Whitefish Housing Authority
Board of Commissioners Regular Monthly Meeting Agenda

Date: September 23rd, 2026	**Location:** Whitefish City Hall	**Time:** 5:15pm

I. Call to Order & Roll Call

II. Consent Agenda

A. Approval of August Regular Board Meeting Minutes (attached)
B. Approval of Agenda

III. Continuing Business

1. ED ‘Rapid Fire’ Updates from ED Report
2. Multi-Family Cooperative Conversion Updates
3. FY2024 Audit Submission
4. Bylaws Re-write

IV. Public Comment 1

V. Committee Reports

A. Executive Committee	Members: Kate Berry + Thomas Shea
B. Community Housing Committee	Member: Paul Leisher
C. Financial Reports (attached)	

VI. New Business

1. MOU with Community Action Partnership for HCV Inspections (attached)
2. Waitlist Complaint
3. Scheduled Work Session with Whitefish City Council – December 4th

VII. Closed Session (if necessary)

Pursuant to MCA 2-3-203 for legal or personnel discussion, during this meeting, the board may elect to enter a closed-door session for reasons related to legal and/or personnel issues. Per Montana Code Annotated 2-3-203: The presiding officer of any meeting may close the meeting during the time the discussion relates to a matter of individual privacy and then if and only if the presiding officer determines that the demands of individual privacy clearly exceed the merits of public disclosure. The right of individual privacy may be waived by the individual about whom the discussion pertains and, in that event, the meeting must be open.

VIII. Public Comment 2

Board of Commissioners Regular Monthly Meeting Minutes

Date: August 26, 2026 **Location:** Whitefish City Hall

I. Call to Order & Roll Call

The meeting was called to order at **5:19 p.m.** by Acting Chair Thomas Shea.

Commissioners Present: Thomas Shea, Paul Leisher, Katie Boyd, Roxann Lucas, Jason Suazo, Kate Berry, Nick Farmer (virtual)
Staff Present: Riss Getts

II. Consent Agenda

A. Approval of July 2026 Regular Board Meeting Minutes
B. Approval of Agenda

Motion: Paul Leisher moves to approve the consent agenda.
Second: Katie Boyd
Vote: Unanimous
Action: Motion carried.

III. Continuing Business

1. ED Report 'Rapid Fire' Updates

Executive Director Riss Getts provided updates on the following:

- **Mountain View Manor:** 49 of 50 units occupied. RAD/Section 18 conversion work, environmental updates, and HUD financing preparation are underway. WHA is also working with the City regarding a potential parcel exchange for park purposes. Good Housing Partnership will obtain a survey and appraisal.
- **Housing Choice Voucher Program:** WHA is evaluating whether to continue administering the program or pursue a transfer. Fifteen of 19 vouchers are currently

leased. Staff will continue program cleanup and complete a full file audit by the October Board meeting.

- **Legacy Homes:** A recent homeownership event was successful. Additional homes are anticipated, and administrative transition work is underway.
- **LHP Rentals:** Deed restrictions have been finalized for 21 Highway 40 and Highway 93 units, with additional rental development anticipated.

2. Capital Fund: A required public hearing was held regarding use of capital and operating funds. No public comment was received.

3. FY2024 Audit: Final revisions are underway, with HUD submission anticipated by the end of the week.

4: Multi-Family Cooperative Conversion Updates: WHA is exploring technical assistance to support residents pursuing cooperative ownership following expiration of the USDA mortgage at Mountain View Court in Columbia Falls. The Board discussed the potential for this work to serve as a model for preservation of other affordable multifamily properties.

IV. Public Comment

None

V. Committee Reports

A. Executive Committee: Kate Berry and Thomas Shea reported on the status of potential collaboration with Housing Whitefish and succession planning related to future Board leadership and the RAD financing transition. The Committee will continue developing transition plans and considering potential future Board leadership.

B. Community Housing Committee: Paul Leisher reported on cooperative conversion opportunities, Depot Park property issues, and the City's development of a process for housing grants funded through resort-tax revenue. The Committee also discussed deed-restriction policies and future housing leadership and decision-making.

C. Financial Report: July and August budget-to-actual reports will be presented at the next meeting.

D. Executive Director's Report: Captured in "Continuing Business: Rapid Fire ED Report"

E. WHA Future Planning Committee: No updates

VI. New Business

1. Strategic Direction Possibilities

i) Bonds + Bonding 101: Roxann Lucas provided an introductory presentation on public finance and tax-exempt bonding, including potential applications to housing development. The Board will continue discussion of financing strategies at a future meeting.

ii) Housing Authority Geographic Jurisdiction – Columbia Falls: The Board discussed Columbia Falls' interest in housing authority services and the potential for a regional housing authority. The Board will explore the legal and organizational requirements and continue discussions with Columbia Falls representatives.

2. Habitat for Humanity Volunteer Day: Staff will contact Habitat for Humanity regarding scheduling a commissioner volunteer day.

VII. Closed Door Session (if necessary)

No closed door session was held

Pursuant to MCA 2-3-203 for legal or personnel discussion, during this meeting, the board may elect to enter a closed-door session for reasons related to legal and/or personnel issues. Per Montana Code Annotated 2-3-203: The presiding officer of any meeting may close the meeting during the time the discussion relates to a matter of individual privacy and then if and only if the presiding officer determines that the demands of individual privacy clearly exceed the merits of public disclosure. The right of individual privacy may be waived by the individual about whom the discussion pertains and, in that event, the meeting must be open.

VIII. Public Comment

No public comment

IX. Adjournment

7:26 pm

Executive Director Report

Whitefish Housing Authority

September 2026

Mountain View Manor

- Public Housing occupancy: 49/50 units currently occupied, with 2 pending move-ins from the waitlist.
- Working on prepping for winter, including snow removal contract, sprinklers, etc.
- Finance meeting with HUD for RAD/Section 18 conversion likely to be held in mid-October.

Housing Choice Vouchers

- Voucher issuance: 15/19 vouchers leased with one port-in voucher.
- In budget shortfall, which is why we cannot lease up any additional vouchers. Anticipate shortfall awards for November & December; application for shortfall funding pending. Developing plan for shortfall if December shortfall funding is not available, to be presented at October board meeting.

Local Housing Programs & Partnerships

- Working on cooperative with NWMTCLT and Neighborworks MT – determining if cooperative vs acquisition as potential viable options.

Operations & Administration

- 2024 Audit submitted. Beginning to work on FY2025.

Financials

- Unaudited FDS submission for FY2026 submitted September 13; full report will be included in October packet.

July 27, 2026

To the Board of Commissioners
of the Whitefish Housing Authority
Whitefish, Montana

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Whitefish Housing Authority (the Authority) for the year ended June 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, Government Auditing Standards and Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our previous letter. Professional standards also require that we communicate to you the following information related to our audit.

OUR RESPONSIBILITY UNDER U.S. GENERALLY ACCEPTED AUDITING STANDARDS AND GOVERNMENT AUDITING STANDARDS

As stated in our engagement letter dated October 9, 2025 our responsibility, as described by professional standards, is to plan and perform the audit to obtain reasonable, but not absolute, assurance about whether the financial statements are free of material misstatement and are fairly presented in accordance with U.S. generally accepted accounting principles. Because an audit is designed to provide reasonable, but not absolute, assurance and because we did not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us.

In planning and performing our audit, we considered the Authority's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. We also considered internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance.

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of 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. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on the Authority's compliance with those requirements.

SIGNIFICANT ACCOUNTING POLICIES

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Authority are described in the notes to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2024. We noted no transactions entered into by the Authority 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.

MANAGEMENT JUDGMENTS AND ACCOUNTING ESTIMATES

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 basic financial statements and because of the possibility that future events affecting them may differ significantly from those expected. We evaluated the key factors and assumptions used to ascertain that they are reasonable in relation to the financial statements of the Authority taken as a whole.

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. In connection with our audit of the financial statements, we have discussed with management significant financial statement misstatements that have been corrected in the Authority's books and records as of and for the year ended September 30, 2024. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

DISAGREEMENTS WITH MANAGEMENT

For purposes of this letter, a disagreement with management is 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 June 5, 2026.

MANAGEMENT CONSULTATIONS WITH OTHER INDEPENDENT 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 Authority'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 fact.

We are not aware of any consultations management had with other accountants about accounting or auditing matters in the past year.

MAJOR ISSUES DISCUSSED WITH MANAGEMENT PRIOR TO RETENTION

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 Authority's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Our firm is independent of the Authority and this independence has been communicated to management.

DIFFICULTIES ENCOUNTERED IN PERFORMING THE AUDIT

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

INTERNAL CONTROL

In planning and performing our audit, we considered the Authority's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described above and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. We did not identify any deficiency in internal control over financial reporting that we consider to be a material weakness or significant deficiency as described above.

AUDITOR SUGGESTIONS FOR MANAGEMENT

As auditors, we feel it is beneficial to our clients to offer suggestions for improvement with regards to their financial recording systems and internal controls. This letter to management is a summary of suggestions we noted for the audit of the Authority for the year ended June 30, 2024.

- We recommend reviewing any cash balances that exceed standard FDIC insurance limits to ensure they are fully protected through available bank programs or alternative coverage solutions. This may include options such as deposit sweep networks, multi-bank allocation programs, or other eligible coverage structures.

- We recommend to reconcile interest receivable with Alpenglow and investigate and resolve any differences identified to ensure the account balance is accurate and properly supported.

This report is intended solely for the information and use of the Board of Commissioners and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

FJ & Associates, PLLC

Whitefish Housing Authority

Independent Auditors' Reports,
Management's Discussion and Analysis, and
Supplemental Information

For the Year Ended June 30, 2024

Whitefish Housing Authority
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FJ & ASSOCIATES, PLLC
A Certified Public Accounting Firm

Independent Auditors' Report on
Financial Statements and Supplementary Information

To the Board of Commissioners of
Whitefish Housing Authority
100 E 4th St. Whitefish, MT 59937

Opinion

We have audited the accompanying financial statements of Whitefish Housing Authority (the Authority) as of and for the year ended June 30, 2024, which includes the statements of net position, revenues and expenses and changes in fund net position, and cash flows, and the related 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the Authority as of June 30, 2024, and the respective changes in its net position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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.

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Board of Commissioners
Whitefish Housing Authority

Auditors' 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 auditors' 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

Report on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, and the Schedule of Supplementary Information Regarding Pension Liability be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers the information to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. The Schedule of Supplementary Information Regarding Pension Liability is the responsibility of management.

Board of Commissioners
Whitefish Housing Authority

Report on Required Supplementary Information (continued)

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 basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements as a whole. The accompanying program financial schedules are presented for purposes of additional analysis and are 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information 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 a report dated July 27, 2026 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

FJ & Associates, PLLC
Kaysville, Utah
July 27, 2026

Whitefish Housing Authority
Management's Discussion and Analysis
Year Ended June 30, 2024

INTRODUCTION

The Whitefish Housing Authority (the Authority) was created under the laws of the State of Montana, and certified by the United States Department of Housing and Urban Development (HUD). The purpose of the Authority is to administer programs under the Housing Act of 1937, as amended, and to supervise the construction and operation of low- and moderate-income senior citizen and family housing units within and 10 miles surrounding the City of Whitefish.

The Federal Government subsidizes these programs by direct awards through HUD, and pass-through awards through other state and local government agencies. The Authority is governed by a board of commissioners, which is appointed by the Mayor of Whitefish City. The Board, in turn, elects a chairperson and employs an Executive Director to administer the affairs of the Authority.

The Authority presents this discussion and analysis of its financial performance during the fiscal year ended June 30, 2024 (FY2024), to assist the reader in focusing on significant financial issues and concerns. This discussion and analysis are an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in its Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments.

The Authority's FY2024 annual financial report consists of two parts – the management's discussion and analysis, and the basic financial statements (which include notes to those financial statements). Also included are supplementary schedules that separate the programs specific to the Authority's activity.

The basic financial statements provide information about the Authority's overall financial position and results of operations. These statements, which are presented on the accrual basis, consist of the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Fund Net Position and the Statement of Cash Flows. The basic financial statements also include a "Notes to Financial Statements" section that provides additional information that is essential to a full understanding of the data provided in the basic financial statements.

