

SPOKANE NEIGHBORHOOD ACTION PARTNERS

**CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

YEARS ENDED DECEMBER 31, 2023 AND 2022

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
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INDEPENDENT AUDITORS' REPORT

Board of Directors
Spokane Neighborhood Action Partners
Spokane, WA

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Spokane Neighborhood Action Partners (SNAP), which comprise the consolidated statements of financial position as of December 31, 2023 and 2022, and the related consolidated statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of SNAP, as of December 31, 2023 and 2022, and changes in net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of SNAP and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about SNAP's ability to continue as a going concern for one year after the date that the financial statements are issued

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 SNAP'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about SNAP'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.

Other Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. The supplementary information on pages 41-45 and pages 60-63 are presented for purposes of additional analysis and are not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 26, 2024 on our consideration of SNAP's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering SNAP's internal control over financial reporting and compliance.



Aiken & Sanders, Inc., PS
Certified Public Accountants
& Management Consultants

June 26, 2024

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

DECEMBER 31, 2023 and 2022	2023	2022
ASSETS		
Cash and cash equivalents	\$ 9,452,779	\$ 5,240,521
Restricted cash (note 1)	3,949,026	3,565,772
	<u>13,401,805</u>	<u>8,806,293</u>
Accounts receivable, primarily grantor agencies (note 1)	3,023,419	4,373,640
Pledges receivable, less discount of \$0 and \$0 for 2023 and 2022, respectively (note 14)	20,000	-
Loans receivable, less allowance and discount of \$532,031 and \$1,159,516 for 2023 and 2022, respectively (note 10)	9,051,204	8,264,001
Related party note receivable, less allowance of \$0 for 2023 and 2022, respectively. Less discount of \$0 and \$442,981 for 2023 and 2022, respectively (note 9)	-	162,019
Inventory (note 1)	90,991	76,583
Prepaid expenses (note 1)	330,618	277,598
Investments (note 11)	-	553,644
Beneficial interest in assets held by Innovia Foundation (note 12)	424,564	357,921
Property and equipment, net (note 6)	20,020,762	16,640,501
Operating lease right of use assets (note 8)	147,504	65,609
Finance lease right of use assets (note 8)	52,333	8,645
Other assets (note 4)	<u>199,463</u>	<u>310,736</u>
TOTAL ASSETS	<u>\$ 46,762,663</u>	<u>\$ 39,897,190</u>

The accompanying notes are an integral part of these financial statements.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

DECEMBER 31, 2023 and 2022	2023	2022
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	\$ 2,419,313	\$ 2,846,377
Funds held for others	188,238	77,712
Revolving loan funds payable (note 10)	582,836	659,754
Loans and mortgages payable (note 5)	10,018,223	9,317,424
Operating lease liability payable (note 8)	147,912	66,244
Finance lease liability payable (note 8)	52,333	8,645
Investment loans payable (note 10)	4,000,000	4,000,000
Deferred revenues (note 1)	2,762,639	131,816
	<u>20,171,494</u>	<u>17,107,972</u>
TOTAL LIABILITIES		
NET ASSETS		
Without donor restrictions (note 13):		
Undesignated	4,869,718	4,544,651
Board designated for replacement and operations of SNAP rental properties	1,600,524	1,231,835
Board designated for operating reserves	1,074,977	926,085
Board designated beneficial interest in assets held by Innovia	252,085	357,921
Invested in property and equipment, net of related debt	10,142,448	7,757,885
Rural Housing Partner Equity	(23,206)	-
	<u>17,916,546</u>	<u>14,818,377</u>
With donor restrictions:		
Purpose restrictions	8,674,623	7,970,841
	<u>8,674,623</u>	<u>7,970,841</u>
	<u>26,591,169</u>	<u>22,789,218</u>
TOTAL NET ASSETS		
	<u>\$ 46,762,663</u>	<u>\$ 39,897,190</u>
TOTAL LIABILITIES AND NET ASSETS		

The accompanying notes are an integral part of these financial statements.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
CONSOLIDATED STATEMENT OF ACTIVITIES**

YEAR ENDED DECEMBER 31, 2023	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND OTHER SUPPORT			
Governmental awards	\$ 23,537,899	-	\$ 23,537,899
Public support and private donations	13,655,165	446,185	14,101,350
Client fees and matching contributions	2,682,865	993,131	3,675,996
Other income (expense)	2,165,538	-	2,165,538
In-kind (note 3)	10,664	-	10,664
Interest income	547,488	-	547,488
Net assets released from restrictions:			
Satisfaction of program restrictions (note 13)	735,534	(735,534)	-
TOTAL REVENUE AND OTHER SUPPORT	43,335,153	703,782	44,038,935
EXPENSES			
Program services			
Community Action	16,719,311	-	16,719,311
Housing Services	10,290,983	-	10,290,983
Essential Connections	8,533,977	-	8,533,977
Financial Stability	2,726,148	-	2,726,148
Supporting services			
Community Action	1,149,342	-	1,149,342
Housing Services	289,783	-	289,783
Essential Connections	77,819	-	77,819
Financial Stability	14,882	-	14,882
Fundraising	411,533	-	411,533
TOTAL EXPENSES	40,213,778	-	40,213,778
Change in net assets	3,121,375	703,782	3,825,157
Net assets, beginning of year	14,818,377	7,970,841	22,789,218
Rural Housing Partner Equity	(23,206)	-	(23,206)
Net assets, end of year	\$ 17,916,546	\$ 8,674,623	\$ 26,591,169

The accompanying notes are an integral part of these financial statements.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
CONSOLIDATED STATEMENT OF ACTIVITIES**

YEAR ENDED DECEMBER 31, 2022	2022		
	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND OTHER SUPPORT			
Governmental awards	\$ 36,109,645	-	\$ 36,109,645
Public support and private donations	11,824,506	550,972	12,375,478
Client fees and matching contributions	3,890,641	98,802	3,989,443
Other income (expense)	93,725	-	93,725
In-kind (note 3)	29,711	-	29,711
Interest income	501,175	-	501,175
Net assets released from restrictions:			
Satisfaction of program restrictions (note 13)	198,594	(198,594)	-
TOTAL REVENUE AND OTHER SUPPORT	52,647,997	451,180	53,099,177
EXPENSES			
Program services			
Community Action	17,198,013	-	17,198,013
Housing Services	8,142,558	-	8,142,558
Essential Connections	21,035,073	-	21,035,073
Financial Stability	3,396,104	-	3,396,104
Supporting services			
Community Action	1,340,729	-	1,340,729
Housing Services	417,947	-	417,947
Essential Connections	43,273	-	43,273
Financial Stability	62,288	-	62,288
Fundraising	380,035	-	380,035
TOTAL EXPENSES	52,016,020	-	52,016,020
Change in net assets	631,977	451,180	1,083,157
Net assets, beginning of year	14,186,400	7,519,661	21,706,061
Net assets, end of year	\$ 14,818,377	\$ 7,970,841	\$ 22,789,218

The accompanying notes are an integral part of these financial statements.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**

