TETON COUNTY IDAHO JOINT HOUSING AUTHORITY
DRIGGS, IDAHO
ANNUAL FINANCIAL STATEMENTS
and
COMPLIANCE REPORTS
with
INDEPENDENT AUDITOR'S REPORT
Year Ended September 30, 2024

TETON COUNTY IDAHO JOINT HOUSING AUTHORITY
ANNUAL FINANCIAL STATEMENTS
For the Year Ended September 30, 2024

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Searle Hart & Associates, PLLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Teton County Idaho Joint Housing Authority
Driggs, Idaho

Report on the Financial Statements

Opinions

We have audited the financial statements of the Teton County Idaho Joint Housing Authority, which comprise the statement of financial position as of September 30, 2024, the related statements of revenues, expenses and changes in net position and cash flows for the year then ended, and the notes to the financial statements, which collectively comprise the Authority'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 business-type activities of Teton County Idaho Joint Housing Authority as of September 30, 2024, and the respective changes in financial position, and, where applicable, cash flows 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. 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 Idaho Joint Housing Authority, 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 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 Teton County Idaho Joint Housing Authority'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 risks 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 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 Teton County Idaho Joint Housing Authority'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 Idaho Joint Housing Authority'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 management discussion and analysis 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 basic financial statements in an appropriate operational, economic, or historical context.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The detail schedule of revenues, expenditures, and changes in net position on page 10, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the detail schedule of revenues, expenditures, and changes in net position, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards,* we have also issued our report dated November 5, 2025, on our consideration of Teton County Idaho Joint Housing Authority's internal control over financial reporting and 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 the Teton County Idaho Joint Housing Authority'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 Teton County Idaho Joint Housing Authority's internal control over financial reporting and compliance.

Searle Hart + Associates PLLC

Rexburg, Idaho
November 5, 2025

FINANCIAL SECTION

TETON COUNTY IDAHO JOINT HOUSING AUTHORITY
STATEMENT OF NET POSITION
September 30, 2024

ASSETS		
Current assets:		
Cash and cash equivalents	$	229,499
Accounts receivable		-
Total current assets		229,499
Property, Plant & Equipment		
Land		317,743
Buildings		278,400
Accumulated depreciation		(5,568)
Total noncurrent assets		590,575
TOTAL ASSETS	$	820,074
LIABILITIES		
Current liabilities:		
Accounts payable	$	263
TOTAL LIABILITIES		263
NET POSITION		
Net investment in capital assets		590,575
Unrestricted		229,236
TOTAL NET POSITION	$	819,811

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

TETON COUNTY IDAHO JOINT HOUSING AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
For the Year Ended September 30, 2024

OPERATING REVENUES	
Rent	$ 9,000
Foundation revenue	242,126
County and city revenue	50,000
Total operating revenues	301,126
OPERATING EXPENSES	
Operating expenses	167,869
Total operating expenses	167,869
Income (loss) from operations	133,257
NON-OPERATING REVENUES (EXPENSES)	
Interest expense	-
Interest income	-
Contributed capital	320,000
Total non-operating revenue (expenses)	320,000
Change in net position	453,257
NET POSITION, OCTOBER 1, 2023	366,554
NET POSITION, SEPTEMBER 30, 2024	$ 819,811

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

TETON COUNTY IDAHO JOINT HOUSING AUTHORITY
STATEMENT OF CASH FLOWS
For the Year Ended September 30, 2024

CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from operations	$	301,126
Cash payments for goods and services		(169,765)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		131,361
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of building and land		(275,643)
NET CASH PROVIDED (USED) FOR CAPITAL AND RELATED FINANCING ACTIVITIES		(275,643)
CASH FLOWS FROM INVESTING ACTIVITIES		
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES		-
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(144,282)
CASH AND CASH EQUIVALENTS, OCTOBER 1, 2023		373,781
CASH AND CASH EQUIVALENTS, SEPTEMBER 30, 2024	$	229,499
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income	$	133,257
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Depreciation		5,568
Increase (decrease) in payables		(7,464)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$	131,361

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

TETON COUNTY IDAHO JOINT HOUSING AUTHORITY
STATEMENT OF NON-CASH, CAPITAL, AND FINANCING ACTIVITIES
For the Year Ended September 30, 2024

NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES		
Purchase of land and building	$	595,643
Capital contribution		(320,000)
Total cash paid for land and buildings	$	275,643

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NOTES TO THE FINANCIAL STATEMENTS

TETON COUNTY IDAHO JOINT HOUSING AUTHORITY
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For the Year Ended September 30, 2024

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   E. Revenues and Expenses

2. Cash in Bank

3. Leases

4. Capital Assets

5. Risk Management

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TETON COUNTY IDAHO JOINT HOUSING AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended September 30, 2024

1. SUMMARY OF ACCOUNTING POLICIES

The Teton County Joint Housing Authority was created in 2016 by the cities and county by resolution in accordance with Idaho Statues (Title 50, Chapter 19 and Title 31, Chapter 42) after considering data from the 2014 Teton Regional Housing Needs Assessment, Commissioners were appointed (2 each by County, Driggs and Victor, and 1 by Tetonia) to the board in 2019 following the adoption of the Affordable Housing Strategic Plan, which identified a functioning housing authority as an important component for implementing most of the recommended housing strategies.

The mission of Teton Valley Housing is to create diverse, permanently affordable housing opportunities in the Teton Valley. The County and Cities adopted the Affordable Housing Strategic Plan with the goal of diverse, permanently affordable housing options within the city limits that will support public service agencies, enhance the local economy, add vibrancy to downtowns, and help preserve the rural character of the area.

A summary of the Organization's significant accounting principles applies in the preparation of the accompanying financial statements follows:

A. REPORTING ENTITY
The financial statements included herein present the financial position, results of operations, changes in net position and cash flows for Teton County Idaho Joint Housing Authority. The business and property of the Authority are managed by the Board of Directors and an appointed Executive Director who is empowered to sign contracts, documents, checks and other instruments for the payment of money. The Board and Executive Director also set the budget and establish all fees and assessment charges for the Authority.

B. BASIS OF ACCOUNTING
Teton County Idaho Joint Housing Authority funds are accounted for on an accrual basis in order to recognize the flow of economic resources. Under this basis, revenues are recognized in the period in which they are earned, expenses are recognized in the period in which they are incurred, depreciation of assets is recognized, and all assets and liabilities associated with the operation of the Authority are included in the Statement of Net Position.

C. CASH AND CASH EQUIVALENTS
For the purposes of the Statement of Cash Flows, cash and cash equivalents are defined as bank demand deposit accounts and short term investments.

D. CAPITAL ASSETS

The authority defines a capital asset as assets with an initial cost or donated value of $5,000 or more for equipment, $20,000 or more for vehicles, and $40,000 or more for land and buildings and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at estimated fair value on the date of donation.

Buildings, equipment and other depreciable assets are depreciated using the straight-line method over the estimated useful lives of 5 to 75 years.

1. SUMMARY OF ACCOUNTING POLICIES (continued)

E. REVENUES AND EXPENSES

In proprietary fund accounting, revenues are recognized when earned and expenses are recorded when the related liability is incurred.

The principal revenues of the Authority are funds from the county and cities that are members of the Authority. Operating expenses for the Authority include the associated with marketing, training and travel for personnel, and personnel expenses. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

When an expenditure or expense is incurred for purposes for which both restricted and unrestricted resources are available, the Authority generally uses restricted resources first, then unrestricted resources.

2. CASH IN BANK

The deposits by the Authority are not collateralized nor are they required to be by Idaho State statute. The Authority follows the requirements of the Idaho Public Depository Law (Idaho Code Section, Title 57-111), and applicable investment rights and restrictions cited by Idaho Code Section, Title 67, 67-1210, 67-1210A, and Idaho Code Section, Title 50, 50-1013.

Deposits

At year end, the carrying amount of the Authority's deposits in financial institutions was $229,499 and the bank balance was $229,499. All deposits are carried at cost plus accrued interest. Deposits not covered by FDIC at September 30, 2024 were $0.

Custodial Credit Risk-Deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned. The district does not have a deposit policy for custodial risk. As of September 30, 2024, $0 of the District's bank balance of $229,499 was exposed to custodial credit risk.