The primary focus of the Authority's financial statements is on a single business-type activity that combines all programs administered by the Authority. This discussion and analysis are focused on the primary activities of the Authority.

FINANCIAL HIGHLIGHTS

The Authority's single business-type activity financial statements for FY 2024 report on all of the Authority's assets, liabilities, revenues, expenses, and net position under the programs it administers. A summary of the current-year results in comparison with the prior year results follows:

FINANCIAL HIGHLIGHTS (continued)

- Net position of the Authority increased by $607,842, as of June 30, 2024, from the prior year.
- Operating revenues of the Authority increased by $700,602 from prior year results.
- The Authority's capital assets had a net increase of $1,420,840 during the year.
- The decrease in cash and cash equivalents for the year was $797,519.
- The Authority's operating expenses increased $163,451 in the current year.

AUTHORITY FINANCIAL STATEMENTS

The Authority is presenting its FY2024 discussion and analysis based on the financial results of its enterprise programs in three basic financial statements – the Statement of Net Position; the Statement of Revenues, Expenses and Changes in Fund Net Position; and the Statement of Cash Flows. The Statement of Net Position reports all financial and capital assets of the Authority and is presented in a format in which assets equal liabilities plus net position. Net position is broken down into the following three categories:

- *Net investment in capital assets* consists of all capital assets net of accumulated depreciation, reduced by the outstanding balances of mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of these assets.
- *Restricted net position* consists of assets that are restricted by constraints placed on the asset by external parties, such as creditors, grantors, contributors, laws, or regulations reduced by liabilities payable from such assets.
- *Unrestricted net position* consists of net position that does not meet the definition of net investment in capital assets or restricted net position.

The Statement of Revenues, Expenses and Changes in Fund Net Position (similar to an income statement) includes operating revenues, such as rental income; operating expenses, such as administrative, utilities, maintenance, and depreciation; and non-operating revenues and expenses, such as investment income and interest expense. The Statement's focus is the change in net position, which is similar to net income or loss.

Finally, a Statement of Cash Flows is included, which discloses net cash provided by or used for operating activities, capital and related financing activities, and investing activities.

The Authority combines all of its programs into a single enterprise fund.

These financial statements utilize the economic resources measurement focus and the full accrual basis of accounting. They report the Authority's net position and changes in net position in full compliance with GASB Statement No. 34. Under the full accrual basis of accounting, revenues are recognized in the period they are earned and expenses in the period they are incurred.

AUTHORITY FINANCIAL STATEMENTS (continued)

The entity-wide presentation represents several different programs and activities. Most of these programs are financed by federal grants from HUD, rents, and other user charges resulting from operations of subsidized housing, by management fees, and by investment income and loan proceeds. In FY2024 the following programs make up the majority of the Authority's single business-type activities financial statements:

- *Section 8 Housing Choice Vouchers* – This program is funded by HUD and is a subsidy program for low- and moderate-income families seeking housing in the private rental market.
- *Public Housing* – This program is subsidized annually by an operating subsidy from HUD and through capital grants for capital improvements.
- *Development/Homeownership Program* – This program uses capital contributions to fund new construction, major improvements to existing properties, and operating expenditures.

THE AUTHORITY

The Authority manages the following programs:

<u>Housing Choice Voucher Program (Section 8)</u>

The Authority administers 16 Section 8 vouchers under the Housing Choice Voucher Program and 3 under Project-Based Vouchers. The Authority administers these vouchers through contracts with independent property owners in which the Authority subsidizes the participant's rent through a Housing Assistance Payment made to the property owner.

The program is administered under an Annual Contributions Contract (ACC) with HUD. HUD provides Annual Contributions Funding to enable the Authority to structure a lease that sets a participant's rent at 30 percent of household income. HUD recently changed the funding to a formula-based structure rather than cost-based funding, which will most likely result in lower administrative fees earned and fewer units being leased.

<u>Mountain View Manor</u>

The Authority owns 50 public housing rental units that are designated for elderly and disabled individuals. Rent is determined by the tenant's income. The individuals pay 30% of their income towards the rent.

NET POSITION

The Authority's overall financial position and operations for the past two years are summarized below based on the information included in the current and prior year financial statements.

Whitefish Housing Authority
Statement of Net Position

	06/30/2024	06/30/2023	Change
Current and other assets	$ 1,436,851	$ 2,174,425	$ (737,574)
Capital assets, net of depreciation	2,926,872	1,506,032	1,420,840
Total assets	4,363,723	3,680,457	683,266
Deferred outflows of resources	26,874	6,615	20,259
Current liabilities	148,099	53,220	94,879
Other liabilities	157,817	157,013	804
Total liabilities	305,916	210,233	95,683
Deferred inflows of resources	27,895	27,895	-
Net position			
Net investment in capital assets	2,926,872	1,506,032	1,420,840
Restricted net position	812,813	812,813	-
Unrestricted net position	317,101	1,130,099	(812,998)
Total net position	$ 4,056,786	$ 3,448,944	$ 607,842

The Authority's total assets and deferred outflows of resources at June 30, 2024 were $4,390,597, an increase of $703,525 from June 30, 2023.

Current and other assets

Current and other assets decreased by $737,574 as of June 30, 2024 compared with June 30, 2023. The primary source of the decrease was related to cash used for the construction in progress.

Net position

The Authority's net position increased by $607,842 during FY2024. At June 30, 2024, investments in capital assets comprise about 72% of the Authority's total net position.

The Authority's net position also consists of restricted and unrestricted net position. Unrestricted net position includes unrestricted cash, receivables, and other assets, less all other liabilities not previously applied. At June 30, 2024, unrestricted net position amounts to approximately 8% of total net position. At June 30, 2024, restricted net position amounts to 20%.

REVENUES, EXPENSES, AND CHANGES IN NET POSITION

The results of operations for the Authority are presented below:

Whitefish Housing Authority
Statement of Revenues, Expenses, and Changes in Fund Net Position

	Year Ended		
	06/30/2024	06/30/2023	Increase/ (Decrease)
Operating revenues:			
Rental income	$ 248,207	$ 242,470	$ 5,737
HUD operating subsidy	156,659	132,861	23,798
Program revenues	73,715	55,608	18,107
Restricted government construction grants	616,278	-	616,278
Other income	43,561	6,879	36,682
Total operating revenues	1,138,420	437,818	700,602
Operating expenses:			
Administrative	384,917	239,094	145,823
Tenant services	876	2,052	(1,176)
Utilities	42,269	46,283	(4,014)
Ordinary maintenance and operations	126,635	83,229	43,406
General expense	109,653	145,733	(36,080)
Housing assistance payments	73,197	57,354	15,843
Depreciation	44,003	44,354	(351)
Total operating expenses	781,550	618,099	163,451
Operating income(loss)	356,870	(180,281)	537,151
Non-operating revenues/(expenses):			
Interest income	6,543	8,742	(2,199)
HUD capital grants	244,429	229,077	15,352
Other expenses	-	(4,643)	4,643
Non-operating income(loss)	250,972	233,176	2,444
Change in net position	607,842	52,895	554,947
Beginning net position	3,448,944	3,396,049	52,895
Ending net position	$ 4,056,786	$ 3,448,944	$ 607,842

REVENUES, EXPENSES, AND CHANGES IN NET POSITION (continued)

Revenues of the Authority's activities are generated principally from rental income. In FY2024, the Authority's operating revenues totaled $1,138,420. Of this total, $156,659 (13.76%) is from HUD operating subsidy and $616,278 (54.13%) from restricted government construction grants. Operating expenses totaled $781,550, of which $73,197 (9.37%) was for housing assistance payments.

About 18.06% of the Authority's total revenues in FY2024 were non-operating revenues that are derived from interest income and HUD capital grants. The remaining 81.94% were operating revenues derived from rentals and other tenant income 17.86%, HUD operating subsidy 11.28%, program revenues 5.31%, restricted government construction grants 44.36% and other operating revenues 3.14%.

Of the total operating expenses, 49.25% was derived from administration, .11% from tenant services, 5.41% utilities, 16.20% ordinary maintenance and operations, 14.03% general expenses, 9.37% housing assistance payments and 5.63% from depreciation.

The increase in net position for the year ended June 30, 2024 was $607,842 when compared with the June 30, 2023 balance. Factors contributing to these results included:

- Increase in HUD operating subsidy, HUD operating grants and receipt of City grants during the year.

CAPITAL ASSETS

The Authority's capital assets as of June 30, 2024, include: land, buildings, furniture and equipment, leasehold improvements, and capital improvements, which total net $2,926,872, most of which comprises rental units available for lease to low- and moderate-income residents. Net capital assets increased $1,420,840 from the preceding year, due to net purchases of $1,464,843, and net of depreciation expense of $44,003.

	06/30/2024	06/30/2023	Change
Land	$ 752,622	$ 752,622	$ -
Buildings and improvements	3,120,121	2,837,336	282,785
Furniture and equipment	114,477	120,547	(6,070)
Construction in progress	1,575,272	387,144	1,188,128
Total capital assets	5,562,492	4,097,649	1,464,843
Accumulated depreciation	(2,635,620)	(2,591,617)	(44,003)
Net capital assets	$ 2,926,872	$ 1,506,032	$ 1,420,840

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Board of Commissioners and Management of the Housing Authority considered many factors when approving the fiscal year 2024 budget. The user charges are based on a tenant's income as established by HUD guidelines and are not adjustable. Operating subsidies are based on rental income, other income and utility consumption and costs. The amount of funding is also established and approved by HUD. In projecting the amount of rental income, the Authority considered prior year rental income and occupancy rates. The operating expenses are expected to increase by the economy's inflation rate.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Executive Director, Whitefish Housing Authority, PO Box 1237, 100 4th Street, Whitefish, Montana 59937.

Whitefish Housing Authority
Statement of Net Position
As of June 30, 2024

Assets and Deferred Outflows of Resources	
Current Assets:	
Cash and cash equivalents	$ 366,492
Accounts receivable, net	15,675
Due from other governments	4,286
Prepaid expenses	6,938
Tenant security deposits	11,750
Total current assets	405,141
Capital Assets:	
Land	752,622
Buildings and improvements	3,120,121
Furniture and equipment	114,477
Construction in progress	1,575,272
Total capital assets	5,562,492
Less: Accumulated depreciation	(2,635,620)
Net capital assets	2,926,872
Other Assets:	
Accrued interest receivable	9,750
Restitution receivable	144,842
Notes receivable	66,519
Other assets, restricted	810,599
Total other assets	1,031,710
Deferred outflows of resources	26,874
Total assets and deferred outflows of resources	$ 4,390,597

See accompanying notes to financial statements.

Whitefish Housing Authority
Statement of Net Position (continued)
As of June 30, 2024

Liabilities and Deferred Inflows of Resources		
Current Liabilities:		
Accounts payable	$	45,896
Accrued liabilities		2,582
Accrued compensated absences - current portion		1,102
Due to other governments		15,769
Unearned revenue		71,000
Tenants security deposits		11,750
Total current liabilities		148,099
Non-current liabilities:		
Compensated absences payable		1,684
Net pension liability		156,133
Total non-current liabilities		157,817
Deferred inflows of resources		27,895
Total liabilities and deferred inflows of resources		333,811
Net Position:		
Net investment in capital assets		2,926,872
Restricted		812,813
Unrestricted		317,101
Total net position		4,056,786
Total liabilities, deferred inflows of resources, and net position	$	4,390,597

See accompanying notes to financial statements.

Whitefish Housing Authority
Statement of Revenues, Expenses and Changes in Fund Net Position
Year Ended June 30, 2024

Operating revenues:		
Rental income	$	248,207
HUD operating subsidy		156,659
Program revenues		73,715
Restricted government construction grants		616,278
Other income		43,561
Total revenues		1,138,420
Operating expenses:		
Administration		384,917
Tenant services		876
Utilities		42,269
Ordinary maintenance and operations		126,635
General expense		109,653
Housing assistance payments		73,197
Depreciation		44,003
Total expenses		781,550
Operating income (loss)		356,870
Non-operating income (expense)		
Interest income		6,543
HUD capital grant		244,429
Total non-operating income (expense)		250,972
Change in net position		607,842
Net position at beginning of year		3,448,944
Net position at end of year	$	4,056,786

See accompanying notes to financial statements.