YEAR ENDED DECEMBER 31, 2023							2023
	Program Services				Supporting Services	Fundraising	Total
	Community Action	Housing Services	Essential Connections	Financial Stability			
Salaries	\$ 2,118,295	\$ 2,367,030	\$ 1,262,571	\$ 962,146	\$ 1,709,959	\$ 196,579	\$ 8,616,580
Employee benefits	468,334	536,886	278,211	225,167	358,613	43,333	1,910,544
Employee payroll taxes	183,970	260,798	110,715	80,085	144,699	16,469	796,736
Total salaries and related expenses	2,770,599	3,164,714	1,651,497	1,267,398	2,213,271	256,381	11,323,860
Specific assistance to individuals	13,035,144	3,043,368	5,918,404	867,314	-	-	22,864,230
Subcontracted services	143,869	(9,300)	145,150	-	-	-	279,719
Utilities	3,765	12,333	-	-	49,968	-	66,066
Occupancy	110,993	139,977	85,248	58,915	(166,213)	18,847	247,767
Building maintenance/capital purchase and offset	(4,192)	(186,699)	-	-	10,740	-	(180,151)
Communications	27,752	24,856	27,303	10,572	172,638	6,310	269,431
Supplies	90,360	67,750	20,353	24,674	145,359	4,994	353,490
Printing and copying	33,710	7,157	312	6,510	20,187	8,749	76,625
Insurance	48,965	246,654	70,797	5,958	23,849	576	396,799
Expendable tools	-	74,705	-	-	-	-	74,705
Transportation	3,659	54,300	43,412	2,506	843	1,065	105,785
Vehicle maintenance	-	53,039	2,169	-	-	-	55,208
Travel	12,305	939	-	7,003	19,638	-	39,885
Dues, memberships, and registrations	5,417	1,345	-	1,010	14,062	1,664	23,498
Training	1,751	37,104	15,532	2,793	8,688	1,050	66,918
Professional fees	281,209	155,949	159,285	70,860	441,244	33,930	1,142,477
Interest expense	(345,861)	73,182	-	121,558	59,203	-	(91,918)
In-kind	-	-	3,214	4,250	-	2,601	10,065
Miscellaneous	56,522	9,360	23,939	9	(185,266)	11,999	(83,437)
Property management - SNAP properties	-	2,537,678	-	-	-	-	2,537,678
Pooled general expenses	195,815	42,808	207,077	153,468	(633,361)	34,193	-
Pooled network expenses	247,529	298,502	158,652	121,350	(850,809)	24,776	-
Management fees	-	-	-	-	-	-	-
Total expenses before depreciation	16,719,311	9,849,721	8,532,344	2,726,148	1,344,041	407,135	39,578,700
Depreciation	-	441,262	1,633	-	187,785	4,398	635,078
TOTAL EXPENSES	\$ 16,719,311	\$ 10,290,983	\$ 8,533,977	\$ 2,726,148	\$ 1,531,826	\$ 411,533	\$ 40,213,778
 Total Program Expenses	 <u>\$ 38,270,419</u>						

The accompanying notes are an integral part of these financial statements.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**

YEAR ENDED DECEMBER 31, 2022							2022
	Program Services						
	Community Action	Housing Services	Essential Connections	Financial Stability	Supporting Services	Fundraising	Total
Salaries	\$ 1,890,073	\$ 1,960,381	\$ 1,802,659	\$ 815,836	\$ 1,668,406	\$ 169,632	\$ 8,306,987
Employee benefits	432,579	488,816	426,284	182,194	381,162	38,506	1,949,541
Employee payroll taxes	164,514	258,478	162,257	68,529	145,514	14,105	813,397
Total salaries and related expenses	2,487,166	2,707,675	2,391,200	1,066,559	2,195,082	222,243	11,069,925
Specific assistance to individuals	13,577,107	1,934,622	17,609,002	1,753,322	-	-	34,874,053
Subcontracted services	352,550	(26,718)	166,150	-	-	-	491,982
Utilities	3,510	7,126	-	-	44,696	-	55,332
Occupancy	88,610	144,510	85,371	53,834	(133,854)	14,240	252,711
Building maintenance/capital purchase and offset	(39,436)	(91,354)	-	-	49,115	-	(81,675)
Communications	24,346	22,458	37,754	15,811	168,798	8,324	277,491
Supplies	59,484	35,494	41,390	20,063	110,179	10,612	277,222
Printing and copying	3,648	13,141	183	5,752	16,904	11,541	51,169
Insurance	22,210	239,073	94,547	4,679	21,224	479	382,212
Expendable tools	-	45,353	-	-	-	-	45,353
Transportation	1,100	49,295	35,782	792	1,449	693	89,111
Vehicle maintenance	35	15,665	3,192	-	843	-	19,735
Travel	4,598	356	413	2,922	6,241	-	14,530
Dues, memberships, and registrations	920	885	194	1,650	11,504	1,937	17,090
Training	2,145	41,342	3,282	851	7,023	2,066	56,709
Professional fees	199,371	163,825	42,502	129,887	466,037	39,830	1,041,452
Interest expense	45,939	58,043	-	121,771	67,038	-	292,791
In-kind	7,400	-	8,651	1,187	3,750	8,723	29,711
Miscellaneous	14,387	(355)	3,217	1,160	33,348	5,697	57,454
Property management - SNAP properties	-	2,065,631	-	-	-	-	2,065,631
Pooled general expenses	136,619	38,047	289,671	115,955	(608,558)	28,266	-
Pooled network expenses	206,304	239,327	221,872	99,909	(788,398)	20,985	(1)
Total expenses before depreciation	17,198,013	7,703,441	21,034,373	3,396,104	1,672,421	375,636	51,379,988
Depreciation	-	439,117	700	-	191,816	4,399	636,032
TOTAL EXPENSES	\$ 17,198,013	\$ 8,142,558	\$ 21,035,073	\$ 3,396,104	\$ 1,864,237	\$ 380,035	\$ 52,016,020
Total Program Expenses	<u>\$ 49,771,748</u>						

The accompanying notes are an integral part of these financial statements.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
CONSOLIDATED STATEMENT OF CASH FLOWS**

YEARS ENDED DECEMBER 31, 2023 and 2022	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 3,825,157	\$ 1,083,157
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	635,078	636,032
(Gain) Loss from investments in partnerships	373,372	(70,935)
(Gain) Loss from disposal of assets	2,737	57,966
Operating lease right of use asset	81,895	66,244
Finance lease right of use asset	43,688	8,645
Change in value of beneficial interest in assets held by Innovia	43,506	81,726
Decrease in related party receivable allowance	(900)	(769)
Decrease in receivables allowance and discount	(95,952)	(80,518)
Change in assets and liabilities:		
Receivables	1,330,220	(225,775)
Pledge receivables	(20,000)	3,210
Prepaid expenses	(53,020)	(69,709)
Inventory	(14,408)	8,631
Other assets	111,273	65,355
Accounts payable, accrued expenses, and other liabilities	(427,064)	390,600
Loan funds payable	(76,918)	(88,735)
Investment loans payable	-	-
Refundable advances	110,526	(21,271)
Deferred revenues	2,630,823	(509,956)
Net cash provided (used) by operating activities	8,500,013	1,333,898
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property	2,285,369	-
Purchases of property, plant, and equipment	(5,808,361)	(1,472,694)
Purchase of beneficial interest in Innovia Foundation	(66,643)	(19,556)
Proceeds from beneficial interest in Innovia Foundation	110,149	38,607
Loans receivable payments	1,524,702	1,272,783
Loans receivable issued	(1,744,017)	(1,633,775)
Net cash provided (used) by investing activities	(3,698,801)	(1,814,635)
CASH FLOWS FROM FINANCING ACTIVITIES		
Operating lease liability	(147,504)	(65,609)
Finance lease liability	(52,333)	(8,645)
Proceeds from long-term debt	1,409,686	794,400
Payments on long-term debt	(1,415,549)	(180,779)
Net cash provided (used) by financing activities	(205,700)	539,367
NET CHANGE IN CASH AND CASH EQUIVALENTS	4,595,512	58,630
Cash and cash equivalents, beginning of year	8,806,293	8,747,663
Cash and cash equivalents, end of year	\$ 13,401,805	\$ 8,806,293

The accompanying notes are an integral part of these financial statements.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
CONSOLIDATED STATEMENT OF CASH FLOWS**

YEARS ENDED DECEMBER 31, 2023 and 2022	2023	2022
SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION		
Cash paid during the year for interest	<u>\$ 302,180</u>	<u>\$ 292,791</u>

The accompanying notes are an integral part of these financial statements.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

Spokane Neighborhood Action Partners (SNAP) administers grants and contracts in four core/primary program areas: Community Action, Financial Stability, Essential Connections and Housing Services. The Community Action Core provides direct assistance through programs that provide utility support in heating and water assistance. The Financial Stability Core offers services that strengthen or grow financial potential through programs that teach people how to manage their money, clean up their credit, become responsible homeowners, and develop small businesses. The Essential Connections Core focuses on efforts that catalyze greater community engagement in the issues and causes of poverty, rental assistance, long term care Ombudsman advocacy, transportation and services for people experiencing homelessness. The Housing Services Core helps people acquire and sustain decent, affordable housing with programs that provide rental housing, weatherization and repairs for housing, conservation and education.

