

# Teton County Fire Protection District

Financial Statements and Supplemental  
Information

Year Ended September 30, 2025

# Teton County Fire Protection District

Year Ended September 30, 2025

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## **Independent Auditor's Report**

Fire Chief and Commissioners  
Teton County Fire Protection District  
Driggs, Idaho

### ***Report on the Audit of the Financial Statements***

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities and the major fund of the Teton County Fire Protection District (the "District"), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Teton County Fire Protection District as of September 30, 2025, and respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP), 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 Teton County 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 Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

## ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that budgetary comparison information, schedule of employer's share of net pension liability and schedule of employer contributions as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the 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.

"Wipfli" is the brand name under which Wipfli LLP and Wipfli Advisory LLC and its respective subsidiary entities provide professional services. Wipfli LLP and Wipfli Advisory LLC (and its respective subsidiary entities) practice in an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable law, regulations, and professional standards. Wipfli LLP is a licensed independent CPA firm that provides attest services to its clients, and Wipfli Advisory LLC provides tax and business consulting services to its clients. Wipfli Advisory LLC and its subsidiary entities are not licensed CPA firms.

Teton County Fire Protection District has omitted a management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the 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 3, 2026 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 solely 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 effectiveness of Teton County Fire Protection District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Wipfli LLP". The signature is written in a cursive, flowing style.

Wipfli LLP

Idaho Falls, Idaho  
February 3, 2026

# Teton County Fire Protection District

## Statement of Net Position

September 30, 2025

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and investments	\$ 6,563,479
Receivables	
Property taxes	216,853
Intergovernmental	590,946
Ambulance	170,763
Other	181
Capital assets	
Nondepreciable assets	144,000
Depreciable assets, net	2,344,941
<b>Total capital assets</b>	<b>2,488,941</b>
<b>Total assets</b>	<b>10,031,163</b>
<b>Deferred Outflows of Resources</b>	
Related to pensions	446,077
<b>LIABILITIES</b>	
Current liabilities	
Accounts payable	98,377
Accrued salaries and benefits	66,820
Noncurrent liabilities	
Compensated absences	309,717
Pension plan payable	1,806,533
<b>Total liabilities</b>	<b>2,281,447</b>
<b>Deferred Inflows of Resources</b>	
Related to pensions	782,072
<b>NET POSITION</b>	
Net investment in capital assets	2,488,941
Unrestricted	4,924,780
<b>Total net position</b>	<b>\$ 7,413,721</b>

The accompanying notes are an integral part of this statement.

# Teton County Fire Protection District

## Statement of Activities

For the Year Ended September 30, 2025

Functions / Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Public safety - fire protection	\$ 5,540,010	\$ 990,222	\$ 204,596	\$ -	\$ (4,345,192)
Total governmental activities	5,540,010	990,222	204,596	-	(4,345,192)
Total primary government	\$ 5,540,010	\$ 990,222	\$ 204,596	\$ -	\$ (4,345,192)
<b>General revenues</b>					
Property taxes					4,137,949
Sales tax					236,097
Impact fees					703,080
Other revenue					376,937
Earnings on investments					249,662
Total general revenues					5,703,725
Change in net position					1,358,533
Net position - beginning					6,055,188
Net position - ending					\$ 7,413,721

The accompanying notes are an integral part of this statement.

# Teton County Fire Protection District

## Balance Sheet - Governmental Fund

September 30, 2025

	<b>General</b>
<b>ASSETS</b>	
Cash and investments	\$ 6,563,479
Receivables, net	
Property taxes	216,853
Intergovernmental	590,946
Ambulance	170,763
Other	181
Prepaid expenses	
<b>Total assets</b>	<b>\$ 7,542,222</b>
<b>LIABILITIES</b>	
Accounts payable	\$ 98,377
Accrued salaries and benefits	66,820
<b>Total liabilities</b>	<b>165,197</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Unavailable revenue	181,728
<b>FUND BALANCE</b>	
Unassigned	7,195,297
<b>Total fund balance</b>	<b>7,195,297</b>
<b>Total liabilities, deferred inflows of resources, and fund balance</b>	<b>\$ 7,542,222</b>

The accompanying notes are an integral part of this statement.

