ 445,511
District's covered-employee payroll	$ 1,029,656	$ 904,828	$ 883,146	$ 897,891	$ 891,825
District's proportional share of the net pension liability as a percentage of its covered-employee payroll	35.34%	53.52%	59.75%	74.24%	49.95%
Plan fiduciary net position as a percentage of the total pension liability	93.79%	91.69%	90.68%	87.26%	94.95%

Data reported is measured as of June 30 (measurement date)

Schedule of Employer Contributions
PERSI Base Plan
Last 10-Fiscal Years*

	2024	2023	2022	2021	2020
Statutorily required contribution	$ 206,099	$ 179,019	$ 168,659	$ 149,889	$ 127,426
Contribution in relation to the statutorily required contribution	206,099	179,019	168,659	149,889	127,426
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
District's covered -employee payroll	$ 1,546,046	$ 1,466,310	$ 1,396,683	$ 1,222,680	$ 1,039,588
Contributions as a percentage of covered-employee payroll	13.33%	12.21%	12.08%	12.26%	12.26%

	2019	2018	2017	2016	2015
Statutorily required contribution	$ 118,125	$ 110,180	$ 103,670	$ 104,265	$ 101,095
Contribution in relation to the statutorily required contribution	118,125	110,180	103,670	104,265	101,095
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
District's covered -employee payroll	$ 968,016	$ 946,189	$ 883,146	$ 897,891	$ 891,825
Contributions as a percentage of covered-employee payroll	12.20%	11.64%	11.74%	11.61%	11.34%

Data reported is measured as of September 30.

Wood River Fire Protection District
Notes to Required Supplementary Information
September 30, 2024

NOTE 1- BUDGETARY INFORMATION

Budgetary-GAAP Reporting Reconciliation

The accompanying Budgetary Comparison Schedules compare the legally adopted budget with actual data on a budgetary basis. Accounting principles applied for purposes of developing data on the budgetary basis do not differ significantly from those used to present financial statements in conformity with generally accepted accounting principles (GAAP).

Budgetary Policies

Wood River Fire Protection District prepares an annual budget of revenue and expenditures prior to the beginning of the fiscal year. The budget is prepared on the modified accrual basis of accounting. Budget figures are based on prior levels of revenue and expenditures taking into account specific items which may be planned in advance by the District such as capital outlay expenditures. Any excess of budgeted expenditures over budgeted revenues are temporary situations and are budgeted so as to utilize cash balances in the individual fund.

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 Members of the
Wood River Fire Protection District

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 Wood River Fire Protection District (the District), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated February 07, 2025.

Report on 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion 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. 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 or significant deficiencies may exist that were not identified.

Report on 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Sincerely,

Mahlke Hunsaker & Co.

MAHLKE HUNSAKER & CO., pllc
Twin Falls, Idaho
February 07, 2025