Principles of Consolidation

The consolidated financial statements include the accounts of SNAP, SNAP Financial Access, Pine Villa Associates, LLC, Riverwalk Point I, LLC, Riverwalk Point II, LLC and various projects aggregated in an account designated “L&S Housing”. All significant intercompany transactions and balances have been eliminated.

SNAP Financial Access (SFA) is a Washington nonprofit corporation that was incorporated in 2005 under the name Neighborhood Assets. It later changed its name to SNAP Financial Access. SFA was incorporated for the purpose of becoming a Community Development Financial Institution (CDFI), with the goal of increasing the availability of housing and economic opportunity for low-income people by providing training, counseling, and capital. SFA received its CDFI Certification from the Department of Treasury, and is recognized by the Internal Revenue Service (IRS) as a 501(c)(3) organization. SNAP is the sole member of SFA. In this regard, SNAP has a controlling financial interest in SFA, and SFA is considered to be a “subsidiary” of SNAP under GAAP. In accordance with GAAP, the financial statements of SNAP and SFA are consolidated.

Pine Villa Associates, LLC (Pine Villa) is a Washington limited liability company that was formed in 2014. Its primary asset consists of a 50-unit low-income housing project located at 33 E. Graves Road in Spokane, Washington. SNAP is the sole member of Pine Villa and, for purposes of GAAP, the financial statements of SNAP and Pine Villa are consolidated.

Riverwalk Point I, LLC (RWPI) is a Washington limited liability company that was formed in 2001. Its primary asset consists of a 53-unit low-income housing project located at 5008 E. Buckeye in Spokane, Washington. SNAP is the sole member of RWPI. In this regard, SNAP has a controlling financial interest in RWPI and, for purposes of GAAP, the financial statements of SNAP and RWPI are consolidated.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Riverwalk Point II, LLC (RWPII) is a Washington limited liability company that was formed in 2005. Its primary asset consists of a 51-unit low-income housing project located at 4915 E Upriver Drive in Spokane, Washington. SNAP is the sole member of RWPII. In this regard, SNAP has a controlling financial interest in RWPII, and for purposes of GAAP, the financial statements of SNAP and RWPII are consolidated. RWPII was consolidated on December 31, 2023.

The account "L&S Housing" represents SNAP's controlling interest in the low-income housing properties owned by L&S Columbia, Ltd., A Limited Partnership (L&S Columbia), and SNAP Rural Housing, LLC (SRH) (see Note 11 Investments).

In 2020 SNAP purchased a controlling interest in L&S Columbia, whose primary assets consist of a 95% limited partner interest in two subsidiary limited partnerships: L&S Kettle Falls Ltd, A Limited Partnership (Woodhaven), which owns an 18-unit, low-income housing project located at 465 W 6th, Kettle Falls, WA; and L&S Investments, A Limited Partnership (Republic Gardens), which owns a 17-unit, low-income housing project located at 627 South Madison, Republic, WA.

At December 31, 2023 and 2022, SNAP's limited partnership interest in L&S Columbia, had an estimated value of \$12,864 and \$54,216, respectively.

In 2023 SNAP was donated a 63.58% controlling interest in Wilbur Associates (a Washington limited partnership), which owns 100% interest in the Hillcrest Village property. The Hillcrest Village property is located at 501 NW Armstrong Avenue in Wilbur, Washington and consists of a 20-unit, single-story affordable housing community complex.

At December 31, 2023 SNAP's limited partnership interest in Wilbur Associates, had an estimated value of \$74,884.

SRH is a Washington limited liability company that was formed by SNAP in 2020. Its primary assets consist of 5% general partner interests in L&S Columbia, Hillcrest Village, Woodhaven, and Republic Gardens.

At December 31, 2023, and 2022 SRH's general partnership interest in L&S Columbia had an estimated value of \$2,096 and \$4,298, respectively.

Basis of Accounting

SNAP's accounting records are maintained on the accrual method of accounting.

Financial Statement Presentation

The consolidated financial statements of SNAP have been prepared in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, Financial Statements of Not-for-Profit Organizations.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Accounting Estimates

The consolidated financial statements have been prepared in accordance with GAAP, accounting principles generally accepted in the United States of America. In preparing the consolidated financial statements, management is required to make estimates and assumptions that affect the reported amounts of certain assets and liabilities as of the date of the consolidated financial statements. Actual results could differ, either positively or negatively, from those estimates.

Significant estimates include the allowance for loss provisions on performing loans receivable, present value discount of deferred loan receivables, the provision for depreciation, and the allocation of expenses by function.

Cash and Cash Equivalents

Cash and cash equivalents include all cash accounts, money market accounts, and temporary cash investments with an original maturity of three months or less.

Restricted Cash

Restricted cash includes cash held for others (client deposits) of \$188,239 and \$77,712 and cash held for client loan programs of \$1,370,578 and \$1,357,426 (loan loss reserves and the Small Business Administration, SBA), as of December 31, 2023 and 2022, respectively. Board designated cash for properties and operating reserves consisted of \$2,390,209 and \$2,130,634 as of December 31, 2023 and 2022, respectively.

Receivables

Accounts receivable are stated at amounts billed to the contractor or government agency. Accounts receivable are unsecured and do not accrue interest. An allowance for doubtful accounts has not been established since management is of the opinion that all accounts receivable at year-end are fully collectible. Receivables are considered past due if not collected within 90 days. SNAP does not charge interest on past due receivables. As of December 31, 2023, all receivables are current. There were no bad debts recognized during the years ended December 31, 2023 and 2022.

Loans Receivable

SNAP obtains funds to loan to individuals. As further discussed in Note 10, an allowance for loan loss provisions is provided, and amounts are recorded at their discounted present value if the terms do not include regular monthly payments. The allowance for loan loss provisions is based on expected nonpayment of loans granted to low-income individuals.

Inventory

Inventories are stated at the lower of cost, determined on a first "in", first "out" basis, or net realizable value.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

SNAP records investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statements of financial position. Net investment income/(loss) is reported in the statement of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

Investments in partnerships are valued using the equity method of accounting (see Note 11).

Property and Equipment

Property, equipment, and improvements are capitalized at cost; donated assets are valued at their estimated fair value when donated. Assets over \$5,000 are capitalized. Depreciation is computed using the straight-line method over estimated useful lives

of the assets, which are as follows:

Equipment	3 – 7 Years
Buildings and Residences	30 - 50 Years
Leasehold Improvements	Useful Life Varies on Improvement

Equipment purchased for grant programs in which SNAP does not obtain title is recorded as an expense and is charged against the related grant program. SNAP uses federally owned vehicles and equipment with an initial cost of \$116,944 and \$135,644 at December 31, 2023 and 2022, respectively.

If SNAP retains title, the assets are capitalized and depreciated over their estimated useful lives.

Long-Lived Assets

SNAP, using its best estimates based on reasonable and supportable assumptions and projections, reviews assets for impairment whenever events or changes in circumstances have indicated that the carrying amount of its assets might not be recoverable. Impaired assets are recorded at the lower of cost or fair value.

Deferred Revenues

SNAP receives payment for some services in advance. The payments are recorded as deferred revenues and are recognized as revenue when the services are rendered.