# Teton County Fire Protection District

## Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position

*September 30, 2025*

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Total fund balance - governmental fund \$ 7,195,297

Amounts reported for governmental activities in the statement of net position are different due to the following items:

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. 2,488,941

Property taxes receivable will be collected but are not available soon enough to pay for the current period's expenditures, and therefore are shown as unavailable in the funds. 181,728

The net pension liability (asset) and the deferred outflows of resources and deferred inflows of resources related to pensions are only reported in the statement of net position: net pension liability is \$1,806,533, deferred inflows of resources related to pensions is \$782,072 and deferred outflows of resources related to pensions is \$446,077. (2,142,528)

Long-term liabilities, including compensated absences, are not due and payable in the current period and therefore are not reported as liabilities in the fund financial statements.

Long-term liabilities at year end consisted of:  
 Compensated absences (309,717)

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Total net position - governmental activities \$ 7,413,721

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The accompanying notes are an integral part of this statement.

# Teton County Fire Protection District

## Statement of Revenues, Expenditures, and Changes in Fund Balance

### Governmental Fund

For the Year Ended September 30, 2025

	General
<b>REVENUES</b>	
Property taxes	\$ 4,018,979
Sales tax	236,097
Grants and donations	204,596
Charges for services	990,222
Impact Fees	703,080
Earnings on investments	249,662
Wildfire response revenue	374,142
Miscellaneous revenue	2,795
Total revenues	6,779,573
<b>EXPENDITURES</b>	
Public Safety - Fire Protection	
Salaries	2,975,749
Taxes and benefits	1,337,427
Operating expenses	485,651
Grant expenses	204,599
Capital improvement	1,135,191
Total expenditures	6,138,617
Revenues over (under) expenditures	640,956
Fund balance at October 1, 2024	6,554,341
Fund balance at September 30, 2025	\$ 7,195,297

The accompanying notes are an integral part of this statement.

# Teton County Fire Protection District

## Reconciliation of the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities

*For the Year Ended September 30, 2025*

Total net change in fund balance - governmental fund	\$ 640,956
<p>Amounts reported for governmental activities in the statement of activities are different due to the following:</p>	
<p>Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. The remaining book value when assets are disposed offsets any proceeds from the sale of assets in the statement of activities in the year of disposal. This is the amount by which capital outlays exceed depreciation expense and disposal of assets in the current period.</p>	900,885
<p>Because some property taxes will not be collected until after the District's fiscal year ends, they are not considered "available" revenues in the governmental funds. Unavailable tax revenues increased by this amount this year.</p>	118,970
<p>In the statement of activities, certain operating expenses - compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used. This year vacation leave earned exceeded vacation leave used by this amount.</p>	(82,130)
<p>The pension benefits are reported in the governmental funds when paid but in the statement of activities when earned. The change in the pension liability (asset) is (\$705,686). The change in deferred outflows of resources related to pensions is \$143,762. The change in deferred inflows of resources related to pensions is \$782,072.</p>	(220,148)
Total change in net position - governmental activities	\$ 1,358,533

The accompanying notes are an integral part of this statement.

**Teton County Fire Protection District**  
**Statement of Fiduciary Net Position**  
**Custodial Fund**

September 30, 2025

<b>ASSETS</b>	
Cash and investments	\$ 11,496
<b>Total assets</b>	<b>\$ 11,496</b>
<b>Net Position</b>	
Unrestricted	\$ 11,496
<b>Total net position</b>	<b>\$ 11,496</b>

**Teton County Fire Protection District**  
**Statement of Changes in Fiduciary Net Position**  
**Custodial Fund**

For the Year Ended September 30, 2025

<b>ADDITIONS</b>	
Investment earnings	\$ 51
<b>Total additions</b>	<b>51</b>
<b>DEDUCTIONS</b>	
Relief payout	0
<b>Total deductions</b>	<b>0</b>
<b>Net change in fiduciary net position</b>	<b>51</b>
Net position - beginning	11,445
<b>Net position - ending</b>	<b>\$ 11,496</b>

The accompanying notes are an integral part of this statement.