Whitefish Housing Authority
Statement of Cash Flows
Year Ended June 30, 2024

Cash flows from operating activities:		
Rental receipts	$	326,860
Program receipts		21,207
HUD operating grants receipts		156,659
Restricted government construction grants receipt		616,278
Other receipts		46,432
Total receipts		1,167,436
Administration		378,176
Utilities		19,265
Ordinary maintenance and operations		127,695
General		145,955
Housing assistance payments		73,450
Total disbursements		744,541
Net cash provided by (used in) operating activities		422,895
Cash flows from investing activities:		
Purchase of capital assets		(1,464,843)
Net cash provided by (used in) investing activities		(1,464,843)
Cash flows from capital and related financing activities:		
Proceeds from HUD capital grants		244,429
Net cash provided by (used in) capital and related financing activities		244,429
Net increase (decrease) in cash and cash equivalents, and restricted cash		(797,519)
Cash and cash equivalents, and restricted cash at beginning of year		1,175,761
Cash and cash equivalents, and restricted cash at end of year	$	378,242

Cash and cash equivalents, and restricted cash recorded on the Statement of Net Position		
Cash - unrestricted	$	366,492
Cash - restricted		11,750
Cash and cash equivalents, and restricted cash at end of year	$	378,242

See accompanying notes to financial statements.

Whitefish Housing Authority
Statement of Cash Flows (continued)
Year Ended June 30, 2024

Reconciliation of change in net operating income (loss) to net cash provided by (used in) operating activities:

Operating income (loss)	$	356,870
Adjustments to reconcile change in net operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation		44,003
(Increase) decrease in operating assets:		
Accounts receivable		(7,661)
Due from other governments		91,445
Prepaid expenses		1,737
Increase (decrease) in operating liabilities:		
Accounts payable		(122,211)
Accrued expenses		(3,163)
Accrued compensated absences		(2,286)
Unearned revenue		56,323
Other liabilities		8,738
Tenant security deposits liability		(900)
Net cash provided by (used in) operating activities	$	422,895

See accompanying notes to financial statements.

1. Summary of Significant Accounting Policies

Organization and History

The Whitefish Housing Authority was established in 1967 and signed its Cooperation Agreement and Annual Contributions contract in 1969. The Authority is governed by a board of commissioners appointed by the Mayor of the City of Whitefish, Montana. The purpose of the Authority is to furnish low rent housing to low-income tenants primarily by administering housing programs authorized by the United States Housing Act of 1937. These programs are subsidized by the Federal Government through the U.S. Department of Housing and Urban Development (HUD).

The financial statements of the Authority have been prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the standard-setting body for the governmental accounting and financial reporting.

Financial Reporting Entity

The Governmental Accounting Standards Board (GASB) has issued Statement No. 14, "*The Financial Reporting Entity,*" as amended by GASB Statement No. 39, "*Determining Whether Certain Organizations Are Component Units"* and GASB Statement No. 61, "*The Financial Reporting Entity – Omnibus"*, which describe those entities that are considered component units for financial reporting purposes. The Authority is not considered a component unit of Whitefish (the City), or any other government entity under the criteria of GASB Statements No. 14, as amended by GASB Statements No. 39, and No. 61, since the City exercises no oversight responsibility either financially or administratively over the Authority.

Basis of Presentation

In order to ensure observance of limitations and restrictions placed on the use of resources available to the Authority, the accounts are maintained in accordance with the principles of fund accounting. The Authority participates in HUD programs on an enterprise fund basis.

All of the Authority's programs are accounted for as one business-type activity for financial reporting purposes and neither fiduciary funds nor component units that are fiduciary in nature are included. The financial statement presentation provides an indication of the financial performance of the Authority as a whole. In addition, the Authority adopts the budget that has been approved by its Board.

Basis of Accounting

The accounts of the Authority are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues and expenditures or expenses, as appropriate.

Proprietary funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or non-current) are included in the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

1. Summary of Significant Accounting Policies (continued)

Basis of Accounting (continued)
The Authority distinguishes between operating and non-operating revenues and expenses in its Statement of Revenues, Expenses and Changes in Fund Net Position. For this purpose, the Authority's operating revenues result from providing low-income housing services such as tenant rent and other tenant charges. Operating expenses include the cost attributed to administration, tenant services, utilities, maintenance and operations and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses. Proprietary Fund Financial Statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and non-major funds aggregated.

The model is defined in Statement No. 34 which establishes criteria (percentage of the assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for determination of major funds. If non-major funds exist, these funds are combined in a single column in the fund financial statements.

The Authority has a sole enterprise fund which includes the activities of the following programs:

Public Housing Program. This program accounts for the operation, maintenance, and development of 50 housing units which are owned by the Authority. The developments of the projects were funded primarily by the U.S. Department of Housing and Urban Development through loans and bonds. The loans have been forgiven by HUD and the bond debt service and repayment requirements are the responsibility of HUD and therefore no outstanding liabilities are recorded. The program is subsidized annually by operating subsidy from HUD and through Capital Grants for capital improvements.

Housing Choice Voucher. This program accounts for the operation of the Housing Choice Voucher program which is funded primarily by the U.S. Department of Housing and Urban Development. The program funds housing assistance payments to eligible low-income housing participants.

Development/Homeownership. This program accounts for various activities including grants related to the development of homeownership opportunities

Budgetary Process
The Authority establishes a budget for the fiscal year and is adopted by the Board of Commissioners.

Cash and Cash Equivalents
The Authority considers all highly liquid debt and equity instruments purchased with a maturity of three months or less to be cash equivalents. Cash and cash equivalents at June 30, 2024 consist of cash on hand, demand deposits, and savings deposits.

The Authority's deposits can only be invested in the following HUD approved investments: direct obligations of the federal government backed by the full faith and credit of the United States, obligations of federal government agencies, securities of government-sponsored agencies, demand and savings deposits, money-market deposit accounts, municipal depository fund, super now accounts, certificate of deposits, repurchase agreements, sweep accounts, separate trading of registered interest and principal securities (STRIPS), and mutual funds that consist of securities purchased from the HUD approved list.

1. Summary of Significant Accounting Policies (continued)

Revenue Recognition

Rental income is recognized as rentals over the lease term as it is earned. Rental payments received in advance are deferred until earned, as required for lessors under ASC 842 – "Leases." All leases between the Authority and the tenants of the property are operating leases. Capital Funds are requested by HUD and recognized when received. Housing Assistance Payments are recognized when earned from HUD as services under the HUD contract are rendered to recipients, as required under ASC 606 – "Revenue from contracts with customers."

Restricted government construction grants represent funding received from federal, state, or local governmental agencies to finance the construction, acquisition, renovation, or rehabilitation of capital assets and facilities used in the Organization's operations. These grants are restricted for specific construction-related purposes and are recognized as revenue when the related grant conditions, including the incurrence of eligible construction expenditures or the completion of specified performance requirements, are substantially met. Amounts received before the grant conditions are satisfied are recorded as refundable advances (deferred revenue).

Accounts Receivable

All receivables are current and therefore due within one year. Receivables are reported net of an allowance for uncollectible accounts and revenues net of uncollectible. Allowances are reported when accounts are proven to be uncollectible.

Prepaid Items

Prepaid balances are for payments made by the Authority in the current year to provide services occurring in the subsequent fiscal year.

Capital Assets

Capital assets are recorded at cost and depreciated using the straight-line method of depreciation over the estimated useful lives of the assets, as shown below. The threshold for capitalizing assets is $5,000. When assets are retired or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in income for the period.

Maintenance and repairs, including the replacement of minor items, are expensed as incurred, and major additions to buildings, furnishings, and equipment are capitalized. Construction in progress commences depreciation when the construction is complete and related assets placed in service.

Major Groupings	Useful Lives (years)
Buildings	15-40
Building improvements	10-40
Furniture and fixture	5-10
Equipment	3-10

1. Summary of Significant Accounting Policies (continued)

Impairment of Long-Lived Assets

The Authority periodically reviews the carrying amount of property, plant and equipment and its identifiable intangible assets to determine whether current events or circumstances warrant adjustments to such carrying amounts. If an impairment adjustment is deemed necessary, such loss is measured by the amount that the carrying value of such assets exceeds the fair value. Considerable management judgment is necessary to estimate the fair value of assets; accordingly, actual results could vary significantly from such estimates. Management believes it has considered all potential items of impairment related to long-lived assets and has recorded any such impairment accordingly.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates that may change in the near-term are fair values of long-lived assets and impairment losses.

Income Taxes

The Authority is a governmental subdivision of the State of Montana and is exempt from Federal and State income taxes.

Use of Restricted/Unrestricted Assets

When an expense is incurred for purposes for which both restricted and unrestricted assets are available, the Authority's policy is to apply restricted assets first.

Deferred Outflows of Resources

Deferred outflows of resources represent a consumption of net position that is applicable to future reporting periods. Deferred outflows of resources in the Statement of Net Position consist of unamortized portions of the net difference between projected and actual earnings on pension plan investments, the net difference between actual expected earnings and actual experience with regard to economic and demographic factors in the measurement of the total pension liability, changes of assumptions about future economic and demographic factors or other inputs and the net effect of the change in the employer's proportionate share of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources related to pensions. Deferred outflows also contain employer pension contributions made after the measurement date.

Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net position that is applicable to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. Although certain revenues are measurable, they are not available. Available means collected within the current year.

1. Summary of Significant Accounting Policies (continued)

Deferred Inflows of Resources (continued)

Deferred inflows of resources in the Statement of Net Position consist of the unamortized portions of the net difference between projected and actual earnings on pension plan investments, the net difference between actual expected earnings and actual experience with regard to economic and demographic factors in the measurement of the total pension liability, changes of assumptions about future economic and demographic factors or either other inputs and the net effect of the change in the employer's proportionate share of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources related to pensions.

Pension and Retirement Plan

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

Grant Revenue

When an expense is incurred for purposes for which both restricted and unrestricted net position is available, the Authority's policy is to apply the restricted component of net position first.

Leases

The leases entered into are considered short-term operating leases in accordance with GASB 87. The Authority has not entered into any material leases as defined by GASB 87.

Investment Income

Investment income from pooled cash and investments is allocated monthly based on the percentage of a fund's average pooled cash and investments balance.

Compensated Absences

It is the Authority's policy and state law to permit employees to accumulate a limited amount of earned but unused vacation benefits, which will be paid to employees upon separation from Authority service. Employees are allowed to accumulate and carry over a maximum of two times their annual accumulation of vacation, but not more than 90 days into the new calendar year. There is no restriction on the amount of sick leave that may be accumulated. Upon separation, employees are paid 100 percent of accumulated vacation and 25 percent of accumulated sick leave.

Postemployment Benefits Other Than Pension (OPEB)

OPEB benefits are part of an exchange of salaries and/or benefits in a future period as the result of employee services rendered during employment. In accordance with the accrual basis of accounting, generally benefits should be associated with periods in which the exchange occurs, rather than with the periods when benefits are paid or provided. The Authority has not incurred or obligated material resources to other postemployment benefits as defined in GASB Statement No. 75.

2. Deposits

The State of Montana Board of Investments has the responsibility to advise the State Treasurer about investment policies, promote measures and rules that will assist in strengthening the banking and credit structure of the State, and review the rules adopted under the authority of the State of Montana's Code Annotated (the MCA).

The Authority follows the requirements of the MCA (Montana Code, Title 17, Chapter 6) in handling its depository and investment transactions. The MCA requires the depositing of the Authority funds in a qualified depository. The MCA defines a qualified depository as any financial institution whose deposits are insured by an agency of the Federal Government and which has been certified by the State Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the State of Montana Board of Investments.

Custodial Credit Risk - Custodial credit risk is the risk that, in the event of a bank failure, the Authority's deposits may not be returned. The Authority does not have a formal deposit policy for custodial credit risk. As of June 30, 2024, the Authority's book balances totaled $378,242 and bank balances totaled $379,623, $326,997 of which is insured by Federal Depository Insurance and $52,626 that is at risk.