Income Tax Status

SNAP is a nonprofit entity exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and is not classified as a private foundation.

SNAP Financial Access is a nonprofit entity exempt from federal income taxes under Section 501(c)(3) of the IRC and is not classified as a private foundation.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pine Villa Associates is a single owner (SNAP) LLC, and by default is disregarded as an entity separate from its owner.

Riverwalk Point I is a single owner (SNAP) LLC, and by default is disregarded as an entity separate from its owner.

Riverwalk Point II is a single owner (SNAP) LLC, and by default is disregarded as an entity separate from its owner.

SNAP Rural Housing is a single owner (SNAP) LLC, and by default is disregarded as an entity separate from its owner.

Net Assets Without Donor Restrictions

Net assets without donor restrictions include resources that are not restricted by the donor and are available for the operations of SNAP without limitation. Net assets without donor restrictions also include resources restricted by donor-imposed criteria for which the restrictions are met within the same time period as the funds are received.

Net Assets With Donor Restrictions

Net asset with donor restrictions are those whose use by SNAP has been limited by donors to a specific time period or purpose (see Note 13). Upon the fulfillment of the purposes for which the net assets were restricted, expiration of a donor-imposed restriction or withdrawal of a restriction by a donor, temporarily restricted net assets are reclassified to net assets without donor restrictions.

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statements of activities and in the consolidated statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Supporting services includes management and general costs.

Recognizing Revenue from Contracts with Customers

Upon receipt of an advance from grants and contracts from their funding sources, SNAP recognizes deferred revenue in the amount of the advance for its performance obligation to perform services in the future. At December 31, 2023 and 2022, SNAP recorded deferred revenue of \$2,762,639 and \$131,816, respectively, which SNAP expects to recognize as revenue in the following year, when it performs those services and, therefore, satisfies its performance obligation to the funding sources.

The balances of receivables and deferred revenue from grants and contracts were as follows as of December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Accounts Receivable	\$ 3,023,419	\$ 4,373,640
Deferred Revenue	\$ 2,762,639	\$ 131,816

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounting for Contributions Received and Contributions Made

FASB ASU 2018-08 applies to both resource recipients and resource providers and assists in evaluating whether a transfer of assets is an exchange transaction or a contribution and also assists with distinguishing between conditional and unconditional contributions. Distinguishing between contributions and exchange transactions determines which guidance should be applied. For contributions, the guidance in Subtopic 958-605 is followed and for exchange transactions, Topic 606 is followed.

Leases

SNAP recognizes and measures its leases in accordance with FASB ASC 842, Leases. SNAP is a lessee in several noncancellable operating leases, for office space and office equipment. SNAP determines if an arrangement is a lease, or contains a lease, at inception of a contract and when the terms of an existing contract are changed. SNAP recognizes a lease liability and a right of use (ROU) asset at the commencement date of the lease. The lease liability is initially and subsequently recognized based on the present value of its future lease payments. The discount rate is the implicit rate if it is readily determinable or otherwise SNAP uses the U.S. Treasury Bill risk free rate with a term equivalent to the lease term. The implicit rate of the leases were not readily determinable and accordingly, SNAP used the U.S. Treasury Bill risk free rate based on the information available at the commencement date of the leases.

The ROU asset is subsequently measured throughout the lease term at the amount of the remeasured lease liability (i.e., present value of the remaining lease payments). Lease cost for lease payments is recognized on a straight-line basis over the lease term.

Management classifies all leases greater than \$5,000 in value and twelve months or more in length as operating or finance leases. In order to meet the classification as a finance lease, leases must meet at least one of the following criteria; 1) the lease transfers ownership of the underlying asset to the lessee by the end of the lease term, 2) the lease grants the lessee an option to purchase the underlying asset that the lessee is reasonably certain to exercise, 3) the lease term is for a major part of the economic life of the leased asset, 4) the present value of the sum of the lease payments and any residual value equals or exceeds substantially all of the fair value of the underlying asset, or 5) the underlying asset is of such a specialized nature that it is expected to have no alternative use to the lessor at the end of the lease term.

SNAP has elected, for all underlying classes of assets, to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less at lease commencement, and do not include an option to purchase the underlying asset that SNAP is reasonably certain to exercise. We recognize lease costs associated with the short-term leases on a straight-line basis over the lease term. (see Note 8).

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events

Subsequent events have been evaluated through June 26, 2024, which is the date the consolidated financial statements were available to be issued.

NOTE 2 RETIREMENT PLAN

SNAP has a 403(b) tax deferred annuity retirement plan (the Plan). The Plan covers substantially all employees. An employee must be employed by SNAP for one year and have worked for 1,000 hours to participate.

SNAP funds a contribution under the plan which is equal to 6% of covered employees' compensation.

Retirement plan expense for SNAP was \$429,130 and \$399,052 in 2023 and 2022, respectively.

NOTE 3 DONATED GOODS AND SERVICES

A substantial number of volunteers have donated significant amounts of time to SNAP's program services and to its fundraising campaigns. No amounts have been recognized in the consolidated statement of activities since services rendered by SNAP's volunteers do not fall into the criteria established by FASB in this area.

Donated goods, including software, are recorded at fair value at the date of donation.

SNAP records donated services that meet the criteria established by FASB, including advertising, at the estimated fair value of the services received on the date of donation.

In-kind revenues recording these donations consist of the following:

	2023	2022
Donated Goods and Services, Recorded as In-Kind	\$ 10,664	\$ 29,711

NOTE 4 UNEMPLOYMENT BENEFITS

SNAP has elected to provide unemployment benefits through the 501(c) Agencies Trust (the Trust). SNAP makes payments into the Trust to fund benefit and required reserves, and the Trust administers the plan and remits benefits to eligible recipients.

At December 31, 2023 and 2022, SNAP had funds on deposit with the Trust of \$199,463 and \$310,736, respectively. A corresponding liability has been accrued for the estimated cost of claims at December 31, 2023 and 2022 of \$199,463 and \$310,736, respectively.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 5 LOANS AND MORTGAGES PAYABLE

	2023		2022	
	Current Portion	Long-Term Portion	Balance	Balance
Patrician Apartments: 102 East Second				
Loan Number 2-92-410-31B				
Noninterest-bearing note payable to Washington State Department of Commerce; due and payable on December 31, 2042; secured by real estate.	\$ -	\$ 155,000	\$ 155,000	\$ 155,000
Contract Number OPR 94-251 (HOME Loan)				
Noninterest-bearing note payable to the City of Spokane; the loan balance will be forgiven August 16, 2024. The note is secured by a deed of trust on real estate.	-	197,500	197,500	197,500
Total Patrician Apartments	-	352,500	352,500	352,500
Avondale Apartments: 229 West Second				
Contract Number 5-92-491-22A				
Noninterest-bearing note payable to the Washington State Department of Commerce; due and payable in annual installments of \$7,323; Payments were deferred due to Covid from mid-2020 through 2022; Secured by real estate, matures December 31, 2042.	7,323	153,779	161,102	168,425
Pacific Apartments: 2701-21 East Pacific				
Contract Number 00-49300-563				
Noninterest-bearing note payable to Washington State Department of Commerce. The loan balance will be forgiven on December 31, 2026; secured by real estate.	-	358,089	358,089	358,089
Windsor Apartments: 9522 East 8th				
Contract Number 95-491-20A				
Noninterest-bearing note payable to Washington State Department of Commerce; due and payable in annual installments of \$4,200. Payments deferred due to Covid from mid-2020 through 2022; Secured by real estate; matures June 30, 2046.	4,200	105,000	109,200	113,400

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 5 LOANS AND MORTGAGES PAYABLE (CONTINUED)