# Teton County Fire Protection District

## Notes to Financial Statements

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### Note 1: Summary of Significant Accounting Policies

#### Introduction

The financial statements of the Teton County Fire Protection District (the “District”) have been prepared in accordance with accounting principles generally accepted in the United States (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the District are described below:

#### Reporting Entity

The District is governed by three Fire Commissioners from each of the districts it supports. They are charged with providing for the health, welfare and general safety of the people of Teton County. The Commissioners are responsible for approving the budget, establishing spending limitations, funding and deficits and borrowing funds and/or issuing bonds to finance construction.

There are no other boards, councils, or component units for which the District exercises authority.

#### Basis of Presentation

##### Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) display information about the reporting government as a whole. These statements include all nonfiduciary activities of the District. Governmental activities, which are normally supported by taxes, intergovernmental revenues, and other non-exchange transactions are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

While separate government-wide and fund financial statements are presented, they are interrelated.

The statement of net position presents the financial condition of the governmental activities of the District at year-end. The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients for goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

The statement of net position presents the reporting entity’s assets and liabilities, with the difference reported as net position (net investment in capital assets; restricted net position; or unrestricted net position). Net investment in capital assets consists of capital assets, net of accumulated depreciation, and reduced by outstanding debt. Restricted net position results when constraints placed on net position use are imposed by third parties through constitutional provisions or enabling legislation.

# Teton County Fire Protection District

## Notes to Financial Statements

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### Note 1: Summary of Significant Accounting Policies (Continued)

#### Basis of Presentation (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. 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 items not included among program revenues are reported as general revenues.

The District applies restricted resources first when an expense is incurred for a purpose for which both restricted and unrestricted net position are available. Depreciation expense that can be specifically identified by function is included in the direct expenses of each function.

#### Fund Financial Statements

The fund statements provide information about the District's funds. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as other governmental funds.

#### Governmental Fund Types

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses, and balance of current financial resources. The District reports the following major governmental fund:

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

In addition, the District reports the following fund type:

**Custodial Fund** - a fiduciary fund to account for assets held on behalf of the firemen of the District.

#### Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

# Teton County Fire Protection District

## Notes to Financial Statements

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### **Note 1: Summary of Significant Accounting Policies** (Continued)

#### **Measurement Focus and Basis of Accounting** (Continued)

The governmental fund financial statement is reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available (susceptible to accrual). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers all imposed nonexchange revenues reported in the governmental funds to be available if the revenues are collected within 60 days after the end of the current fiscal year.

Expenditures are recognized when the related fund liability is incurred, except for claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds.

Amounts reported as 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. Internally dedicated resources are reported as general revenue rather than as program revenues. Likewise, general revenues include all taxes.

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

#### **Budgetary Control**

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the General Fund. All annual appropriations lapse at fiscal year end. The Commissioners submit the budget to a public hearing prior to adoption of the budget. Prior to October 1, the budget is enacted through passage of an appropriation ordinance. The budget includes the General Fund. The level of control (level at which expenditures should not exceed budget) is the fund. The legal level of control is the appropriation ordinance.

Encumbrances represent commitments related to unperformed contracts for goods or services. As outlined on the face of the statement of net position and the statement of governmental funds balance sheet, the District sets aside funds according to their policies and needs.

The General Fund statements of revenues, expenditures, and changes in fund balance present a comparison of budgetary data to actual results. These reports utilize the same basis of accounting for both budgetary purposes and actual results.

