

April 23, 2025

Fire Commissioners
Teton County Fire Protection District
Driggs, Idaho

Dear Fire Commissioners :

We have audited the financial statements of the governmental activities and the major fund of Teton County Fire Protection District (the "District") for the year ended September 30, 2024. Professional standards require that we provide you with the following information related to the audit:

Our Responsibility under Auditing Standards Generally Accepted in the United States of America and Government Auditing Standards

As stated in our engagement letter dated October 25, 2024, and signed on November 4, 2024, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States. Our audit of the financial statements does not relieve you or management of your responsibilities.

As part of our audit, we considered the system of internal control of the District. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our tests was not to provide an opinion on compliance with such provisions.

Planned Scope and Timing of the Audit

We performed the audit accordingly to the planned scope, timing, and with respect to significant risks identified by us, all of which were previously communicated to your representative, in our meeting about such matters on November 4, 2024, in addition to our engagement letter dated October 25, 2024, accepted by Commissioner Jason Letham.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Teton County Fire Protection District are described in Note to the financial statements. As described in Note 1 to the financial statements, the Teton County Fire Protection District changed accounting policies related to Accounting Changes and Error Corrections by adopting Statements of Governmental Accounting Standards (GASB Statement) No. 100, in year 2023. There was no impact on the District's financial statements. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were Pension liability associated with the PERSI plan and accumulated depreciation, both of which appear only on the government-wide financial statements; and the allowance associated with ambulance receivables.

Management's estimate of the pension liability, accumulated depreciation and allowance for doubtful receivables is based on guidance provided by PERSI professionals, including actuaries, estimated useful lives of capital assets and known and inherent risks in the aged receivables. We evaluated the key factors and assumptions used to develop the pension liability, accumulated depreciation and allowance for doubtful receivables in determining that it is reasonable in relation to the financial statements taken as a whole.

The disclosures in the financial statements are neutral, consistent, and clear. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

The disclosure of Pension Plan information in Note 4 to the financial statements requires significant actuarial estimate for future participants, interest rates, cost fluctuations, and allocation information. These are handled by PERSI and the proportionate share of all liabilities and assets are reflected in the District's financial statements.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. The attached material misstatements detected as a result of the audit procedures were corrected by management.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated April 23, 2025, a copy of which accompanies this letter.

Management Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the District’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

Required Supplementary Information Accompanying Audited Financial Statements

We applied certain limited procedures to the Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual - Governmental Fund, and the Schedule of Employer's Share of Net Pension Liability and Schedule of Employer Contributions., which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Internal Control Matters

In planning and performing our audit of the financial statements of Teton County Fire Protection District's as of and for the year ended September 30, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting (internal control) as a basis for designing our 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 opinions on the effectiveness of the District's internal control. Accordingly, we do not express opinions 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 reasonable possibility that a material misstatement of the 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 may exist that have not been identified.

We did however identify certain deficiencies in internal control related to financial data that is not serious enough to be considered a significant deficiency or material weakness as defined above. These deficiencies and our recommendation for strengthening this internal control is as follows:

Approved audit adjusting entries should be posted to the internal accounting records in order to properly state financial position of the District. Posting these adjustments will also eliminate extra future audit adjustments and related time necessary to roll the accounting balances from the previous audit.

Receivables for property taxes, sales tax, fuels grants and others should be properly reflected on the governmental fund balance sheet as of each year end in order to properly state financial position of the District. Recording such receivables will also enable management to use the internal financial statements to make liquidity and other financial decisions.

Accrued payroll and related liabilities should be properly reflected on the governmental fund balance sheet as of each year end in order to properly state financial position of the District. Recording such liabilities will also enable management to use the internal financial statements to make liquidity and other financial decisions.

Wildland fire revenue from the Idaho Department of Lands should be recorded in separate general ledger accounts from the related expenditures and not reflected net of expense. Generally accepted accounting principles requires the recognition of both revenue and expense amounts and as such should not be reflected as a net amount in the governmental fund statement of revenues, expenditures and changes in fund balance.