3. Due from Other Governments

A summary of due from other governments as presented in the Statement of Net Position at June 30, 2024, is as follows:

HUD - Operating subsidy	$	4,286

4. Prepaid Items

A summary of prepaid items as presented in the Statement of Net Position at June 30, 2024, is as follows:

Prepaid insurance	$	6,938

5. Cash and Cash Equivalents

A summary of cash and cash equivalents as presented in the Statement of Net Position at June 30, 2024, is as follows:

Cash and cash equivalents	$	366,492
Tenant security deposits		11,750
	$	378,242

6. Notes Receivable

The Authority provides Rehab Loans to homeowners which were primarily funded through the City of Whitefish. The Authority has three loans that earn zero interest, with minimum quarterly payments of $100 and the total loan balance is $11,469 as of June 30, 2024. The Authority has one additional loan in the amount of $5,050 which earns no interest and which has no repayment agreement until the house is sold or transferred.

The Authority entered into a loan agreement with Alpenglow Apartments, LLLP to advance $50,000 as a Sponsor Loan for the development of a tax-credit project. The loan is dated August 8, 2019, with an annual rate of 6.5% and payable annually on December 31, only to the extent of available Net Cash Flow. As of June 30, 2024, interest of $9,750 has accrued on the loan. A final payment of principal and accrued interest shall be due on December 31, 2044, twenty-five years from the placed in-service date.

7. Restitution Receivable

During the year, the Whitefish Housing Authority identified losses resulting from the misappropriation of Authority funds by a former executive director. In connection with the criminal proceedings, the court ordered the former executive director to pay restitution to the Authority in the amount of $144,842. Accordingly, the Authority has recorded a restitution receivable representing the amount expected to be recovered pursuant to the court-ordered restitution judgment.

Management evaluates the collectability of the restitution receivable on an ongoing basis. Because recovery is dependent upon the defendant’s financial condition and future payments under the restitution order, the ultimate amount and timing of collections may differ from amounts recorded. The Authority records an allowance for uncollectible amounts when it is probable that all or a portion of the restitution receivable will not be collected. As of June 30, 2024, the restitution receivable balance was $144,842.

8. Other Non-current Assets

The Authority participates in a “Deed Restricted Program” whereas the Authority provides for downpayment assistance to homeowners who stay in the associated properties. As part of the program, the Authority shares in the appreciation value of the property if a person sells the property before 90 years. The Authority’s share of equity in the property consists of funds from various sources, such as CDBG Grants, HOME Funds and the Affordable Housing Program provided by the Federal Home Loan Bank of Seattle.

If the property is sold within the first 15 years, then any gain from the property must be reinvested as program income and used in a similar manner. However, after the 15-year time period, any property sold and any share of appreciation that is received belong to the Whitefish Housing Authority. The Authority has a secured deed on each respective property securing the Authority’s interest. As of June 30, 2024, the Authority has sold ten properties. The total Authority’s contribution or equity in these properties is $810,599 as of June 30, 2024.

9. Capital Assets

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

	Balance 7/1/2023	Additions	Transfers	Balance 6/30/2024
Non-depreciable assets:				
Land	$ 752,622	$ -	$ -	$ 752,622
Construction in progress	387,144	1,188,128	-	1,575,272
Total non-depreciable assets:	1,139,766	1,188,128	-	2,327,894
Depreciable assets:				
Building	2,837,336	236,244	46,541	3,120,121
Furniture and equipment	120,547	40,471	(46,541)	114,477
Total depreciable assets:	2,957,883	276,715	-	3,234,598
Total Capital Assets:	$ 4,097,649	$ 1,464,843	$ -	$ 5,562,492
Accumulated depreciation:	$ (2,591,617)	$ (44,003)	$ -	$ (2,635,620)
Depreciable assets, net	366,266	232,712	-	598,978
Capital assets, net	$ 1,506,032	$ 1,420,840	$ -	$ 2,926,872

10. Accounts Payable

A summary of accounts payable as presented in the Statement of Net Position at June 30, 2024, is as follows:

Vendors and contractors	$ 45,896

11. Due to other Governments

A summary of due to other governments as presented in the Statement of Net Position at June 30, 2024, is as follows:

Payments in Lieu of Taxes	$ 15,769

12. Accrued Compensated Absences

A summary of accrued compensated absences as presented in the Statement of Net Position at June 30, 2024, is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due within One Year
Compensated absences	$ 4,268	$ 11,646	$ (13,128)	$ 2,786	$ 1,102

13. Net Position

The fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

- **Net Investment in Capital Assets –** This component groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation reduces the balance in this category.
- **Restricted –** This category represents net position of the Authority that is restricted externally by creditors, grantors, contributors, laws or regulations of other governments, imposed by law through constitutional provisions or enabling legislation.

  As of June 30, 2024, the Authority had net position of $2,214 restricted in the Section 8 Housing Choice Voucher Program for program housing assistance payments.

  As of June 30, 2024, the Authority had net position of $810,599 restricted in the Homeownership/Development Program for the Deed Restricted Program as described in Note 7.
- **Unrestricted –** This category represents net position of the Authority, not restricted for any project or other purposes.

14. Contingencies

The Authority recognizes as revenue grant monies received as reimbursement for costs incurred in certain Federal and State programs it administers. Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds, The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Authority expects such amounts, if any, to be immaterial.

15. Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Various insurance policies have been purchased to cover the risks described above. The insurance policies require minimal deductible amounts which the Authority pays in the event of any loss. The Authority also has purchased a workers' compensation policy. Settled claims resulting from losses have not exceeded commercial insurance coverage in any of the past three fiscal years.

The Authority's customers are primarily low-income rental tenants in the Whitefish area that may be affected by changing economic conditions. Management believes that its credit review procedures and tenant deposits have adequately provided for usual and customary credit-related losses. The Authority's policy for charging off tenant receivables is to consider write-down of receivables extending beyond 120 days after significant collection efforts have been made or when the financial conditions of tenants warrant charge-off. Tenant receivables are determined to be past due after 30 days regardless of whether partial payments have been received. Based on the Authority's policy for charging off tenant receivables, the bad debts allowance is insignificant.

16. Defined Benefit Pension Plan

Summary of Significant Accounting Policies

MPERA prepared financial statements using the accrual basis of accounting. The same accrual basis was used by MPERA for the purposes of determining the Net Pension Liability (NPL); Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions; Pension Expense; the Fiduciary Net Position; and Additions to or Deductions from Fiduciary Net Position. Member contributions are recognized in the period in which contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Revenues are recognized in the accounting period they are earned and become measurable. Benefit payments and refunds are recognized in the accounting period in which they are due and payable in accordance with the benefit terms. Expenses are recognized in the period incurred. Investments are reported at fair value. MPERA adhered to all accounting principles generally accepted in the United States of America. MPERA applied all applicable pronouncements of the Governmental Accounting Standards Board (GASB).

General Information about the Pension Plan

Plan Description: The PERS-Defined Benefit Retirement Plan (DBRP), administered by the Montana Public Employee Retirement Administration (MPERA), is a multiple-employer, cost-sharing plan established July 1, 1945, and governed by Title 19, chapters 2 & 3, Montana Code Annotated (MCA). This plan provides retirement benefits to covered employees of the State, and local governments, and certain employees of the Montana University System, and school districts. Benefits are established by state law and can only be amended by the Legislature.

All new members are initially members of the PERS-DBRP and have a 12-month window during which they choose to remain in the PERS-DBRP or join the PERS-DCRP by filing an irrevocable election. Members may not be participants of both the *defined benefit* and *defined contribution* retirement plans. All new members from the universities also have a third option to join the university system's Montana University System Retirement Program (MUS-RP).

Benefits provided: The PERS-DBRP provides retirement, disability, and death benefits to plan members and their beneficiaries. Benefits are based on eligibility, years of service, and highest average compensation (HAC). Member rights are vested after five years of service.

Service retirement:

- Hired prior to July 1, 2011:
  - Age 60, 5 years of membership service
  - Age 65, regardless of membership service
  - Any age, 30 years of membership service
- Hired on or after July 1, 2011:
  - Age 65, 5 years of membership service
  - Age 70, regardless of membership service

16. Defined Benefit Pension Plan (continued)

General Information about the Pension Plan (continued)

Early retirement:

- Hired prior to July 1, 2011:
  - Age 50, 5 years of membership service
  - Any age, 25 years of membership service
- Hired on or after July 1, 2011:
  - Age 55, 5 years of membership service

Second Retirement: (requires returning to PERS-covered employer or PERS service)

- Retired before January 1, 2016 and accumulate less than 2 years additional service credit or retired on or after January 1, 2016 and accumulate less than 5 years additional service credit:
  - A refund of member's contributions plus return interest (currently 2.02% effective July 1, 2018).
  - No service credit for second employment.
  - Start the same benefit amount the month following termination; and
  - Guaranteed Annual Benefit Adjustment (GABA) starts again in the January immediately following the second retirement.
- Retired before January 1, 2016 and accumulate at least 2 years of additional service credit:
  - A recalculated retirement benefit based on provisions in effect after the initial retirement; and
  - GABA starts on the recalculated benefit in the January after receiving the new benefit for 12 months.
- Retired on or after January 1, 2016 and accumulate 5 or more years of service credit:
  - The same retirement as prior to the return to service.
  - A second retirement benefit as prior to the second period of service based on laws in effect upon the rehire date; and
  - GABA starts on both benefits in the January after receiving the original and the new benefit for 12 months.

Member's highest average compensation (HAC)

- Hired prior to July 1, 2011 highest average compensation during any consecutive 36 months.
- Hired on or after July 1, 2011 – highest average compensation during any consecutive 60 months.

Compensation Cap

- Hired on or after July 1, 2023 – 110% annual cap on compensation considered as a part of a member's highest average compensation.

16. Defined Benefit Pension Plan (continued)

General Information about the Pension Plan (continued)

Monthly benefit formula

- Members hired prior to July 1, 2011
  - Less than 25 years of membership service: 1.785% of HAC per year of service credit;
  - 25 years of membership service or more: 2% of HAC per year of service credit.
- Members hired on or after July 1, 2011
  - Less than 10 years of membership service: 1.5% of HAC per year of service credit;
  - 10 years or more, but less than 30 years of membership service: 1.785% of HAC per year of service credit;
  - 30 years or more of membership service: 2% of HAC per year of service credit.

Guaranteed Annual Benefit Adjustment (GABA)

After the member has completed 12 full months of retirement, the member's benefit increases by the applicable percentage (provided below) each January, inclusive of all other adjustments to the member's benefit.

- 3.0% for members hired prior to July 1, 2007
- 1.5% for members hired between July 1, 2007 and June 30, 2013
- Members hired on or after July 1, 2013:
  (a) 1.5% for each year PERS is funded at or above 90%;
  (b) 1.5% reduced by 0.1% for each 2.0% PERS is funded below 90%; and
  (c) 0% whenever the amortization period for PERS is 40 years or more.

Contributions: The State Legislature has the authority to establish and amend contribution rates. Member and employer contribution rates are specified by Montana Statute and are a percentage of the member's compensation. Contributions are deducted from each member's salary and remitted by participating employers.

Special Funding: The state of Montana, as the non-employer contributing entity, paid to the Plan, additional contributions that qualify as special funding. Those employers who received special funding are all participating employers.

Not Special Funding: Per Montana law, state agencies and universities paid their own additional contributions. The employer paid contributions are not accounted for as special funding for state agencies and universities but are reported as employer contributions.

16. Defined Benefit Pension Plan (continued)

General Information about the Pension Plan (continued)

Member and employer contribution rates are shown in the table below.