#### **Cash and Investments**

The District considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The District considers deposits with financial institutions, including nonnegotiable certificates of deposit, to be nonparticipating contracts reported at cost.

# Teton County Fire Protection District

## Notes to Financial Statements

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### Note 1: Summary of Significant Accounting Policies (Continued)

#### Cash and Investments (Continued)

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices.

#### Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. A three-tier hierarchy prioritizes the inputs used in measuring fair value. These tiers include:

Level 1, defined as observable inputs such as quoted market prices in active markets;

Level 2, defined as inputs other than quoted market prices in active markets that are either directly or indirectly observable; and

Level 3, defined as unobservable inputs in which little or no market data exists, therefore, requiring an entity to develop its own assumptions.

The asset's or liability's fair value measurement within the hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

#### Receivables

Property taxes are recognized as revenue in the period for which the taxes are levied. The tax levy is used to finance operations of the District's fiscal year ended September 30, 2025. All property taxes are considered due as of the second Monday in January and are levied on the second Monday in September. Taxes are payable in two installments on December 20 and June 20 of the following year. All taxes collected within 60 days of September 30, 2025 are considered available to pay current liabilities. Amounts not collected are deferred and recognized when they become available to the District.

Receivables related to ambulatory services are recognized as incurred but are subject to insurance adjustment and other factors. These discounts have been applied to the balance shown in the financial statements.

#### Capital Assets

Purchased or constructed capital assets, including property, plant, equipment, and infrastructure (roads, bridges, and similar items), are reported at cost or estimated historical cost in the government-wide financial statements. The District defines capital assets as assets with an initial cost of more than \$1,000 and an estimated life in excess of one year.

Additions or improvements that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset are capitalized. Expenditures for equipment, vehicles, real property acquisitions, improvements, and infrastructure are recorded as capital outlay. Donated assets are recorded at their acquisition value at the date of donation. Maintenance and repairs of a routine nature are charged to expenses/expenditures as incurred and are not capitalized.

# Teton County Fire Protection District

## Notes to Financial Statements

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### Note 1: Summary of Significant Accounting Policies (Continued)

#### Capital Assets (Continued)

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Computers and Office Equipment	5 years
Vehicles	5 years
Equipment	7 - 10 years
Buildings	39 years

Capital assets not being depreciated include land and construction in progress (as applicable).

#### Compensated Absences

All vacation is accrued when incurred in the government-wide statements, with vacation accruals being payable within one year. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

The current portion of compensated absences has not been separately stated due to the indeterminable nature of the liability.

#### Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report 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 and it occurs on the government-wide statement of net position. The District reports deferred outflows of resources related to pensions for its proportionate shares of collective deferred outflows of resources related to pensions and District contributions to pension plans subsequent to the measurement date of the collective net pension liability (asset).

In addition to liabilities, the statement of net position and governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has two types of items, one which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and reimbursement contracts for land protection services. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available. The District also reports deferred inflows of resources for its proportionate share of the collective deferred inflows of resources related to pensions in the government-wide statement of net position.

# Teton County Fire Protection District

## Notes to Financial Statements

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### Note 1: Summary of Significant Accounting Policies (Continued)

#### 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 balance of any long-term debt used to build or acquire the capital assets. Net position is reported as restricted when there are limitations imposed on its use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

When both restricted and unrestricted resources are available for use, it is the District's policy to use externally restricted resources first.

#### Fund Balances

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

*Restricted fund balance:* This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

*Committed fund balance:* These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the Commissioners – the District's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the Commissioners remove the specified use by taking the same type of action that imposed the original commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

*Assigned fund balance:* This classification reflects the amounts constrained by the District's "intent" to be used for specific purposes, but the amounts are neither restricted nor committed. The Commissioners have the authority to assign amounts to be used for specific purposes.

*Unassigned fund balance:* This fund balance is the residual classification for the General Fund.