3. LEASES

Teton County Idaho Joint Housing Authority currently leases one house to a tenant under an operating lease agreement. The lease has a term of 20 years and is cancellable by tenant or landlord under certain conditions. Thus, the lease does not qualify as a long-term lease and is accounted for accordingly. The authority's risk management strategy for its leased asset is to maintain insurance on all assets and to perform regular maintenance to preserve its residual value.

4. CAPITAL ASSETS

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

	BALANCE 9/30/2023	ADDITIONS	DELETIONS	BALANCE 9/30/2024
Capital assets not being depreciated				
Land	$ 500	$ 317,243	$ -	$ 317,743
Total capital assets not being depreciated	500	317,243	-	317,743
Capital assets being depreciated				
Buildings	-	278,400	-	278,400
Less accumulated depreciation	-	(5,568)	-	(5,568)
Total capital assets being depreciated, net	-	272,832	-	272,832
Total capital assets, net	$ 500	$ 590,075	$ -	$ 590,575

5. RISK MANAGEMENT

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

6. LITIGATION AND CONTINGENT LIABILITIES

There are no claims against the Authority at September 30, 2024 that would expose the Authority beyond amounts covered by insurance.

7. SUBSEQUENT EVENTS

Subsequent events have been considered through the report date of November 5, 2025.

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SUPPLEMENTARY INFORMATION

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TETON COUNTY IDAHO JOINT HOUSING AUTHORITY
DETAIL SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN NET POSITION
For the Year Ended September 30, 2024

OPERATING REVENUES		
Foundation revenue	$	242,126
County and city revenue		50,000
Rent revenue		9,000
TOTAL OPERATING REVENUES		301,126
OPERATING EXPENSES		
Contract services		113,576
Legal and professional		33,268
Depreciation		5,568
Program expenditures		5,190
IT		4,298
Administrative services		2,229
Travel and training		1,876
Insurance		974
Advertising		441
Miscellaneous		289
Bank fees		147
Supplies		13
TOTAL OPERATING EXPENSES		167,869
INCOME (LOSS) FROM OPERATIONS		133,257
NON-OPERATING REVENUES (EXPENSES)		
Interest expense		-
Interest income		-
Contributed capital		320,000
TOTAL NON-OPERATING REVENUE (EXPENSES)		320,000
Net change in net position		453,257
NET POSITION - October 1, 2023		366,554
NET POSITION - September 30, 2024	$	819,811

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OTHER SUPPLEMENTARY INFORMATION

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

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Teton County Idaho Joint Housing Authority
Driggs, Idaho

We have audited, in accordance with auditing standards generally accepted in the United State 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 Teton County Idaho Joint Housing Authority, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents, and have issued our report thereon dated November 5, 2025.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Teton County Idaho Joint Housing Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Teton County Idaho Joint Housing Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority'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 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 or 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 limited purposes 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 identify a certain deficiency in internal control, described below as Finding 2023-001 that we consider to be a significant deficiency.

412 Grand Loop • PO Box 519 • Rexburg, ID 83440 • 208-356-3716 FAX 208-356-4421
Rexburg • Idaho Falls

Finding 2023-001

Condition	The size of the Authority's staff is not large enough to permit a complete segregation of duties for an effective system of internal controls.
Condition	An effective system of internal control requires that closely related duties be segregated.
Condition	Because of review by the Board of financial transactions, the risk is reduced but errors could still occur and not be detected in the normal course of business.
Effect	The concentration of closely related duties and responsibilities by a small staff makes it difficult to establish an adequate system of automatic internal checks on the accuracy and reliability of the accounting records.
Cause	The Authority's staff is too small to allow a complete segregation of duties.
Recommendations	Although the Authority is not large enough to permit a complete segregation of duties for an effective system of internal accounting control, we recommend that officials be aware that the condition does exist and take steps to identify opportunities to further segregate duties where possible.
Management's Response	Although the Authority recognizes the importance of segregation of duties for proper internal control, the Authority does not believe it would be cost effective to increase its staff size simply to provide greater segregation of duties. The Authority will be cognizant of opportunities that arise to further segregate duties within the limitations of the Authority's size.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Teton County Idaho Joint Housing Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests did not disclose any instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Entity's Response to Findings

Teton County Idaho Joint Housing Authority's response to the findings identified in our audit is described above. Teton County Idaho Joint Housing Authority's response was not subjected to the auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Searle Hart + Associates PLLC

Rexburg, Idaho
November 5, 2025