Fiscal	Member		State & Universities	Local Government		School Districts	
Year	Hired < 07/01/11	Hired > 07/01/11	Employer	Employer	State	Employer	State
2023	7.900%	7.900%	9.070%	8.970%	0.100%	8.700%	0.370%
2022	7.900%	7.900%	8.970%	8.870%	0.100%	8.600%	0.370%
2021	7.900%	7.900%	8.870%	8.770%	0.100%	8.500%	0.370%
2020	7.900%	7.900%	8.770%	8.670%	0.100%	8.400%	0.370%
2019	7.900%	7.900%	8.670%	8.570%	0.100%	8.300%	0.370%
2018	7.900%	7.900%	8.570%	8.470%	0.100%	8.200%	0.370%
2017	7.900%	7.900%	8.470%	8.370%	0.100%	8.100%	0.370%
2016	7.900%	7.900%	8.370%	8.270%	0.100%	8.000%	0.370%
2015	7.900%	7.900%	8.270%	8.170%	0.100%	7.900%	0.370%
2014	7.900%	7.900%	8.170%	8.070%	0.100%	7.800%	0.370%
2012 - 2013	6.900%	7.900%	7.170%	7.070%	0.100%	6.800%	0.370%
2010 - 2011	6.900%	-	7.170%	7.070%	0.100%	6.800%	0.370%
2008 - 2009	6.900%	-	7.035%	6.935%	0.100%	6.800%	0.235%
2000 - 2007	6.900%	-	6.900%	6.800%	0.100%	6.800%	0.100%

1. Member contributions to the system of 7.9% are temporary and will be decreased to 6.9% on January 1, following actuary valuation results that show the amortization period has dropped below 25 years and would remain below 25 years following the reduction of both the additional employer and additional member contribution rates.
2. Employer contributions to the system:
   a. Effective July 1, 2014, following the 2013 Legislative session, PERS-employer contributions increase an additional 0.1% a year and will continue over 10 years through 2024. The additional employer contributions including the 0.27% added in 2007 and 2009, will terminate on January 1, following actuary valuation results that show the amortization period has dropped below 25 years and would remain below the 25 years following the reduction of both the additional employer and additional member contributions rates.
   b. Effective July 1, 2013, employers are required to make contributions on working retirees' compensation. Member contributions for working retirees are not required.
   c. The portion of employer contributions allocated to the Plan Choice Rate (PCR) are included in the employers reporting. The PCR was paid off effective March 2016 and the contributions previously directed to the PCR are now directed to member accounts.

16. Defined Benefit Pension Plan (continued)

General Information about the Pension Plan (continued)

3. Non-employer contributions:
   a. Special Funding
      i. The State contributed 0.1% of members' compensation on behalf of local government entities.
      ii. The State contributed 0.37% of members' compensation on behalf of school district entities.
      iii. The State contributed a Statutory Appropriation from the General Fund of $34,979,900.

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

GASB Statement 68 allows a measurement date of up to 12 months before the employer's fiscal year-end. The basis for the Total Pension Liability (TPL) as of June 30, 2023, is on an actuarial valuation performed by the Plan's actuary as of June 30, 2023.

The Total Pension Liability (TPL) minus the Fiduciary Net Position equals the Net Pension Liability (NPL). The proportionate shares of the employer's and the State of Montana's NPL for June 30, 2023, and 2022, are displayed below. The employer's proportionate share equals the ratio of the employer's contributions to the sum of all employer and non-employer contributions during the measurement period. The state's proportionate share for a particular employer equals the ratio of the contributions for the particular employer to the total state contributions paid. The employer recorded a liability of $156,133 and the employer's proportionate share was 0.006398 percent.

As of measurement date	Net Pension Liability as of 6/30/2023	Net Pension Liability as of 6/30/2022	Percent of Collective NPL as of 6/30/2023	Percent of Collective NPL as of 6/30/2022	Change in Percent of Collective NPL
WHITEFISH HOUSING AUTHORITY Proportionate Share	$ 156,133	$ 191,615	0.006398%	0.008058%	(0.001660)%
State of Montana Proportionate Share associated with Employer	$ 42,966	$ 57,005	0.001761%	0.002397%	(0.000636)%
Total	$ 199,099	$ 248,620	0.008159%	0.010455%	(0.002296)%

Changes in actuarial assumptions and methods: There have been no changes to the assumptions or other inputs that affected the measurement of the TPL since the previous measurement date.

Changes in benefit terms: There have been no changes in benefit terms since the previous measurement date.

Changes in proportionate share: There were no changes to the Plan between the measurement date of the collective NPL and the employer's reporting date that are expected to have a significant effect on the employer's proportionate share of the collective NPL.

16. Defined Benefit Pension Plan (continued)

Pension Expense: At June 30, 2023, the employer recognized a Pension Expense of $26,704 for its proportionate share of the Plan's pension expense. The employer also recognized grant revenue of $4,031 for the support provided by the State of Montana for its proportionate share of the pension expense associated with the employer.

As of measurement date	Pension Expense as of 6/30/2023	Pension Expense as of 6/30/2022
Employer's Proportionate Share	$ 26,704	$ 50,019
State of Montana Proportionate Share associated with the Employer	4,031	5,909
Total	$ 30,735	$ 55,928

Recognition of Deferred Inflows and Outflows: At June 30, 2024, the employer reported its proportionate share of the Plan's deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Expected vs. Actual Experience	$ 6,219	$ -
Projected Investment Earnings vs. Actual Investment Earnings	396	-
Changes in Assumptions	-	5,569
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	-	22,326
Employer Contributions Subsequent to the Measurement Date	20,259	-
Total	$ 26,874	$ 27,895

Other amounts reported as deferred outflows and inflows of resources related to pensions are recognized in the employer's pension expense as follows:

For the Measurement Year ended June 30:	Recognition of Deferred Outflows and Deferred Inflows in future years as an increase or (decrease) to Pension Expenses
2024	$ (13,497)
2025	$ (16,068)
2026	$ 9,232
2027	$ (948)
Thereafter	$ -

16. Defined Benefit Pension Plan (continued)

Actuarial Assumptions: The total pension liability as of June 30, 2024, was determined on the results of an actuarial valuation date of June 30, 2023, using the following actuarial assumptions, applied to all periods included in the measurement. Among those assumptions were the following:

Investment Return (net of pension plan investment expense, including inflation)	7.30%
General Wage Growth * *includes Inflation at	3.50% 2.75%
Merit Increases	0% to 4.80%
Postretirement Benefit Increases 1. Guaranteed Annual Benefit Adjustment (GABA) each January • After the member has completed 12 full months of retirement, the member's benefit increases by the applicable percentage (provided below) each January, inclusive of all other adjustments to the member's benefit. • Members hired prior to July 1, 2007 • Members hired between July 1, 2007 & June 30, 2013 • Members hired on or after July 1, 2013 • For each year PERS is funded at or above 90% • The 1.5% is reduced by 0.1% for each 2.0% PERS is funded below 90% • 0% whenever the amortization period for PERS is 40 years or more	 3.0% 1.5% 1.5% 0%
Mortality: • Active Participants	PUB-2010 General Amount weighted Employee mortality projected to 2021 for males and females. Projected generationally using MP-2021.
• Disabled Retirees	PUB-2010 General Amount Weighted Disabled Retiree Mortality table, projected to 2021, set forward one year for both males and females.
• Contingent Survivors	PUB-2010 General Amount Weighted Contingent Survivor Mortality projected to 2021 with ages set forward one year for males and females. Projected generationally using MP-2021.
• Healthy Retirees	PUB-2010 General Amount Weighted Healthy Retiree Mortality table projected to 2021, with ages set forward one year and adjusted 104% for males and 103% for females. Projected generationally using MP-2021.

16. Defined Benefit Pension Plan (continued)

The actuarial assumptions and methods utilized in the June 30, 2023 valuation, were developed in the five-year experience study for the period ending 2021. However, the current long-term rate of return is based on analysis in the experience study, without consideration for the administrative expenses analysis shown in the experience study.

Discount Rate: The discount rate used to measure the TPL was 7.30%. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members, employers, and non-employer contributing entities would be made based on the Board's funding policy, which established the contractually required rates under the Montana Code Annotated. The state contributed 0.10% of the salaries paid by local governments and 0.37% paid by school districts. In addition, the state contributed a statutory appropriation from the general fund. Based on those assumptions, the Plan's fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2127. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. A municipal bond rate was not incorporated in the discount rate.

Target Allocations: The long-term expected rate of return on pension plan investments is reviewed as part of regular experience studies prepared for the Plan about every five years. The long-term rate of return as of June 30, 2023, is based on analysis in the experience study report dated May 2, 2022 without consideration for the administrative expense analysis shown in the experience study. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and an analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation), along with estimates of variability and correlations for each asset class. These ranges were combined to develop the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is intended to be a long-term assumption (30 to 50 years) and is not expected to change absent a significant change in the asset allocation, a change in the underlying inflation assumption, or a fundamental change in the market that alters expected returns in future years.

16. Defined Benefit Pension Plan (continued)

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class as of the most recent experience study, are summarized in the following table.

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return Arithmetic Basis
Cash	3.0%	(0.33%)
Domestic Equity	30.0%	5.90%
International Equity	17.0%	7.14%
Private Investments	15.0%	9.13%
Real Assets	5.0%	4.03%
Real Estate	9.0%	5.41%
Core Fixed Income	15.0%	1.14%
Non-Core Fixed Income	6.0%	3.02%
Total	100.0%	

Sensitivity of the proportionate share of the net pension liability to changes in the discount rate: The following presents the employer's sensitivity of the NPL to the discount rate in the table below. A small change in the discount rate can create a significant change in the liability. The NPL was calculated using the discount rate of 7.30%, as well as what the NPL would be if it were calculated using a discount rate 1.00% lower or 1.00% higher than the current rate.

As of measurement date	1.0% Decrease (6.30%)	Current Discount Rate	1.0% Increase (8.30%)
WHITEFISH HOUSING AUTHORITY's Net Pension Liability	$225,534	$156,133	$97,912

Pension plan fiduciary net position: The stand-alone financial statements of the Montana Public Employees Retirement Board (PERB) *Annual Comprehensive Financial Report* (ACFR) and the GASB 68 Report disclose the Plan's fiduciary net position. These reports, as well as the actuarial valuations and experience study, are available from the PERB at PO Box 200131, Helena MT 59620-0131, (406) 444-3154 or are available on the MPERA website at https://mpera.mt.gov/about/annualreports1/annualreports.

17. Subsequent Events

The Authority has evaluated subsequent events through July 27, 2026, which is the date the financial statements were available to be issued.

Subsequent to June 30, 2024, the Authority became involved in litigation arising from allegations of defamation and related claims. The matter proceeded to trial in the Montana Eleventh Judicial District Court, Flathead County, and resulted in a jury verdict against the Authority in the amount of approximately $1.5 million. The Authority has appealed the verdict to the Montana Supreme Court, where the matter remains pending.

In connection with the judgment, the Authority is also a party to a declaratory judgment action in the United States District Court for the District of Montana to determine whether its insurance carrier is obligated to provide coverage for the judgment. The insurer has denied coverage; however, the Authority is contesting that determination. Discovery in the insurance coverage matter is ongoing, and the outcome is not presently determinable.

The Authority may also be subject to statutory provisions under Montana law that could limit or otherwise affect its ultimate financial exposure, including limitations on the enforcement of judgments against housing authorities and statutory caps on tort claims against governmental entities. The applicability and effect of these provisions remain uncertain.

On July 23, 2025, a second lawsuit was filed against the Authority alleging defamation and related claims arising from substantially similar circumstances. The matter is in its preliminary stages, and management, together with legal counsel, is unable to estimate the likelihood of loss or the amount of any potential liability at this time.

Management has concluded that these matters represent non-recognized subsequent events requiring disclosure in the financial statements. No adjustments have been made to the accompanying financial statements as a result of these events.