When both restricted and unrestricted resources are available for use, it is the District's policy to use externally restricted resources first, then unrestricted resources – committed, assigned, and unassigned – in order as needed.

# Teton County Fire Protection District

## Notes to Financial Statements

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### **Note 1: Summary of Significant Accounting Policies (Continued)**

#### **Pension Plan**

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.

#### **Risk Management**

The District is exposed to a considerable number of risks of loss, including: (a) damage to and loss of property and contents; (b) employee torts; (c) professional liability, i.e. errors and omissions; (d) environmental damage; (e) workers' compensation, i.e. employee injuries; and (f) medical insurance costs of employees. Commercial policies transferring the risks of loss, except for relatively small deductible amounts, are purchased for property and content damage, employee torts, and professional liabilities. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

#### **Use of Estimates**

The preparation of financial statements in accordance with accounting principles generally accepted in the United States 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 expenditures during the reporting period. Actual results could differ from those estimates.

#### **Adoption of GASB Pronouncements**

During the fiscal year ended September 30, 2025, the City implemented the following GASB Pronouncements:

GASB Statement No. 101, Compensated Absences: Issued June 2022, the objective of this statement is to update the recognition and measurement guidance for compensated absences to better meet the information needs of financial statement users. This statement is effective for the fiscal years beginning after December 15, 2023. The District adopted this standard during the reporting period and has determined that there is no significant current impact of this statement.

GASB Statement No. 102, Certain Risk Disclosures: Issued December 2023, the objective of this statement is to provide financial statement users with essential information about risks related to government's vulnerabilities due to certain concentrations or constraints. This statement is effective for the fiscal years beginning after June 15, 2024. The District adopted this standard during the reporting period and has determined that there is no current impact of this statement.

# Teton County Fire Protection District

## Notes to Financial Statements

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### Note 1: Summary of Significant Accounting Policies (Continued)

The following GASB pronouncements have been issued, but are effective in the future:

GASB Statement No. 103, Financial Reporting Model Improvements: Issued April 2024, the objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. This statement is effective for the fiscal years beginning after June 15, 2025. The District has yet to evaluate the impact of this statement.

GASB Statement No. 104, Disclosure of Certain Capital Assets: Issued September 2024, the requirements of this Statement will improve financial reporting by providing users of financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. Additionally, the disclosure requirements will improve consistency and comparability between governments. This statement is effective for the fiscal years beginning after June 15, 2025. The District has yet to evaluate the impact of this statement.

GASB Statement No. 105, Subsequent Events: Issued December 2025, the objective of this Statement is to improve the financial reporting requirements for subsequent events, thereby enhancing consistency in their application and better meeting the information needs of financial statement users. This statement is effective for the fiscal years beginning after June 15, 2026. The District has yet to evaluate the impact of this statement.

#### Subsequent Events

The District has evaluated subsequent events through February 3, 2026, which is the date the financial statements were available to be issued. There were no subsequent-type events identified by the District required to be disclosed.

### Note 2: Cash and Investments

#### Deposits with Financial Institutions

*Custodial credit risk-deposits.* In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. As of September 30, 2025, the District's bank balance was \$805,382 and fully covered by FDIC. The cash balance adjusted for outstanding transactions was \$850,840.

#### Investments

The Charles Schwab investments measured or disclosed at fair value fall within Level 2 of the fair value hierarchy. The District also invests in the Local Government Investment Pool (LGIP) through the Idaho State Treasurer. All funds are invested by the Idaho State Treasurer's office in accordance with Sections 67-1210 and 67-1210A of the Idaho Code. All investments for the LGIP are collateralized with securities held by the LGIP's safekeeping agent in the LGIP's name and fall within Level 2 of the fair value hierarchy. The investments held by the LGIP are carried at cost, which is not materially different than fair value (determined by the Idaho State Treasurer's office). The investments are subject to risk from market and interest rate fluctuations. The District has included this in cash.