This communication is intended solely for the information and use of Fire Commissioners and, if appropriate, management of Teton County Fire Protection District, and is not intended to be, and should not be used by anyone other than these specified parties.

We appreciate the opportunity to be of service to Teton County Fire Protection District.

Sincerely,

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

Wipfli LLP
Enc.

Teton County Fire Protection District

Year End: September 30, 2024

Adjusting Journal Entries

Date: 10/1/2023 To 9/30/2024

Number	Date	Account No	Name	Reference	Debit	Credit	Recurrence	
GW1	9/30/2024	GW-PEN EXP GW	Net Pension Expense	68.2024. 1	324,232.00			
GW1	9/30/2024	GW-PERSI (A) GW	PERSI Asset	68.2024. 1				
GW1	9/30/2024	GW-PERSI (L) GW	PERSI Liab	68.2024. 1	168,427.00			
GW1	9/30/2024	GW-PERSI (DI) GW	Deferred Inflows	68.2024. 1				
GW1	9/30/2024	GW-PERSI (DO) GW	Deferred Outflows	68.2024. 1		492,659.00		
		Adjustment to PERSI year end liabilities						Recurring
GW2	9/30/2024	GW-COMP AB GW	Compensated Abs.	FF. 3		14,983.00		
GW2	9/30/2024	GW-COMP EXP GW	Compensated Absence Exp	FF. 3	14,983.00			
		Adjustment to compensated absences						
GW3	9/30/2024	1600 GF	Fixed Asset available for sale		46,598.00			
GW3	9/30/2024	6705 GF	Gain on Asset Available for Sale			46,598.00		
GW3	9/30/2024	GW-FA-M&E GW	Depreciable - M&E		450,839.00			
GW3	9/30/2024	GW-FA-M&E GW	Depreciable - M&E			612,000.00		
GW3	9/30/2024	GW-A/D-M&E GW	Accum Depr - M&E		612,000.00			
GW3	9/30/2024	GW-A/D-M&E GW	Accum Depr - M&E			136,554.00		
GW3	9/30/2024	GW-CAP EXP GW	Capital Expenditure Offset			450,839.00		
GW3	9/30/2024	GW-CAP EXP GW	Capital Expenditure Offset			263,826.00		
GW3	9/30/2024	GW-DEPR EXP GW	Depreciation Expense		136,554.00			
GW3	9/30/2024	GW-DEPR EXP GW	Depreciation Expense		31,292.00			
GW3	9/30/2024	GW-FA-BUILD GW	Depreciable - Building		263,826.00			
GW3	9/30/2024	GW-FA-BUILD GW	Depreciable - Building					
GW3	9/30/2024	GW-A/D-BUILD GW	Accum Depr - Build					
GW3	9/30/2024	GW-A/D-BUILD GW	Accum Depr - Build			31,292.00		
		Account for Additions and Deletions from fixed assets, and Depreciation						Recurring
AJE 01	9/30/2024	Not Used						
AJE 01	9/30/2024	Not Used						
AJE 01	9/30/2024	Not Used						
AJE 01	9/30/2024	Not Used						
AJE 01	9/30/2024	Not Used						
AJE 01	9/30/2024	Not Used						
AJE 01	9/30/2024	Not Used						
AJE 01	9/30/2024	Not Used						
AJE 02	9/30/2024	3000 GF	Retained Earnings	SS. 1		364,680.00		
AJE 02	9/30/2024	4107 GF	Idaho Dept. of Lands:Wildland Administrative Fe	SS. 1		3,435.00		
AJE 02	9/30/2024	4110 GF	Systems Design West, LLC:EMS Contract / Patit	SS. 1	129,784.00			
AJE 02	9/30/2024	4155 GF	Teton County Taxes:Sales Tax	SS. 1	60,212.00			
AJE 02	9/30/2024	4155 GF	Teton County Taxes:Sales Tax	SS. 1	64,437.00			
AJE 02	9/30/2024	4156 GF	Teton County Taxes:Urban Renewal	SS. 1		52,610.00		
AJE 02	9/30/2024	4159 GF	North / South Grant reimbursements	SS. 1	310,279.00			
AJE 02	9/30/2024	4159 GF	North / South Grant reimbursements	SS. 1		53,510.00		
AJE 02	9/30/2024	5105 GF	A Budget - Salaries	SS. 1		80,117.00		
AJE 02	9/30/2024	5290 GF	B Budget - M & O:Miscellaneous	SS. 1	38.00			
AJE 02	9/30/2024	5505 GF	D Budget:Emp Taxes - Benefits	SS. 1		11,045.00		
AJE 02	9/30/2024	5520 GF	D Budget:State Insurance Fund	SS. 1		16,097.00		
AJE 02	9/30/2024	6700 GF	Bank Interest	SS. 1	834.00			
AJE 02	9/30/2024	6700 GF	Bank Interest	SS. 1	13,410.00			
AJE 02	9/30/2024	6705 GF	Gain on Asset Available for Sale	SS. 1	2,500.00			