Required Supplemental Information

Whitefish Housing Authority
Required Supplemental Information
Schedule of Proportionate Share of the Net Pension Liability
For the Last Ten Fiscal Years*

As of measurement date	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Employer's proportion of the Net Pension Liability (percentage)	0.006398%	0.008058%	0.007553%	0.004725%	0.003962%	0.006028%	0.006364%	0.008789%	0.007952%	0.008579%
Employer's Net Pension Liability (amount)	$156,133	$191,615	$136,953	$124,650	$82,814	$125,812	$123,940	$149,704	$111,158	$106,891
State's Net Pension Liability (amount)	42,966	57,005	40,187	39,108	26,847	42,100	2,012	1,829	1,365	1,305
Total	$199,099	$248,620	$177,140	$163,758	$109,661	$167,912	$125,952	$151,533	$112,523	$108,197
Employer's Covered Payroll	$118,950	$141,615	$133,416	$79,274	$65,369	$100,583	$78,876	$105,275	$92,800	$97,111
Employer's proportionate Share as a percent of Covered Payroll	131.26%	135.31%	102.65%	157.24%	126.69%	125.08%	157.13%	142.20%	119.78%	111.22%
Plan Fiduciary Net Position as a percent of Total Pension Liability	73.93%	73.66%	79.91%	68.90%	73.85%	73.47%	73.75%	74.71%	78.40%	79.87%

**The amounts presented for each fiscal year were determined as of June 30, the measurement date.*
"All employer adjustments made in fiscal year 2020 but are adjusting a payroll with a pay date in a prior fiscal year, are considered prior year adjustments and are removed from the covered payroll report before the actuary calculates the employers proportionate share.

Whitefish Housing Authority
Required Supplementary Information
Schedule of Contributions
For the Last Ten Fiscal Years*

As of most recent FYE (reporting date)	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required DB Contributions	$20,259	$10,759	$12,595	$11,823	$6,945	$5,622	$8,397	$6,608	$8,799	$7,647
Plan Choice Rate Required Contributions	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Contributions in Relation to the Contractually Required Contributions	$20,259	$10,759	$12,595	$11,823	$6,945	$5,622	$8,397	$6,608	$8,799	$7,647
Contribution Deficiency (Excess)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Employer's Covered Payroll	$181,840	$118,950	$141,615	$133,416	$79,274	$65,369	$100,583	$78,876	$105,275	$92,800
Contributions as a percent of Covered Payroll	10.86%	9.04%	8.89%	8.86%	8.76%	8.60%	8.35%	8.38%	8.36%	8.24%

**The amounts presented for each fiscal year were determined as of June 30, the measurement date.*
"All employer adjustments made in fiscal year 2020 but are adjusting a payroll with a pay date in a prior fiscal year, are considered prior year adjustments and are removed from the covered payroll report before the actuary calculates the employers proportionate share.

Changes of Benefit Terms
The following changes to the plan provisions were made as identified

2017:
Working Retiree Limitations – for PERS
Effective July 1, 2017, if a PERS retiree returns as an independent contractor to what would otherwise be PERS-covered employment, general contractor overhead costs are excluded from PERS working retiree limitations.

Refunds
1) Terminating members eligible to retire may, in lieu of receiving a monthly retirement benefit, refund their accumulated contributions in a lump sum.
2) Terminating members with accumulated contributions between $200 and $1,000 who wish to rollover their refund must do so within 90 days of termination of service.
3) Trusts, estates, and charitable organizations listed as beneficiaries are entitled to receive only a lump-sum payment.

Lump-sum payouts
Effective July 1, 2017, lump-sum payouts in all systems are limited to the member's accumulated contributions rate than the present value of the member's benefit.

Disabled PERS Defined Contribution (DC) Members
PERS members hired after July 1, 2011, have a normal retirement age of 65. PERS DC members hired after July 1, 2011 who became disabled were previously only eligible for a disability benefit until age 65. Effective July 1, 2017, these individuals will be eligible for a disability benefit until they reach 70, thus ensuring the same 5-year time period available to PERS DC disabled members hired prior to July 1, 2011, who have a normal retirement age of 60 and are eligible for a disability benefit until age 65.

Changes in Actuarial Assumptions and Methods

Method and assumptions used in calculations of actuarially determined contributions

Actuarially determined contributions are determined on the valuation date payable in the fiscal year beginning immediately following the valuation date. The following actuarial assumptions and methods were used to determine contribution rates reported for fiscal year ending June 30, 2023, which were based on the results of the June 30, 2022 actuarial valuation:

General Wage Growth*	3.50%
Investment Rate of Return*	7.30%, net of pension plan investment and administrative expenses
*Includes inflation at	2.75%
Merit salary increase	0% to 4.80%
Asset valuation method	Four-year smoothed market
Actuarial cost method	Entry age Normal
Amortization method	Level percentage of payroll, open
Remaining amotization period	30 years
Mortality	
• Active Participants	PUB-2010 General Amount Weighted Employee Mortality projected to 2021 for males and females. Projected generationally using MP-2021.
• Disabled Retirees	PUB-2010 General Amount Weighted Disabled Retiree mortality table, projected to 2021, set forward one year for both males and females.
• Contingent Survivors	PUB-2010 General Amount Weighted Contingent Survivor Mortality projected to 2021 with ages set forward one year for males and females. Projected generationally using MP-2021.
• Healthy Retirees	PUB-2010 General Amount Weighted Healthy Retiree Mortality Table projected to 2021, with ages set forward one year and adjusted 104% for males and 103% for females. Projected generationally using MP-2021.

The actuarial assumptions and methods utilized in the June 30, 2022 valuation, were developed in the five-year experience study for the period ending 2021.

Supplemental Information-
Program Financial Schedules

Whitefish Housing Authority
Program Schedule of Net Position
June 30, 2024

ASSETS	Public Housing	Section 8 Voucher	Development/ Homeownership	Elimination	Combined Total
Current Assets:					
Cash and cash equivalents	$ 210,669	$ -	$ 155,823	$ -	$ 366,492
Accounts receivable, net	1,800	1,733	12,142	-	15,675
Due from related party	-	26,988	21,275	(48,263)	-
Due from other governments	-	4,286	16,518	(16,518)	4,286
Prepaid expenses	6,938	-	-	-	6,938
Tenant security deposits	10,800	-	950	-	11,750
Total current assets	230,207	33,007	206,708	(64,781)	405,141
Non-current Assets:					
Capital Assets, non-depreciable	50,110	-	2,277,784	-	2,327,894
Capital Assets, depreciable, net	518,566	44	80,368	-	598,978
Accrued interest	-	-	9,750	-	9,750
Restitution receivable	144,842	-	-	-	144,842
Notes receivable	-	-	66,519	-	66,519
Other assets, restricted	-	-	810,599	-	810,599
Total non-current assets	713,518	44	3,245,020	-	3,958,582
Total Assets	943,725	33,051	3,451,728	(64,781)	4,363,723
Deferred Outflows of Resources:					
Pension related deferred outflows of resources	25,288	511	1,075	-	26,874
Total Deferred Outflows of Resources	25,288	511	1,075	-	26,874
Total Assets and Deferred Outflows of Resources	$ 969,013	$ 33,562	$ 3,452,803	$ (64,781)	$ 4,390,597
LIABILITIES AND NET POSITION					
Current Liabilities:					
Accounts payable	$ 45,896	$ -	$ -	$ -	$ 45,896
Accrued liabilities	1,963	63	556	-	2,582
Compensated absences	1,102	-	-	-	1,102
Due to related party	34,769	-	13,494	(48,263)	-
Due to other governments	16,880	15,407	-	(16,518)	15,769
Unearned revenues	71,000	-	-	-	71,000
Tenant security deposits	10,800	-	950	-	11,750
Total current liabilities	182,410	15,470	15,000	(64,781)	148,099
Non-current Liabilities					
Compensated absences, long-term	1,684	-	-	-	1,684
Net pension liability	146,921	2,967	6,245	-	156,133
Total long term liabilities	148,605	2,967	6,245	-	157,817
Total Liabilities	331,015	18,437	21,245	(64,781)	305,916
Deferred inflows of resources:					
Pension related deferred inflows of resources	26,249	530	1,116	-	27,895
Total Deferred Inflows of Resources	26,249	530	1,116	-	27,895
Total Liabilities and Deferred Inflows of Resources	357,264	18,967	22,361	(64,781)	333,811
Net investment in capital assets	568,676	44	2,358,152	-	2,926,872
Restricted net position	-	2,214	810,599	-	812,813
Unrestricted net position	43,073	12,337	261,691	-	317,101
Total net position	611,749	14,595	3,430,442	-	4,056,786
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 969,013	$ 33,562	$ 3,452,803	$ (64,781)	$ 4,390,597

Whitefish Housing Authority
Program Schedule of Revenues, Expenses and Changes in Net Position
Year Ended June 30, 2024

	Public Housing	Section 8 Voucher	Development/ Homeownership	Elimination	Combined Total
REVENUE					
Rental income	$ 248,207	$ -	$ -	$ -	$ 248,207
HUD operating subsidy	85,509	71,150	-	-	156,659
Program revenues	-	-	73,715	-	73,715
Restricted construction government grants	-	-	616,278	-	616,278
Other income	17,786	4,076	21,699	-	43,561
Total revenue	351,502	75,226	711,692	-	1,138,420
EXPENSES					
Administration	284,988	12,225	87,704	-	384,917
Tenant services	876	-	-	-	876
Utilities	42,269	-	-	-	42,269
Ordinary maintenance and operations	126,635	-	-	-	126,635
General expenses	49,677	852	59,124	-	109,653
Housing assistance payments	-	73,197	-	-	73,197
Depreciation expense	41,135	97	2,771	-	44,003
Total operating expenses	545,580	86,371	149,599	-	781,550
Operating income (loss)	(194,078)	(11,145)	562,093	-	356,870
NONOPERATING REVENUES (EXPENSES)					
Interest income	4,918	-	1,625	-	6,543
HUD capital grants	244,429	-	-	-	244,429
Total nonoperating revenues (expenses)	249,347	-	1,625	-	250,972
Change in net position	55,269	(11,145)	563,718	-	607,842
Net position at beginning of year	556,480	25,740	2,866,724	-	3,448,944
Net position at end of year	$ 611,749	$ 14,595	$ 3,430,442	-	$ 4,056,786

Whitefish Housing Authority
Program Schedule of Cash Flows
Year Ended June 30, 2024

	Public Housing	Section 8 Voucher	Development Homeownership	Elimination	Total
Cash flows from operating activities:					
Rental receipts	$ 258,688	$ -	$ 68,172	$ -	$ 326,860
Program receipts	6,225	14,982	-	-	21,207
HUD operating subsidy receipts	85,509	71,150	-	-	156,659
Restricted government construction grants receipt	-	-	616,278	-	616,278
Other receipts	22,714	2,395	21,323	-	46,432
Total receipts	373,136	88,527	705,773	-	1,167,436
Administration	253,160	13,068	111,948	-	378,176
Utilities	19,265	-	-	-	19,265
Ordinary maintenance and operations	118,464	-	9,231	-	127,695
General	91,932	2,009	52,014	-	145,955
Housing assistance payments	-	73,450	-	-	73,450
Total disbursements	482,821	88,527	173,193	-	744,541
Net cash provided by (used in) operating activities	(109,685)	-	532,580	-	422,895
Cash flows from investing activities:					
Purchase of capital assets	(276,716)	-	(1,188,127)	-	(1,464,843)
Net cash provided by (used in) investing activities	(276,716)	-	(1,188,127)	-	(1,464,843)
Cash flows from capital and related financing activities:					
Proceeds from HUD capital grants	244,429	-	-	-	244,429
Net cash provided by (used in) capital and related financing activities	244,429	-	-	-	244,429
Net increase (decrease) in cash and cash equivalents, and restricted cash	(141,972)	-	(655,547)	-	(797,519)
Cash and cash equivalents, and restricted cash at beginning of year	363,441	-	812,320	-	1,175,761
Cash and cash equivalents, and restricted cash at end of year	$ 221,469	$ -	$ 156,773	$ -	$ 378,242

INDEPENDENT AUDITORS' 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

Board of Commissioners
Whitefish Housing Authority
Whitefish, Montana

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 business-type activities of Whitefish Housing Authority (the Authority), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated July 27, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority'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 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 Authority's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2024-01 and 2024-02 to be significant deficiencies.

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 have not been identified.

Board of Commissioners
Whitefish Housing Authority

Report on Compliance and Other Matters
As part of obtaining reasonable assurance about whether the Authority's financial statements are free of 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs at findings 2024-01 and 2024-02.

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 Authority'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 Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

FJ & Associates, PLLC

FJ & Associates, PLLC
Kaysville, Utah
July 27, 2026

Whitefish Housing Authority
Schedule of Findings and Questioned Costs
Year Ended June 30, 2024

Finding 2024-01: Financial Reporting – Untimely Filing of Audited Financial Statements.