# Teton County Fire Protection District

## Notes to Financial Statements

### Note 2: Cash and Investments (Continued)

As of September 30, 2025, the District had the following investments:

	Cost Basis	Fair Value
LGIP	\$ 3,647,820	\$ 3,647,820
Charles Schwab	\$ 0	-
U.S. Treasuries	\$ 1,890,000	\$ 1,836,797
U.S. Government Agencies	\$ 228,000	\$ 228,022
<b>Total investments</b>	<b>\$ 5,765,820</b>	<b>\$ 5,712,639</b>

*Interest rate risk.* Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District has no specific policy on the interest rate risk at year-end.

*Concentration of credit risk.* The District's investments are limited to the safest types of securities and to diversify the District's investment portfolio so that potential losses on securities will be minimized.

*Custodial credit risk-investments.* For an investment, this 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 investments or collateral securities that are in the possession of an outside party.

*Foreign Currency Risk.* The District has no foreign currency risk for investments at year end.

*Credit risk.* Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below are the actual rating as of year-end for each investment type.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity:

Investment Type	Remaining Maturity (in Years)			Total	Rating
	12 Months or Less	1-5 Years	5-10 Years		
LGIP	\$ 3,647,820	\$ -	\$ -	\$ 3,647,820	N/A
U.S. Treasuries	723,907	1,112,890	-	1,836,797	N/A
U.S. Government Agencies	-	228,022	-	228,022	N/A
<b>Total Investments</b>	<b>\$ 4,371,727</b>	<b>\$ 1,340,912</b>	<b>\$ -</b>	<b>\$ 5,712,639</b>	

# Teton County Fire Protection District

## Notes to Financial Statements

### Note 3: Capital Assets

Capital asset balances and activity for the year ended September 30, 2025, were as follows:

<b>Governmental Activities:</b>	<b>Balance 09/30/24</b>	<b>Increases</b>	<b>Decreases and Transfers</b>	<b>Balance 09/30/25</b>
Capital assets, not being depreciated:				
Land	\$ 144,000	\$ -	\$ -	\$ 144,000
Total capital assets, not being depreciated	144,000	-	-	144,000
Capital assets, being depreciated:				
Buildings and improvements	1,412,290	-	-	1,412,290
Equipment and vehicles	4,228,394	1,135,191	-	5,363,585
Total capital assets, being depreciated	5,640,684	1,135,191	-	6,775,875
Accumulated depreciation:				
Buildings and improvements	(562,556)	(30,032)	-	(592,588)
Equipment and vehicles	(3,634,072)	(204,274)	-	(3,838,346)
Total accumulated depreciation	(4,196,628)	(234,306)	-	(4,430,934)
Total capital assets, being depreciated, net	1,444,056	900,885	-	2,344,941
Governmental activities capital assets, net	\$ 1,588,056	\$ 900,885	\$ -	\$ 2,488,941

Depreciation expense is charged against the Public safety - fire protection function.

### Note 4: 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](http://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.

# Teton County Fire Protection District

## Notes to Financial Statements

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### **Note 4: Pension Plan** (Continued)

#### *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 police and firefighters. As of June 30, 2025, it was 7.18% for general purpose employees, and 10.36% for police and firefighters. The employer contribution rate is set by the Retirement Board and was 11.96% for general employees and 13.98% for police and firefighters. The District's contributions were \$461,833 for the year ended September 30, 2025.

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

At September 30, 2025, the District reported a liability for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2025, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability (asset) 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, 2025, the District's proportion was .07470683 percent.

# Teton County Fire Protection District

## Notes to Financial Statements

### Note 4: Pension Plan (Continued)

For the year ended September 30, 2025, the District recognized pension expense of \$417,949. At September 30, 2025, 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	\$ 340,430	\$ (464,398)
Changes in assumptions or other inputs	-	(317,674)
Changes in the employer's proportion and differences between the employer's contribution and employer's proportionate contributions	105,647	-
<b>Total</b>	<b>\$ 446,077</b>	<b>\$ (782,072)</b>

\$105,647 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 (asset) in the year ending September 30, 2025.