	2023		2022	
	Current Portion	Long-Term Portion	Balance	Balance
Windermere Apartments: 907/916 East Sinto				
Contract Number 98-49300-482				
Note payable to Washington State				
Department of Commerce; payable in annual installments of \$9,197, including interest at 1% Payments deferred due to Covid from mid-2020 through 2022; Final payment shall be due September 30, 2049; Secured by real estate.				
	6,819	223,769	230,588	237,340
Belamy: 2108 East First				
Contract Number 96-404-107 (HOME Loan)				
Note payable to Washington State				
Department of Commerce; payable in annual installments of \$2,551, including interest of 1%; Payments deferred due to Covid from mid-2020 through 2023; matures in December 2047; Secured by real estate.				
	1,905	60,140	62,045	62,045
Resident Court: 1203 West 5th				
Contract Number 00-49300-530				
Note payable to the Washington State				
Department of Commerce bearing interest of 1% for 50 years. Payable in interest only installments of \$7,439 until January 1, 2019. Payments deferred from 2019 through 2026. Interest only payments of \$8,056 begin January 1, 2027, followed by a balloon payment on January 1, 2053. Secured by deed of trust on real estate. Matures January 1, 2053.				
	-	743,928	743,928	743,928
Alexandria: 623 South Howard				
Contract Number 04-40403-030 (HOME Loan)				
Note payable to Washington State				
Department of Commerce, noninterest bearing for 40 years. This is a forgivable loan if the property is not sold, refinanced or transferred. Secured by deed of trust on real estate. Matures June 30, 2044.				
	-	508,224	508,224	508,224

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 5 LOANS AND MORTGAGES PAYABLE (CONTINUED)

	2023		2022	
	Current Portion	Long-Term Portion	Balance	Balance
Contract Number 04-40403-030 (HOME Loan) Note payable to Washington State Department of Commerce, payments deferred for 40 years, with interest at 0.5% accruing during deferral. Secured by deed of trust on real estate. Matures June 30, 2044.	-	145,888	145,888	145,888
Contract Number 04-40403-030 Note payable to Washington State Department of Commerce, payments deferred for 40 years, with interest at 0.5% accruing during deferral. Secured by deed of trust on real estate. Matures June 30, 2044.	-	254,112	254,112	254,112
Total Alexandria Apartments	-	908,224	908,224	908,224
St. Annes Triplex: 2111-17/21 East Pacific				
Contract Number 5-93-491-23A Note payable to Washington State Department of Commerce; payable in annual installments of \$2,172, including interest at 1%; Payments deferred due to Covid from mid-2020 through 2023; matures in December 2043. Secured by real estate.	-	51,123	51,123	51,123
Pine Villa: 33 E. Graves Rd.				
Contract Number Promissory Note 12/20/1999 (HOME Loan) Note payable to the County of Spokane; bearing interest at 3.5%. Payments and accrual of interest deferred through May of 2012. Starting on June 1, 2012 monthly payments of \$2,863 began. Secured by deed of trust on real estate. Matures June, 2042.	18,394	443,226	461,620	482,306
Contract Number Promissory Note 12/27/2013 Promissory note payable to Smith-Barbieri; bearing interest at 1%. Principal and interest in the amount of \$296 are due each month. Matures August 1, 2043; unsecured.	2,931	60,167	63,098	66,000
Total Pine Villa	21,325	503,393	524,718	548,306

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 5 LOANS AND MORTGAGES PAYABLE (CONTINUED)

	2023		2022	
	Current Portion	Long-Term Portion	Balance	Balance
Broadway Senior Housing: 8001 E Broadway Ave				
Promissory Note WSHFC				
Note payable to Washington State Housing Finance Commission (WSHFC), bearing interest at 1% per annum. All interest payments shall be deferred until the maturity date, at which time the principal and accrued interest become due. Matures December 2030. Secured by deed of trust.				
	-	1,240,000	1,240,000	1,240,000
SNAP Property Rehabilitation Projects				
Various Contract Numbers 21P-94115-0xx (HPP Loans)				
Recoverable Grants payable to the State of Washington, Department of Commerce. To be forgiven if the terms and conditions of contracts are met through the Commitment period ending in various dates. The HPP loans are secured by a deed of trust on real estate. These loans are being tracked in Fund 081 until rehabilitation projects are completed and those loans are moved to the various property funds.				
	-	1,844	1,844	-
Riverwalk Point I: 5008 E Buckeye				
Contract Number 02-40420-003 (HTF Loan)				
Note payable to Washington State Department of Commerce. The balance is payable in quarterly payments of \$5,100 including interest of 0.5%. Payments deferred due to Covid from mid-2020 through 2022; Final payment shall be due on or before September 30, 2028. The HTF loan is secured by a deed of trust on real estate. A covenant provides that the project must provide low income housing for a 50-year period.				
	19,680	121,814	141,494	161,076

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 5 LOANS AND MORTGAGES PAYABLE (CONTINUED)

	2023		2022	
	Current Portion	Long-Term Portion	Balance	Balance
Contract Number 02-40420-003 (HOME Loan) Loan payable to the State of Washington, Department of Commerce. Deferred with 0.5% interest until December 2022. The new principal balance of \$1,182,762 was amortized over 30 years at 0.5% interest compounded annually, with annual payments of \$42,481, beginning December 31, 2023. The final payment shall be due on or before December 31, 2052. The HOME loan is secured by a deed of trust on real estate. A covenant provides that the project must remain low-income housing for a 50-year period.	36,819	1,013,156	1,049,975	1,086,611
Contract Number 02-40420-003 (HOME Loan) Loan payable to the State of Washington, Department of Commerce. The balance is payable in quarterly payments of \$3,669 including interest of 0.5%. Payments deferred due to Covid from mid-2020 through 2022; The final payment shall be due on or before December 31, 2028. The HOME loan is secured by a deed of trust on real estate. A covenant provides that the project must remain low-income housing for a 50-year period.	14,137	91,815	105,952	120,018
Contract Number 18P-94108-018 Recoverable Grant payable to the State of Washington, Department of Commerce. To be forgiven if the terms and conditions of contract are met through the Commitment period ending September 8, 2034. The HPP loan is secured by a deed of trust on real estate.	-	426,691	426,691	426,691
Total Riverwalk Point I	70,636	1,653,476	1,724,112	1,794,396
Republic Gardens: 627 S Madison, Republic, WA (L&S Investments)				
Case No. 56-10-1332187 Note payable to Farmers Home Administration, United States Department of Agriculture Rural Development. Due in monthly installments of \$2,304, including interest at 8.5% per annum. Final payment due September 2028. Note is secured by a deed of trust on real estate. Note paid in full in 2023. USDA is holding final payments in suspense account until prepayment is finalized.	20,929	-	20,929	13,126

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 5 LOANS AND MORTGAGES PAYABLE (CONTINUED)

	2023		2022	
	Current Portion	Long-Term Portion	Balance	Balance
Woodhaven: 465 W 6th Ave, Kettle Falls, WA (L&S Kettle Falls, Ltd.)				
Case No. 56-33-911251500 Note payable to Farmers Home Administration, United States Department of Agriculture Rural Development. Due in monthly installments \$335, including interest at 6% per annum. Final payment due December 2032. Note is secured by a deed of trust on real estate.	4,502	155,901	160,403	138,707
Hillcrest: 501 NW Armstrong, Wilbur, WA (Wilbur Associates)				
Case No. 56-22-1337868 Note payable to Farmers Home Administration, United States Department of Agriculture Rural Development. Due in monthly installments of \$1,227, including interest at 11.5% per annum. Final payment due September 2031. Note is secured by a deed of trust on real estate.	3,600	304,691	308,291	-
Riverwalk Point II: 4915 E Upriver Drive, Spokane, WA				
Contract Number 07-94100-023 Loan 1 Loan payable to the state of Washington, Department of Commerce. Deferred through May 31, 2010, with 0% interest. Then amortized over 39 years at 0% interest compounded quarterly, with quarterly payments payments of \$4,487, beginning in 2010. The final payment shall be due in or before May 31, 2049. Beginning mid 2020, the loan was deferred through 2022 due to the pandemic. The loan is secured by a deed of trust on real estate. A covenant provides that the project must provide low income housing for a 40-year period.	4,487	480,128	484,615	-
Contract Number 07-94100-023 Loan 2 Loan payable to the state of Washington, Department of Commerce. Deferred for 40 years with 0% interest until May 31, 2049. The final payment shall be due on or before May 31, 2049. The loan is secured by a deed of trust on real estate. A covenant provides that the project must provide low income housing for a 40-year period.	-	1,150,000	1,150,000	-