Material Weakness

Criteria: Entities are required to prepare and file audited financial statements within prescribed deadlines in accordance with applicable regulatory, statutory, or contractual requirements. Timely financial reporting ensures transparency, accountability, and the availability of relevant financial information to stakeholders for decision-making purposes.

Condition: During our audit, we noted that the Authority did not file its audited financial statements for the year ended 2024 within the required timeframe. The delay in filing indicates that the financial reporting process was not completed in a timely manner to meet established deadlines.

Cause: The delay in filing appears to be due to inadequate planning, limited staffing resources, and insufficient oversight of the financial reporting and audit process. Additionally, there may have been delays in the preparation and review of supporting schedules and audit documentation.

Effect or Potential Effect: Failure to file audited financial statements on time may result in noncompliance with regulatory or contractual requirements. It may also reduce the usefulness of the financial statements to stakeholders and could impact the Authority's credibility, funding opportunities, or standing with oversight agencies.

Recommendation: The Authority should establish and implement a formal timeline for the preparation, review, and completion of its financial statements and audit. This should include clearly defined responsibilities, interim deadlines, and monitoring procedures to ensure timely completion. Management should also assess whether additional resources or external support are necessary to meet reporting deadlines in future periods.

Response:

Finding 2024-02: Internal Control – Untimely Detection of Payroll Fraud

Material Weakness

Criteria: A properly designed system of internal control includes procedures to prevent and detect fraud, particularly over payroll processing and compensation. Key controls include independent review and approval of payroll changes, segregation of duties, and oversight by those charged with governance. Management is responsible for establishing and maintaining internal controls to provide reasonable assurance that material misstatements, whether due to error or fraud, are identified in a timely manner.

Condition: During our audit, we noted that the Authority identified a payroll-related fraud involving the former Executive Director, who processed unauthorized additional compensation for himself during his tenure. While the Authority ultimately identified the fraudulent activity, it was not detected in a timely manner through the Authority's system of internal controls. The delay in detection indicates that controls over payroll processing and review were not operating effectively.

Cause: The untimely detection of the fraud appears to be due to a lack of independent review and approval of payroll changes, particularly those affecting executive compensation. Additionally, there was inadequate segregation of duties within the payroll process, allowing the Executive Director to process and approve his own compensation without sufficient oversight. Monitoring controls and board-level oversight over payroll and compensation were also limited.

Effect or Potential Effect: The failure to detect unauthorized payroll activity in a timely manner increases the risk of misappropriation of assets and material misstatement of the financial statements. Unauthorized compensation may go undetected for extended periods, resulting in financial loss and delayed corrective action. This condition may also negatively impact stakeholder confidence in the Authority's governance and internal control environment.

Recommendation: The Authority should strengthen internal controls over payroll and executive compensation by requiring independent review and approval of all compensation changes, particularly for senior management. Payroll processing responsibilities should be segregated to the extent possible, and compensating controls should be implemented where segregation is limited. The Board of Commissioners or an equivalent governing body should provide active oversight, including periodic review of payroll reports and executive compensation. Additionally, management should implement procedures to regularly review payroll registers for unusual or unauthorized transactions and consider periodic internal audits or external reviews to ensure compliance with established policies.

Response:

Finding 2023-01: Financial Reporting – Untimely Filing of Audited Financial Statements.

Material Weakness

Criteria: Entities are required to prepare and file audited financial statements within prescribed deadlines in accordance with applicable regulatory, statutory, or contractual requirements. Timely financial reporting ensures transparency, accountability, and the availability of relevant financial information to stakeholders for decision-making purposes.

Condition: During our audit, we noted that the Authority did not file its audited financial statements for the year ended 2023 within the required timeframe. The delay in filing indicates that the financial reporting process was not completed in a timely manner to meet established deadlines.

Cause: The delay in filing appears to be due to inadequate planning, limited staffing resources, and insufficient oversight of the financial reporting and audit process. Additionally, there may have been delays in the preparation and review of supporting schedules and audit documentation.

Effect or Potential Effect: Failure to file audited financial statements on time may result in noncompliance with regulatory or contractual requirements. It may also reduce the usefulness of the financial statements to stakeholders and could impact the Authority's credibility, funding opportunities, or standing with oversight agencies.

Recommendation: The Authority should establish and implement a formal timeline for the preparation, review, and completion of its financial statements and audit. This should include clearly defined responsibilities, interim deadlines, and monitoring procedures to ensure timely completion. Management should also assess whether additional resources or external support are necessary to meet reporting deadlines in future periods.

Response: See Finding 2024-01.

Finding 2023-02: Internal Control – Untimely Detection of Payroll Fraud

Material Weakness

Criteria: A properly designed system of internal control includes procedures to prevent and detect fraud, particularly over payroll processing and compensation. Key controls include independent review and approval of payroll changes, segregation of duties, and oversight by those charged with governance. Management is responsible for establishing and maintaining internal controls to provide reasonable assurance that material misstatements, whether due to error or fraud, are identified in a timely manner.

Condition: During our audit, we noted that the Authority identified a payroll-related fraud involving the former Executive Director, who processed unauthorized additional compensation for himself during his tenure. While the Authority ultimately identified the fraudulent activity, it was not detected in a timely manner through the Authority's system of internal controls. The delay in detection indicates that controls over payroll processing and review were not operating effectively.

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Response: See Finding 2024-02.

Real Estate Assessment Center

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Auditor Procedures
Attestation Report

PHA Information

PHA Code:	MT015 Fiscal Year End Date:06/30/2024
PHA Name:	Whitefish Housing Authority
Submission Type:	Audited/Non Single Audit

Submit

Certification Statement

I hereby certify that, to the best of my knowledge and belief,
the information contained in this submission - including but not
limited to the accompanying FDS is
true, accurate and complete for the period described on data element lines
G9000-010, G2000-020, and G2000-030.
By selecting Submit Financial Data, I declare that the foregoing
is true and correct.
Warning: HUD will seek civil, criminal, or administrative action against individual
and entities who either make, present, submit, or cause to be submitted
a false, fictitious, or fraudulent statement, representation, or certification pursuant
to 18 U.S.C. 1001, 1010, 1012, 1014 and 31 U.S.C. 3729, 3802.

Congratulations! Your submission has been successfully transmitted to FASS-PH.

Date/Time: **Thu Sep 03 18:14:14 EDT 2026**
Confirmation Key: **3484000000.450683.57.12.RVS**

Line Item #	Description	Total
290	Total Assets and Deferred Outflow of Resources	$4,390,597
600	Total Liabilities, Deferred Inflows of Resources and Equity - Net Assets/Position	$4,390,597
70000	Total Revenue	$1,389,392
96900	Total Operating Expenses	$664,349
97000	Excess of Operating Revenue over Operating Expenses	$725,043
10000	Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	$607,843

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Real Estate Assessment Center

Financial Assessment Subsystem (FASS-PH)

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Auditor Procedures

Attestation Report

PHA Information

PHA Code:	MT015 Fiscal Year End Date:06/30/2024
PHA Name:	Whitefish Housing Authority
Submission Type:	Audited/Non Single Audit

Audited Non Single Audit Non-Profit Entity (Same Auditor)

Independent Accountant's Report on Applying Agreed-Upon Procedure

Enter Name of Housing Authority	Whitefish Housing Authority
Enter Fiscal Year End (mm/dd/yyyy)	06/30/2024
Enter "Audit Report" Date (mm/dd/yyyy)	07/27/2026
Enter "Financial Data Schedule" Date (mm/dd/yyyy)	07/27/2026

PROCEDURE	UFRS RULE INFORMATION	HARD COPY DOCUMENTS	AGREE	DOES NOT AGREE
1	Balance Sheet and Revenue and Expense (data line items 111 to 13901)	Financial Data Schedule,all CFDAs,If applicable	◉	○
2	Footnotes (data element G5000-010)	Footnotes to audited basic financial statements	◉	○
3	Type of opinion on FDS (data element G3100-040)	Auditor's supplemental report on FDS	◉	○
4	Basic financial statements and auditor reports required to be submitted electronically	Basic financial statements (inclusive of auditor reports)	◉	○

UII	10230
Firm Name	FJ & Associates, PLLC
Employer Identification Number	460592475
Date	09/03/2026

Whitefish Housing Authority

Statement of Activity

July-August, 2026

	Total
Revenue	
3000.1 HCV HAP PMTS Received	$26,692.00
3000.3 PORT HAP Received	2,929.70
Total for 3000.1 HCV HAP PMTS Received	**$29,621.70**
3000.2 HCV Admin Fees	$2,150.62
3000.4 Admin Fees - PORT	77.70
Total for 3000.2 HCV Admin Fees	**$2,228.32**
3110.00 MVM Rent	43,286.00
3111.00 Other MVM Tenant Revenue	$1,725.67
3111.20 Laundry Machine Income	440.00
Total for 3111.00 Other MVM Tenant Revenue	**$2,165.67**
3630.00 RR House Rent	2,920.00
3690.00 Other Income	$24.02
3690.02 City DPTH Grant / Reimbursement	35,241.04
3690.13 Deed Restriction Management Fee	650.00
3690.15 LHP Rental Admin Fee	6,939.11
Total for 3690.00 Other Income	**$42,854.17**
8020 HUD Operating Subsidy	12,483.00
8029.25 Capital Fund 2025	10,764.00
Total for Revenue	**$146,322.86**
Gross Profit	**$146,322.86**
Expenditures	
4100.00 Administrative Expenses	
4110.00 Administrative Salaries	$21,081.50
4110.01 Compensated Absences - Admin	1,708.32
Total for 4110.00 Administrative Salaries	**$22,789.82**
4120.00 Payroll Taxes	2,290.28
4130.00 Legal Expense	550.00
4140.00 Staff Training	244.00
4170.00 Accounting	$6,110.00
4175.10 Outside Accounting / Bookkeeping Fees	2,878.75
Total for 4170.00 Accounting	**$8,988.75**
4171.00 Auditing Fees	12,750.00
4190.00 Sundry - other Admin Expense	$902.80
4190.10 Office Expenses	228.37
4190.30 Advertising & Marketing	220.89
4190.40 Postage & Delivery	89.30
4190.85 Membership Dues/Subscription	915.00
4190.90 Admin Services Contract	520.00
Total for 4190.00 Sundry - other Admin Expense	**$2,876.36**
Total for 4100.00 Administrative Expenses	**$50,489.21**

Whitefish Housing Authority

Statement of Activity

July-August, 2026

	Total
4210.00 Tenant Services	
4220.00 Tenant Services - Other Expense	36.95
Total for 4210.00 Tenant Services	**$36.95**
4300.00 Utilities	
4300.05 Utilities - Internet	726.96
4310.00 Water	3,632.31
4320.00 Electricity	2,451.00
4330.00 Gas	961.02
Total for 4300.00 Utilities	**$7,771.29**
4420.00 Materials	$805.00
4420.02 Plumbing	19.94
4420.03 Paint	186.34
4420.05 Other Materials	12.91
4420.07 Cleaning	114.22
Total for 4420.00 Materials	**$1,138.41**
4430.00 Maintenance Contract(or) Costs	$77.11
4430.11 Maintenance & Janitorial Salaries	4,632.62
4430.40 Landscape & Grounds Contract	3,780.40
4430.50 Unit Turnaround	6,898.00
4430.70 Plumbing Contract	6,585.00
4430.95 Routine Maintenance Contract	219.00
4432.00 Mat Rental Services	1,316.20
Total for 4430.00 Maintenance Contract(or) Costs	**$23,508.33**
4500.00 General Expenses	
4510.20 Liability Insurance	6,962.50
4540.00 Employee Benefit Contribution	
4540.10 Employee Benefits - Admin	2,887.40
Total for 4540.00 Employee Benefit Contribution	**$2,887.40**
Total for 4500.00 General Expenses	**$9,849.90**
4570.01 Bad Debts - other (admin)	50.00
4715.00 Housing Assistance Payments	$24,189.00
4715.02 HAP - Resident Utility Reimbursement / Payment	450.00
4715.1 PORT IN Housing Assistance Payments	2,852.00
Total for 4715.00 Housing Assistance Payments	**$27,491.00**
66000 Payroll Expenses	3,113.63
7540.01 Flooring	218.38
7540.02A Boiler System	72.00
Total for Expenditures	**$123,739.10**
Net Operating Revenue	**$22,583.76**
Other Revenue	
3610.01 Interest Income - Notes Rec	352.50