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, 2025, the beginning of the measurement period ended June 30, 2024, is 4.6 years and 4.4 for the measurement period June 30, 2025.

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

#### *Year Ended September 30,*

2026	\$ 308,973
2027	\$ (301,926)
2028	\$ (276,298)
2029	\$ (172,391)

#### *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 July 1, 2025, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.4%
Salary increases	3.15%
Investment rate of return	6.55%, net of investment expenses
Cost-of-living adjustments	1%

# Teton County Fire Protection District

## Notes to Financial Statements

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### Note 4: Pension Plan (Continued)

#### Contributing Members, Service Retirement Members, and Beneficiaries

General Employees and All Beneficiaries - Males Pub-2010 General Tables, increased 11%.  
 General Employees and All Beneficiaries - Females Pub-2010 General Tables, increased 21%.  
 Teachers - Males Pub-2010 Teacher Tables, increased 12%.  
 Teachers - Females Pub-2010 Teacher Tables, increased 21%.  
 Fire & Police - Males Pub-2010 Safety Tables, increased 21%.  
 Fire & Police - Females Pub-2010 Safety Tables, increased 26%.  
 Disabled Members - Males Pub-2010 Disabled Tables, increased 38%.  
 Disabled Members - Females Pub-2010 Disabled Tables, increased 36%.

An experience study was performed for the period July 1, 2015, through June 30, 2020, which reviewed all economic and demographic assumptions other than mortality. The Total Pension Liability (Asset) as of June 30, 2025, is based on the results of an actuarial valuation date of July 1, 2025.

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 rates or 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 2025.

<b>Asset class</b>	<b>DB Plans</b>	<b>Sick Leave</b>
Fixed Income	30.00 %	50.00 %
US/Gloabl Equity	55.00 %	39.30 %
International Equity	15.00 %	10.70 %
Total	100.00 %	100.00 %

#### Discount Rate

The discount rate used to measure the total pension liability (asset) was 6.55%. 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 period of projected benefit payments to determine the total

# Teton County Fire Protection District

## Notes to Financial Statements

### Note 4: Pension Plan (Continued)

pension liability (asset). 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 (asset) calculated using the discount rate of 6.55 percent, as well as what the Employer's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.55 percent) or 1-percentage-point higher (7.55 percent) than the current rate:

	1% Decrease (5.55%)	(6.55%)	1% Increase (7.55%)
Employer's proportionate share of the net pension liability (asset)	\$ 4,346,527	\$ 1,806,533	\$ (268,529)

#### *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](http://www.persi.idaho.gov).

#### *Payables to the pension plan*

At September 30, 2025, the District reported payables to the defined benefit pension plan of \$0 for legally required employer contributions and \$6,687 for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

### Note 5: Long-Term Debt

The changes in long-term liabilities for the year ended September 30, 2025 are as follows:

	Balance 10/1/2024	Additions	Reductions	Balance 09/30/25	Amounts due Within One Year
Long-term debt					
Compensated absences	\$ 227,587	\$ 82,130	\$ -	\$ 309,717	\$ 309,717
Total	\$ 227,587	\$ 82,130	\$ -	\$ 309,717	\$ 309,717

## **Required Supplemental Information**

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# Teton County Fire Protection District