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 5 LOANS AND MORTGAGES PAYABLE (CONTINUED)

	2023		2022	
	Current Portion	Long-Term Portion	Balance	Balance
Contract Number 06-16A				
Loan payable to Spokane County, Washington, noninterest bearing, payable in annual payments of \$5,000. The final payment shall be due on or before May 31, 2049. The loan is secured by a deed of trust on real estate. A covenant provides that the project must provide low income housing. May 31, 2049. Beginning mid 2020, the loan was deferred through 2022 due to the pandemic. The loan is secured by a deed of trust on real estate.	5,000	120,000	125,000	-
Total Riverwalk Point II	9,487	1,750,128	1,759,615	-
 Collins Apartments: 204 South Wall (sold in 2023)				
Contract Number City Forgivable Loan				
Noninterest-bearing note payable to the City of Spokane; due and payable when the Collins Apartments are sold. If sold prior to 2044, the loan will not be forgiven. Matures in 2044. Secured by real estate.	-	-	-	117,000
Contract Number 98-40497-207 (HOME Loan)				
Note payable to Washington State Department of Commerce payable in annual installments of \$5,489, including interest at 1%. Payments deferred due to Covid from mid-2020 through 2022; Final payment shall be due at time of sale if prior to maturity date of June 30, 2049. Secured by real estate.	-	-	-	141,644
Contract Number 98-40497-207				
Note payable to Washington State Department of Commerce; payable in annual installments of \$8,679, including interest at 1%. Payments deferred due to Covid from mid-2020 through 2022; Final payment shall be due at time of sale if prior to maturity date of June 30, 2049. Secured by real estate.	-	-	-	223,972
Total Collins Apartments	-	-	-	482,616

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 5 LOANS AND MORTGAGES PAYABLE (CONTINUED)

	2023		2022	
	Current Portion	Long-Term Portion	Balance	Balance
Whistalks Way: 3102 W. Whistalks Way				
Loan Number 130012610				
Note payable to First Interstate Bank, bearing interest at 4.4% per annum.				
A final outstanding payment of outstanding principal plus accrued interest is due February 28, 2030.				
Secured by real estate.	66,443	750,818	817,261	874,643
 Contract Number 14-93213-013				
Note payable to Washington State Department of Commerce, payments deferred for 10 years, with interest at 5% compounded annually. Matures in 2023, at which time loan is forgiven.				
Secured by real estate.	-	-	-	618,860
Total Whistalks Way	66,443	750,818	817,261	1,493,503
 Project Atlas (Birdseye) Client Database				
Loan Number 130012611				
Note payable to First Interstate Bank, bearing interest at a variable rate, which at December 31, 2022 is 3.97% per annum.				
Monthly variable interest payments and principal payments of \$11,968 are required. The loan matures March 6, 2028. Secured by all unrestricted assets of SNAP.				
	143,620	340,631	484,251	611,696
Total Long-Term Debt	\$ 360,789	\$9,657,434	\$ 10,018,223	\$9,317,424

Aggregate maturities required on principal under long-term obligations for each of the succeeding years are as follows:

Year Ending December 31,	Amount
2024	\$ 360,789
2025	360,469
2026	362,288
2027	273,023
2028	297,829
Thereafter	8,363,825
Total	\$ 10,018,223

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 6 PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at December 31:

	<u>2023</u>	<u>2022</u>
Nondepreciable:		
Land	\$ 3,824,599	\$ 3,824,599
Construction in Progress (RWPIII Site Improvements)	49,250	49,250
Donated Stock	20,048	-
Total Nondepreciable	<u>3,893,897</u>	<u>3,873,849</u>
Depreciable:		
Buildings and Residences	22,884,381	19,290,855
Equipment	2,332,357	2,267,792
Total Depreciable	<u>25,216,738</u>	<u>21,558,647</u>
Total	29,110,635	25,432,496
Less: Accumulated Depreciation	9,089,873	8,791,995
Total	<u>\$ 20,020,762</u>	<u>\$ 16,640,501</u>

NOTE 7 CONCENTRATION OF CREDIT RISK

A significant portion of SNAP's funding is derived from grants funded through the Washington State Department of Commerce. These programs are funded primarily by federal funding through congressional budget appropriations.

SNAP maintains cash and cash equivalents on deposit at various institutions. The amount on deposit fluctuates and at times exceeds the insured limit by the Federal Deposit Insurance Corporation (FDIC).

NOTE 8 LEASES

SNAP has obligations as a lessee for office space and other office equipment with initial noncancelable terms in excess of one year. Office space is classified as operating leases. Office equipment is classified as financing leases. These leases generally contain renewal options for periods ranging from one to two years. Because SNAP is reasonably certain to exercise these renewal options, the optional period are included in determining the lease term, and associated payments under these renewal options are included in the lease payments. SNAP's leases do not include restrictive financial or other covenants. Payments due under the lease contracts include fixed payments.

The components of lease cost for the years ended December 31, 2023 and 2022, are as follows:

	<u>2023</u>	<u>2022</u>
Operating Lease Cost	\$ 92,414	\$ 81,752
Short Tem Lease Cost	<u>109,876</u>	<u>135,432</u>
Total Lease Cost	<u>\$202,290</u>	<u>\$217,184</u>

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
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NOTE 8 LEASES (CONTINUED)

Other information related to leases as of December 31, 2023, are as follows:

Supplemental cash flow information:

Cash Paid for Amounts Included in the Measurement of Lease Liabilities:
Operating Cash Flow from Operating Leases \$149,116

ROU Assets Obtained in Exchange for Lease Obligations:
Operating Leases \$149,116

Reductions to ROU Assets Resulting from Reductions to Lease Obligations:
Operating Leases \$83,426

Remaining lease term:
Operating Leases 9 months to 1 year

Discounted rate:
Operating Leases 2.50%

Amounts disclosed for ROU assets obtained in exchange for lease obligations and reductions to ROU assets resulting from reductions to lease obligations include amounts added to or reduced from the carrying amount of ROU assets resulting from new leases, lease modifications or reassessments.

Maturities of lease liabilities under noncancellable operating leases as of December 31, 2023, are as follows:

2023	\$ 82,621
Less Imputed Interest	<u>(726)</u>
Total	<u>\$ 81,895</u>

The above schedule includes lease payments for one year leases that SNAP has the option to renew.

SNAP leases photocopy machines for various office locations. The following is a schedule of total finance lease payments at 2.50% interest.

Year Ending December 31,	Amount
2024	\$ 3,417
2025	3,417
2026	3,417
2027	<u>288</u>
	10,539
Less Imputed Interest	<u>(384)</u>
Total	<u><u>\$ 10,155</u></u>

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
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NOTE 9 RELATED PARTY TRANSACTIONS

SNAP has notes receivable from Riverwalk Point I LLC (RWP I) in the amounts of \$150,000 and \$31,950. A discount of \$7,735 and \$8,211 was recorded at December 31, 2023 and 2022 respectively. The aforementioned receivables, discounts and interest payable have been eliminated for the purposes of the consolidated financial statements.

SNAP is the sole member of Riverwalk Point II LLC (RWP II), a limited liability company. RWP II was formed for the purpose of constructing and operating a 51-unit low-income rental housing project located in Spokane, Washington. The Limited Liability Company Agreement provides for various obligations of the managing member, including its obligations to provide funds for operating deficits.