To correct rolling issues from PY

Teton County Fire Protection District

Year End: September 30, 2024

Adjusting Journal Entries

Date: 10/1/2023 To 9/30/2024

Number	Date	Account No	Name	Reference	Debit	Credit	Recurrence
AJE 03	9/30/2024	1139 GF	Accounts Receivable	PL. 4	61,323.00		
AJE 03	9/30/2024	1139 GF	Accounts Receivable	PL. 4			
AJE 03	9/30/2024	1142 GF	Property Tax Receivable	PL. 4	76,181.00		
AJE 03	9/30/2024	2190 GF	Deferred Revenue	PL. 4		10,055.00	
AJE 03	9/30/2024	4154 GF	Teton County Taxes:Property Taxes	PL. 4		61,519.00	
AJE 03	9/30/2024	4155 GF	Teton County Taxes:Sales Tax	PL. 4		125,759.00	
AJE 03	9/30/2024	4156 GF	Teton County Taxes:Urban Renewal	PL. 4	53,373.00		
AJE 03	9/30/2024	5362 GF	C Budget:Capital Improvements:Ambulance 202	PL. 4	6,456.00		
AJE 03	9/30/2024	GW-DEF TAX GW	Deferred Taxes	PL. 4		42,555.00	
AJE 03	9/30/2024	GW-PROP REV GW	Change in Deferred Prop Taxes	PL. 4	42,555.00		
Adjust the Property and Sales Receivables.							
AJE 04	9/30/2024	1145 GF	Fuels Grant Receivable	PL. 7	144,768.00		
AJE 04	9/30/2024	4159 GF	North / South Grant reimbursements	PL. 7		267,907.00	
AJE 04	9/30/2024	5523 GF	G Budget - Grants:Forest Grant - 2022 WFM No	PL. 7			
AJE 04	9/30/2024	7005 GF	G Budget - Grants:Forest Grant - HFR North	PL. 7	22,990.00		
AJE 04	9/30/2024	7005 GF	G Budget - Grants:Forest Grant - HFR North	PL. 7			
AJE 04	9/30/2024	7006 GF	G Budget - Grants:Forest Grant - HFR South 201	PL. 7	100,149.00		
Entry to correct N/S grant presentation							
AJE 05	9/30/2024	4103 GF	Idaho Dept. of Lands:Wildland Backfill/Overtime	PL.5XXXX		83,055.00	
AJE 05	9/30/2024	4104 GF	Idaho Dept. of Lands:Wildland Benefits Amount	PL.5XXXX		29,883.00	
AJE 05	9/30/2024	4105 GF	Idaho Dept. of Lands:Wildland Deployment-Equi	PL.5XXXX		22,931.00	
AJE 05	9/30/2024	4106 GF	Idaho Dept. of Lands:Wildland Deployment-Fire	PL.5XXXX		369,337.00	
AJE 05	9/30/2024	4107 GF	Idaho Dept. of Lands:Wildland Administrative Fe	PL.5XXXX		8,938.00	
AJE 05	9/30/2024	4109 GF	Idaho Dept. of Lands:Wildland Meals	PL.5XXXX		14,591.00	
AJE 05	9/30/2024	5105 GF	A Budget - Salaries	PL.5XXXX	505,803.00		
AJE 05	9/30/2024	5260 GF	B Budget - M & O:Fire Equipment	PL.5XXXX	22,932.00		
AJE 05	9/30/2024	5270 GF	B Budget - M & O:Fleet Maintenance	PL.5XXXX			
AJE 05	9/30/2024	5275 GF	B Budget - M & O:Fuel - Apparatus	PL.5XXXX			
AJE 05	9/30/2024	5355 GF	B Budget - M & O:Travel & Lodging Expenses	PL.5XXXX			
To move offsetting expenditures out of revenue							
AJE 06	9/30/2024	5245 GF	B Budget - M & O:EMS Equipment			41,250.00	
AJE 06	9/30/2024	5363 GF	C Budget:Capital Improvements:Capital Improve		41,250.00		
To reclass capital assets							
AJE 07	9/30/2024	2170 GF	Payroll Liabilities	FF. 1		174,317.00	
AJE 07	9/30/2024	2171 GF	2100 Payroll Liabilities:Accrued Payroll	FF. 1	65,632.00		
AJE 07	9/30/2024	2180 GF	PERSI Payable	FF. 1		23,444.00	
AJE 07	9/30/2024	5105 GF	A Budget - Salaries	FF. 1	108,685.00		
AJE 07	9/30/2024	5505 GF	D Budget:Emp Taxes - Benefits	FF. 1	23,444.00		
Payroll accrual for 9/30 year end - REVERSE 10/04/24							
AJE 08	9/30/2024	1144 GF	Other Receivable	D. 3	164,502.00		
AJE 08	9/30/2024	4110 GF	Systems Design West, LLC:EMS Contract / Patir	D. 3		164,502.00	
to account for calculated balance of AR and other receivables							