## Statement of Revenues, Expenditures, and Changes in Fund Balance

### -Budget to Actual-

### Governmental Fund

*For the Year Ended September 30, 2025*

	General		
	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>			
Property taxes	\$ 3,910,989	\$ 4,018,979	\$ 107,990
Sales tax	200,000	236,097	36,097
Grants and donations	160,000	204,596	44,596
Charges for services	902,000	990,222	88,222
Impact fees	350,000	703,080	353,080
Earnings on investments	60,000	249,662	189,662
Wildfire response revenue		374,142	374,142
Miscellaneous revenue		2,795	2,795
Total revenues	5,582,989	6,779,573	1,196,584
<b>EXPENDITURES</b>			
Public Safety - Fire Protection			
Salaries	2,940,543	2,975,749	(35,206)
Taxes and benefits	1,385,446	1,337,427	48,019
Operating expenses	563,000	485,651	77,349
Grant expenses	160,000	204,599	(44,599)
Capital improvement	534,000	1,135,191	(601,191)
Total expenditures	5,582,989	6,138,617	(555,628)
Revenues over (under) expenditures	<u>\$ (0)</u>	640,956	<u>\$ 640,956</u>
Fund balance at October 1, 2024		6,554,341	
Fund balance at September 30, 2025		\$ 7,195,297	

See Independent Auditor's Report and Notes to Required Supplementary Information

**Teton County Fire Protection District**  
**Required Supplementary Information**

Fiscal Year Ended September 30, 2025

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Employer's portion of net pension liability	0.07471%	0.06716%	0.06718%	0.06710%	0.06365%	0.05887%	0.05736%	0.05658%	0.05900%	0.05700%
Employer's proportionate share of the net pension liability (asset)	1,806,533	2,512,219	2,680,646	2,643,011	(50,272)	1,367,055	654,782	834,543	932,641	1,159,990
Employer's covered payroll	3,292,792	2,568,286	2,563,668	2,385,758	2,438,020	2,073,898	1,931,183	1,838,451	1,758,991	1,652,979
Employer's proportional share of the net pension liability as a percentage of its covered payroll	54.86%	97.82%	104.56%	110.78%	-2.06%	65.92%	33.91%	45.39%	53.02%	70.18%
Plan fiduciary net position as a percentage of the total pension liability	85.54%	85.54%	83.83%	83.09%	100.36%	88.22%	93.79%	91.69%	90.68%	87.26%

Data reported is measured as of June 30, 2025

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily required contribution	459,399	398,371	355,094	316,820	313,717	260,341	231,152	219,718	200,084	170,101
Contributions in relation to the statutorily required contribution	461,833	398,371	355,094	316,784	313,717	261,449	226,067	214,142	199,501	182,087
Contribution (deficiency) excess	2,434	0	0	(36)	0	1,108	(5,085)	(5,576)	(583)	11,986
Employer's covered payroll	3,220,155	2,941,774	2,623,527	2,584,980	2,391,079	2,221,337	1,979,040	1,838,451	1,758,991	1,652,979
Contributions as a percentage of covered payroll	14.34%	13.54%	13.53%	12.25%	13.12%	11.77%	11.42%	11.65%	11.34%	11.02%

Data reported is measured as of September 30, 2025

See Independent Auditor's Report and notes to Required Supplementary Information

# **Teton County Fire Protection District**

## **Notes to Required Supplementary Information**

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### **Budgetary Data**

Annual budgets are adopted on the modified accrual basis, consistent with generally accepted accounting principles (GAAP) for local governments.

### **Excess of Expenditures over Budgets in Individual Funds**

Expenditures exceeded the budgeted amount in the general fund of the Teton County Fire Protection District.

The expenditure variance was sufficiently absorbed by revenues in excess of budgeted amounts.

## **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***

Fire Chief and Commissioners  
Teton County Fire Protection District  
Driggs, 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 major fund of Teton County Fire Protection District, as of and for the year ended September 30, 2025 and the related notes to the financial statements, which collectively comprise the Teton County Fire Protection District's basic financial statements, and have issued our report thereon dated February 3, 2026.

### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Teton County Fire Protection 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 Teton County Fire Protection District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Teton County Fire Protection District's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies in internal control, such that there is reasonable possibility that a material misstatement of the Teton County Fire Protection District's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or 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 Teton County 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 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 Teton County Fire Protection District'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 Teton County Fire Protection District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Wipfli LLP

Idaho Falls, Idaho  
February 3, 2026