During 2008, SNAP provided RWP II with a loan in the amount of \$605,000. The loan bears interest at the rate of 5% per year. Payments of principal and interest are due on a yearly basis beginning July 1, 2009. Payments are subject to availability of cash flow at RWP II. The loan matures on May 31, 2049. As of December 31, 2023, a note in the amount of \$170,126, net of discount of \$434,874, is deferred. As of December 31, 2022, a note in the amount of \$162,019, net of discount of \$442,981, is deferred.

SNAP also has a company management fee as of December 31, 2023 and 2022, of \$195,000 and \$182,000, respectively, due from RWP II. During 2023 and 2022, SNAP's management determined that the receivable from RWP II was most likely uncollectible and has recorded an allowance for estimated uncollectible amounts of \$195,000 and \$182,000 at December 31, 2023 and 2022, respectively. The aforementioned receivables, discounts and interest payable have been eliminated for the purposes of the consolidated financial statements.

During 2023, SNAP provided L&S Investments a cash advance loan in the amount of \$20,929 and L&S Kettle Falls Ltd a cash advance loan in the amount of \$25,667. The loans bear no interest.

NOTE 10 CLIENT LOAN PROGRAMS

SNAP and its subsidiary, SNAP Financial Access, currently administer several loan programs.

The State HOME Rehabilitation program (Project #272) allows clients to receive either a grant or loan, depending on their income, and the loans only need to be repaid on the sale or change of use of the property. SNAP chose to record these loans and set up an allowance for the full amount. Revenues will be recognized when repayments are received. Repayments are remitted back to Washington State Department of Commerce, as the HOME Rehabilitation program has been terminated.

The Washington Department of Commerce Rehabilitation Program (Project #270) is a revolving loan program designed to help low-income individuals finance home improvements. These loans are a mix of performing and deferred change of use loans. If the purchaser is qualified, the loan may be transferred to a new owner. Repaid funds from borrowers are to be used to support this program and provide future residential loans.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
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NOTE 10 CLIENT LOAN PROGRAMS (CONTINUED)

Northwest Business Development Association (NWBDA) provided SNAP Financial Access (Project #702) with a grant used to establish a NWBDA micro enterprise revolving loan fund. Loans made from the revolving loan fund are to provide financing for businesses in Spokane County that are unable to obtain adequate financing from conventional lenders. Repaid funds from borrowers are to be used to support additional business lending.

The Spokane County CDBG Loan program (Project #705) was created for SNAP Financial Access to provide financing for businesses located within Spokane County that are unable to obtain adequate financing from conventional lenders in the community. The funds are dedicated to low and moderate-income persons residing in Spokane County. A revolving loan fund payable was established, which represents the amount of money that would revert to the County should the program terminate.

The AVISTA Loan Fund (Project #713) is supported by a memorandum of understanding between SNAP Financial Access and AVISTA to provide financing to aid startup businesses created by graduates of community college, business centers, and high school entrepreneur programs who are participating in the AVISTA Business Entrepreneurship Network. Repaid funds from borrowers are to be used to support additional business lending.

The U.S. Department of Health and Human Services (DHHS) Business Revolving Loan Fund (Project #720) is comprised of the consolidation of the DHHS Community Economic Development (CED) Revolving Loan Fund and the DHHS Microenterprise Refugee Revolving Loan Funds. SNAP Financial Access can use the funds to make business loans within its CDFI Target Market. Repaid funds from borrowers are to be used to support additional business lending.

The United States Small Business Administration (SBA) Micro Loan Program (Project #721) was established to make microloans to eligible small businesses. Funding was provided through a loan made by the SBA to SNAP Financial Access. Microloans made may be used for various business activities. The SNAP Financial Access loan from SBA has a floating interest rate of no greater than 1.375% and is payable over a 10-year period ending 2026.

The SBA Micro Loan Program (Project #722) was established to make microloans to eligible small businesses. Funding was provided through a loan made by the SBA to SNAP Financial Access. Microloans made may be used for various business activities. The SNAP Financial Access loan from SBA has a floating interest rate of no more than 1.875% and is payable over a 10-year period ending 2029.

The SBA Micro Loan Program (Project #725) was established to make microloans to eligible small businesses. Funding was provided through a loan made by the SBA to SNAP Financial Access. Microloans made may be used for various business activities. The SNAP Financial Access loan from SBA has an interest rate of 0.00% and is payable over a 10-year period ending 2030.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
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NOTE 10 CLIENT LOAN PROGRAMS (CONTINUED)

The Washington State Attorney General Foreclosure Prevention Loan Program (Project #750) was established via a legal settlement between the State of Washington and five private mortgage servicing firms. SNAP Financial Access uses the funds to make loans to

individuals who need refinancing of a current mortgage and/or additional liens, or rehabilitation of the underlying property. Loans made are also focused on the prevention of foreclosure. Repaid funds from borrowers are to be used to support additional housing or homeownership retention for homebuyers and homeowners.

The City of Spokane CDBG Down Payment Loan program (Project #751) was created for SNAP Financial Access to provide down payment assistance financing for home purchases located within the City of Spokane. The funds are dedicated to low and moderate-income persons purchasing a home located within the Spokane City limits. A revolving loan fund payable was established, which represents the amount of money that could revert to the City after the program ends in Fiscal Year 2024 for remaining loan balances.

The Washington State Department of Commerce Housing Trust Fund DAP 7 Program agreement (Project #758) provided funding for SNAP Financial Access to make loans to low and moderate-income homebuyers and homeowners. Repaid funds from borrowers are to be used to support additional housing or homeownership retention for homebuyers and homeowners.

The United States Treasury Community Development Financial Institution (CDFI) Fund's Financial Assistance Grant Loan Program (Project #760), were grants issued to SNAP Financial Access to assist with providing loans to its target markets. Proceeds from the CDFI Fund's Financial Assistance grants can be used to make business or residential-based loans. Repaid funds from borrowers are to be used to support additional lending.

The CDFI Fund's Equitable Recovery Program Grant #01 Program (Project #761), was a grant issued to SNAP Financial Access to provide target markets with Financial Products. Proceeds from the CDFI Fund's grant can be used to make business or residential-based loans. Repaid funds from borrowers are used to support additional residential or commercial lending.

The CDFI Fund's Rapid Response Program Grant #01 Loan Program (Project #763), was a grant issued to SNAP Financial Access to provide its target market with Financial Products. Proceeds from the CDFI Fund's grant can be used to make business or residential-based loans. Repaid funds from borrowers are to be used to support additional lending.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
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NOTE 10 CLIENT LOAN PROGRAMS (CONTINUED)

The Mountain West Bank Equity Equivalent #01 (EQ2) is an investment in SNAP Financial Access (Project #770) by the bank. This investment is considered deeply subordinated debt, for the provision of both business and residential capital. SNAP Financial Access deploys the investment proceeds to meet its mission via lending. This investment carries a rate of 3.95% with an interest-only repayment provision on a quarterly basis. Principal can be repaid at any time within the duration of the investment. The investment minimum duration is ten years, initially expiring in August, 2028, with an obligated extension of five years. Annually thereafter, duration is extended an additional year at the bank's discretion.

The Mountain West Bank EQ2 (Project #770) borrower repayments of principal are deposited into the Mountain West Bank EQ2 Debt Service Fund (Project #771). An internal SNAP Financial Access schedule is used to ensure the balance of the EQ2, due in fifteen years, on

August 16, 2033, is on hand for repayment. Funds needed to meet this future obligation are pooled in Projects #770 and #771 to ensure proper alignment with the schedule. Cash balances from this pool can be redeployed as loans during the EQ2 investment duration.