	Total
3610.02 Interest Income - MMA accounts	234.12
Total for Other Revenue	**$586.62**
Net Other Revenue	**$586.62**
Net Revenue	**$23,170.38**

Whitefish Housing Authority

Statement of Activity
July 2026

	Total
Revenue	
3000.1 HCV HAP PMTS Received	$12,974.00
3000.3 PORT HAP Received	1,426.00
Total for 3000.1 HCV HAP PMTS Received	**$14,400.00**
3000.2 HCV Admin Fees	$1,358.00
3000.4 Admin Fees - PORT	77.70
Total for 3000.2 HCV Admin Fees	**$1,435.70**
3110.00 MVM Rent	21,509.00
3111.00 Other MVM Tenant Revenue	$184.00
3111.20 Laundry Machine Income	440.00
Total for 3111.00 Other MVM Tenant Revenue	**$624.00**
3630.00 RR House Rent	1,460.00
3690.00 Other Income	$24.02
3690.02 City DPTH Grant / Reimbursement	35,241.04
3690.13 Deed Restriction Management Fee	625.00
3690.15 LHP Rental Admin Fee	6,939.11
Total for 3690.00 Other Income	**$42,829.17**
8020 HUD Operating Subsidy	3,308.00
8029.25 Capital Fund 2025	3,588.00
Total for Revenue	**$89,153.87**
Gross Profit	**$89,153.87**
Expenditures	
4100.00 Administrative Expenses	
4110.00 Administrative Salaries	$10,401.67
4110.01 Compensated Absences - Admin	1,535.24
Total for 4110.00 Administrative Salaries	**$11,936.91**
4120.00 Payroll Taxes	1,188.14
4130.00 Legal Expense	480.00
4140.00 Staff Training	244.00
4170.00 Accounting	
4175.10 Outside Accounting / Bookkeeping Fees	2,673.75
Total for 4170.00 Accounting	**$2,673.75**
4190.00 Sundry - other Admin Expense	$545.15
4190.10 Office Expenses	48.92
4190.30 Advertising & Marketing	220.89
4190.40 Postage & Delivery	77.99
4190.85 Membership Dues/Subscription	575.00
4190.90 Admin Services Contract	260.00
Total for 4190.00 Sundry - other Admin Expense	**$1,727.95**
Total for 4100.00 Administrative Expenses	**$18,250.75**

Whitefish Housing Authority

Statement of Activity

July 2026

	Total
4300.00 Utilities	
4300.05 Utilities - Internet	363.24
4310.00 Water	1,875.44
4320.00 Electricity	1,176.00
4330.00 Gas	493.57
Total for 4300.00 Utilities	**$3,908.25**
4420.00 Materials	$534.64
4420.07 Cleaning	56.79
Total for 4420.00 Materials	**$591.43**
4430.00 Maintenance Contract(or) Costs	
4430.11 Maintenance & Janitorial Salaries	2,281.68
4430.40 Landscape & Grounds Contract	1,400.00
4430.70 Plumbing Contract	6,516.00
4432.00 Mat Rental Services	1,183.10
Total for 4430.00 Maintenance Contract(or) Costs	**$11,380.78**
4500.00 General Expenses	
4510.20 Liability Insurance	6,909.10
4540.00 Employee Benefit Contribution	
4540.10 Employee Benefits - Admin	1,903.05
Total for 4540.00 Employee Benefit Contribution	**$1,903.05**
Total for 4500.00 General Expenses	**$8,812.15**
4570.01 Bad Debts - other (admin)	50.00
4715.00 Housing Assistance Payments	$12,362.00
4715.02 HAP - Resident Utility Reimbursement / Payment	225.00
4715.1 PORT IN Housing Assistance Payments	1,426.00
Total for 4715.00 Housing Assistance Payments	**$14,013.00**
66000 Payroll Expenses	2,973.63
7540.02A Boiler System	72.00
Total for Expenditures	**$60,051.99**
Net Operating Revenue	**$29,101.88**
Other Revenue	
3610.01 Interest Income - Notes Rec	21.90
Total for Other Revenue	**$21.90**
Net Other Revenue	**$21.90**
Net Revenue	**$29,123.78**

Whitefish Housing Authority

Statement of Financial Position Summary

As of Aug 31, 2026

Distribution account	Total
Assets	$4,579,589.66
Current Assets	$1,299,363.22
Bank Accounts	$268,131.87
Accounts Receivable	$686.50
Other Current Assets	$1,030,544.85
Total for Current Assets	**$1,299,363.22**
Fixed Assets	$3,275,216.44
Other Assets	$5,010.00
Total for Assets	**$4,579,589.66**
Liabilities and Equity	$4,579,589.66
Liabilities	$37,156.32
Current Liabilities	$194,310.05
Accounts Payable	-$34,323.13
Credit Cards	-$1,845.21
Other Current Liabilities	$230,478.39
Total for Current Liabilities	**$194,310.05**
Long-term Liabilities	-$157,153.73
Total for Liabilities	**$37,156.32**
Equity	$4,542,433.34
Total for Liabilities and Equity	**$4,579,589.66**

WHA Public Housing Proposed Budget FYE June 30, 2027

REVENUE

	FYE 2027 Budget	August YTD	Aug Percent YTD
Dwelling Income	$ 249,558	$43,286.00	17%
Excess Utilities	$ 1,195	$ -	0%
Nondwelling Rental	$ 3,357	$ -	0%
Interest Income	$ 2,194	$ 325.50	15%
Other Income (Tenant & Laundry)	$ 8,024	$ 2,165.67	27%
Capital Fund - Operating Expense (140	$ 141,014	$10,764.00	8%
Casualty Loss Ins Proceeds	$ -		
Subsidy	$ 69,499	$12,483.00	18%
Total Revenue	$ 474,840	$69,024.17	15%

EXPENSES

	FYE 2027 Budget	August YTD	Aug Percent YTD
Salaries(inc. absences)	$ 89,576	$11,227.00	13%
Auditing Fees	$ 26,550	$12,750.00	48%
Travel / Staff Taining	$ 2,500	$ 244.00	10%
Board Training	$ 500	$ -	
Advertising	$ 1,500	$ 220.89	15%
Legal Expense	$ 25,000	$ 550.00	2%
All Other Sundry	$ 20,000	$ 2,655.47	13%
Total Administrative	$ 190,626	$36,636.11	19%
Tenant Services Salaries			
Tenant Services	$ 1,250	$ 36.95	3%
Total Resident Service	$ 1,250	$ 36.95	3%
Water	$ 13,374	$ 1,405.53	11%
Electricity	$ 14,963	$ 2,451.00	16%
Gas	$ 12,474	$ 961.02	8%
Internet	$ 4,200	$ 726.96	17%
Sewer	$ 8,400	$ 1,539.82	18%
Trash	$ 4,200	$ 686.96	16%
Total Utilities	$ 57,610	$ 7,771.29	13%
Maintenance Salaries	$ 40,246	$ 4,632.62	12%

Maintenance Materials	$ 15,000	$ 1,138.41	8%
Maintenance Contract Costs* (see det	$ 57,500	$ 18,875.38	33%
Total Maintenance	$ 112,746	$ 24,646.41	22%
Protective Service Costs	$ -	0	0
Materials	$ -	$ -	0
Total Protective Servic	$ -	0	
Insurance	$ 29,015	$ 6,962.50	24%
PILOT	$ 10,017	$ -	0%
Employee Benefit Contributions	$ 11,317	$ 1,939.00	17%
Payroll Taxes	$ 13,548	$ 3,113.63	23%
Collection Losses			
Other General Expenses			
Total General Expense	$ 63,898	$ 12,015.13	19%
Total Operating Expenses	$ 426,129	$ 81,106	19%
Extra-ordinary Maintenance	$ 25,000	0	0
Total Non-Routine Exp	$ 25,000	0	0
Total Expenses	$ 451,129	$ 81,106	0
Profit (Loss) from Operations	$ 23,711	$ (12,082)	

INSPECTION AGREEMENT

TO PROVIDE HOUSING INSPECTIONS FOR COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA

THIS AGREEMENT made on ____________ [DATE], by and between **Whitefish Housing Authority**, 100 4th St, Whitefish, MT 59937, hereinafter called the "Contractor" and **Community Action Partnership of Northwest Montana**, 1820 U.S. 93 S, Kalispell, MT 59901 (PO Box 88, Kalispell, MT 59903), hereinafter called the "Inspector".

WITNESSETH:

Contractor hereby engages Inspector as its sole and exclusive agent to perform the NSPIRE Inspection on properties affiliated with or owned by CAPNM. Inspector agrees that all parties performing such inspection will be qualified to do so in accordance with Montana Department of Commerce regulations. Such qualifications must be evidenced by a valid Certificate of Completion of the NSPIRE Training for each of the Inspector's employees and/or representatives conducting such inspections. Contractor maintains the right to ask for Certificate of Completion at any time with the immediate providence of Inspector, not to exceed 2 business days.

1. **SCOPE OF WORK**
   The Contractor shall furnish the address of the property to be inspected, and the contact information for the Inspector to set up the appointment and gain admittance to the property.
2. **RESPONSIBILITIES**
   a. NSPIRE Inspection – the Inspector will perform the inspection and complete HUD Form within 7 business days of receiving the information.
   b. Inspector will perform all such inspections for CAPNM affiliated or owned properties.
3. **FEE SCHEDULE**
   Fees shall be assessed according to the fee schedule (Exhibit A)

INDEMNIFICATION BY CONTRACTOR

Contractor shall indemnify, defend and save Inspector harmless from any and all claims, proceedings or liability including but not limited to property claims and litigation, and all costs and expenses thereof for injuries or damages, including economic losses to persons and Inspector, including any employee or representative of Inspector, or property including, but not limited to these relating to or arising out of the inspection of the property inspected or in any manner resulting from or arising out of the performance by Inspector of its services under this agreement, **except** for that which is caused by negligence, willful misconduct, or intentional act of Inspector or its employees or representatives.

TERMINATION OF AGREEMENT
Either party may not terminate this agreement without just cause except by providing 30 days written notice to the following:

CONTRACTOR: Whitefish Housing Authority
100 4th St.
Whitefish, MT 59937
Attn: ___________

INSPECTOR: Community Action Partnership of Northwest Montana
1820 U.S. 93 S.
Kalispell, MT 59901
Attn: Carrie Gable

AGREEMENT MODIFICATION
This agreement may be modified by mutual agreement of the parties.

This agreement is entered into by the undersigned
Dated ____________.

CONTRACTOR:	INSPECTOR
_____________________________	___________________________
Marissa Getts, Executive Director Whitefish Housing Authority 100 4th St. Whitefish, MT 59937	Carrie Gable, Executive Director CAPNM 1820 U.S. 93 S. Kalispell, MT 59901
Date: ___________	Date: __________

EXHIBIT A

NSPIRE INSPECTION FEE SCHEDULE

Fee schedule for the Inspection Agreement between Whitefish Housing Authority and Community Action Partnership of Northwest Montana dated _____________________.

Fees (These Fees include mileage to reach the home to be inspected):

County	Initial NSPIRE Inspection Fee	Re-Inspection Fee
Flathead	\$44 + mileage reimbursement per federal guidelines	\$
Lake	\$22/hr for travel + inspection time, plus mileage reimbursement per federal guidelines	\$
Lincoln	\$110 + mileage reimbursement per federal guidelines	\$
Sanders	\$22/hr for travel + inspection time, plus mileage reimbursement per federal guidelines	\$

CONTRACTOR:

____

Marissa Getts, Executive Director
Whitefish Housing Authority
100 4th St.
Whitefish, MT 59937

Date: ____________

INSPECTOR

____

Carrie Gable, Executive Director
CAPNM
1820 U.S. 93 S.
Kalispell, MT 59901

Date: ___________