Teton County Fire Protection District

Year End: September 30, 2024

Adjusting Journal Entries

Date: 10/1/2023 To 9/30/2024

Number	Date	Account No	Name	Reference	Debit	Credit	Recurrence
RJE 03	9/30/2024	4159 GF	North / South Grant reimbursements		60,449.00		
RJE 03	9/30/2024	4170 GF	Unrelized Gain/Loss-Key Private			60,449.00	
RJE 03	9/30/2024	6705 AF	Gain on Asset Available for Sale		62.00		
RJE 03	9/30/2024	6700A AF	Bank Interest			62.00	
Move unearned invenstment income.							
RJE 04	9/30/2024	1145 GF	Fuels Grant Receivable		155,801.00		
RJE 04	9/30/2024	1146 GF	Fuels Grant Receivable:Forest Grant 2022 WFM			155,801.00	
Reclass revenue in Recevable							
RJE 06	9/30/2024	4159 GF	North / South Grant reimbursements	PL.7C		140,978.00	
RJE 06	9/30/2024	4159 GF	North / South Grant reimbursements	PL.7C		5,971.00	
RJE 06	9/30/2024	5522 GF	G Budget - Grants:Forest Grant - 2022 WFM No	PL.7C	140,978.00		
RJE 06	9/30/2024	7006 GF	G Budget - Grants:Forest Grant - HFR South 20I	PL.7C	5,971.00		
Reclass revenue that was in expenses							
					4,433,549.00	4,433,549.00	

Net Income (Loss) 1,088,878.00