The Mountain West Bank Equity Equivalent #02 (EQ2) was an investment in SNAP Financial Access (Project #772) by the bank. This investment, as an EQ2, is considered deeply subordinated debt, for the provision of both business and residential capital. SNAP Financial Access deploys the investment proceeds to meet its mission via lending. This investment carries a rate of 3.00% with an interest-only repayment provision on a quarterly basis. Principal can be repaid at any time within the duration of the investment. The investment minimum duration is ten years, initially expiring in September, 2029, with an obligated extension of five years. Annually thereafter, duration is extended an additional year at the bank's discretion.

The Mountain West Bank EQ2 (Project #772) borrower repayments of principal and interest are deposited into the Mountain West Bank EQ2 Debt Service Fund (Project #773). An internal SNAP Financial Access schedule is used to ensure the balance of the EQ2, due in fifteen years, on September 11, 2034, is on hand for repayment. Funds needed to meet this future obligation are pooled in Projects #772 and #773 to ensure proper alignment with the schedule. Cash balances from this pool can be redeployed as loans during the EQ2 investment duration.

The Umpqua Bank Equity Equivalent (EQ2) is an investment in SNAP Financial Access (Project #774) by the bank. This investment is considered deeply subordinated debt, for the provision of both business and residential capital. SNAP Financial Access deploys the investment proceeds to meet its mission via lending. This investment carries a rate of 2.00% with an interest-only repayment provision on a quarterly basis. Principal can be repaid at any time within the duration of the investment. The investment duration is a minimum of ten years, initially expiring in January, 2030, with an obligated extension of five years. Annually thereafter, duration is extended an additional year at the bank's discretion. The Umpqua Bank Equity Equivalent (Project #774) borrower repayments of principal are deposited into the

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 10 CLIENT LOAN PROGRAMS (CONTINUED)

Umpqua Bank Equity Debt Service Fund (Project #775). An internal SNAP Financial Access schedule is used to ensure the balance of the EQ2, Due January 2030, is on hand for repayment. Funds needed to meet this future obligation are pooled in Projects #774 and #775 to ensure proper alignment with the schedule. Cash balances from this pool can be redeployed as loans during the EQ2 investment duration.

The First Interstate Bank Equity Equivalent (EQ2) is an investment in SNAP Financial Access (Project #776) by the bank. This investment is considered deeply subordinated debt, for the provision of both business and residential capital. SNAP Financial Access deploys the investment proceeds to meet its mission via lending. Proceeds from this investment carry a rate of 3.00% with an interest-only repayment provision on a quarterly basis. Principal can be repaid at any time within the duration of the investment. The investment duration is ten years, initially expiring in January, 2030, with an obligated extension of five years. Annually thereafter, duration is extended an additional year at the bank's discretion. The First Interstate Bank Equity Equivalent (Project #776) borrower repayments of principal are deposited into the First Interstate Bank Equity Equivalent Debt Service Fund (Project #777). An internal SNAP Financial Access schedule is used to ensure the balance of the EQ2, due January 2030, is on hand for repayment. Funds needed to meet this future obligation are pooled in Projects #776 and #777 to ensure proper alignment with the schedule. Cash balances from this pool can be deployed as loans during the EQ2 investment duration.

The SNAP Home Loss Prevention loan program (Project #171), a loan program that issues small 0% loans for a single mortgage payment to ensure residents stay housed until further assistance can be provided and involve due dates that are not contingent upon the sale of the home.

The following is a recap of loans receivable and revolving loan funds payable for the years ended December 31, 2023 and 2022, respectively:

Project Number	Loan Type	Gross Loan Receivable	2023		Cash Available	
			Allowance for Loan Loss Provisions	Net Receivable		Net Payable
Project #171	RL	\$ 9,253	\$ 1,851	\$ 7,402	\$ -	\$ 4,652
Project #270	RL	547,716	27,386	520,330	-	87,149
Project #272	RL	13,207	660	12,547	12,546	-
Project #702	RL	10,825	758	10,067	-	58,542
Project #705	RL	20,962	1,467	19,495	87,369	55,773
Project #713	RL	1,030	72	958	-	116,689
Project #720	RL	225,334	15,773	209,561	-	418,146
Project #721	RL	52,821	3,698	49,123	61,352	65,270
Project #722	RL	118,073	8,265	109,808	195,337	170,280
Project #725	RL	195,468	13,683	181,785	216,667	86,408
Project #750	RL	2,274,498	113,725	2,160,773	-	634,658
Project #751	RL	8,692	435	8,257	9,565	(40,416)
Project #758	RL	2,578,170	145,573	2,432,597	-	683,609
Project #760	RL	45,742	3,202	42,540	-	522,927
Project #763	RL	767,998	42,377	725,621	-	(31,958)
Project #770	IL	215,529	10,776	204,753	182,643	14,591

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NOTE 10 CLIENT LOAN PROGRAMS (CONTINUED)

		2023				
		Allow ance for				
		Gross Loan Receivable	Loan Loss Provisions	Net Receivable	Net Payable	Cash Available
Project #771	IL	172,620	12,083	160,537	817,357	697,281
Project #772	IL	610,420	30,521	579,899	572,996	55,444
Project #773	IL	99,528	6,967	92,561	427,004	363,332
Project #774	IL	254,026	12,701	241,325	253,553	58,967
Project #775	IL	379,988	26,599	353,389	746,447	425,375
Project #776	IL	761,702	38,085	723,617	761,702	(1,384)
Project #777	IL	219,633	15,374	204,259	238,298	18,241
Total		\$ 9,583,235	\$ 532,031	\$ 9,051,204	\$ 4,582,836	\$ 4,463,576

Loan Type:

RL = Revolving Loan

IL = Investment Loan

		2022				
		Allow ance for				
Project Number	Loan Type	Gross Loan Receivable	Loan Loss Provisions	Net Receivable	Net Payable	Cash Available
Project #171	RL	\$ 10,361	\$ 2,072	\$ 8,289	\$ -	\$ 3,537
Project #270	RL	475,879	123,059	352,820	-	115,793
Project #272	RL	13,207	13,207	-	-	-
Project #702	RL	41,137	8,227	32,909	-	28,231
Project #705	RL	15,484	3,097	12,388	85,740	(3,018)
Project #713	RL	15,664	3,133	12,531	-	101,983
Project #720	RL	290,181	58,036	232,145	-	369,565
Project #721	RL	46,518	9,304	37,214	85,843	95,114
Project #722	RL	79,201	15,840	63,361	228,626	235,382
Project #725	RL	233,256	46,651	186,605	249,999	73,142
Project #750	RL	2,492,977	124,649	2,368,328	-	340,337
Project #751	RL	9,091	455	8,636	9,546	(88,936)
Project #758	RL	2,275,278	405,198	1,870,080	-	587,113
Project #760	RL	76,239	15,248	60,991	-	492,482
Project #763	RL	331,998	60,439	271,559	-	-
Project #770	IL	221,387	11,069	210,318	188,501	9,389
Project #771	IL	421,937	84,387	337,549	811,499	451,582
Project #772	IL	619,225	30,961	588,264	581,801	39,219
Project #773	IL	136,849	27,370	109,480	418,199	310,792
Project #774	IL	389,251	19,463	369,789	388,778	60,462
Project #775	IL	241,549	48,310	193,238	611,222	398,974
Project #776	IL	986,849	49,341	937,507	986,850	-
Project #777	IL	-	-	-	13,150	13,161
Total		\$ 9,423,518	\$ 1,159,516	\$ 8,264,001	\$ 4,659,754	\$ 3,634,304

Loan Type:

RL = Revolving Loan

IL = Investment Loan

Certain revolving loan funds payable contain scheduled principal payments. Aggregate maturities required on these revolving loans for each of the succeeding years at December 31 are as follows:

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NOTE 10 CLIENT LOAN PROGRAMS (CONTINUED)

<u>Year Ending December 31,</u>	<u>Amount</u>
2024	\$ 82,555
2025	82,555
2026	70,075
2027	57,944
2028	57,944
Thereafter	231,763
Total	<u>\$ 582,836</u>

NOTE 11 INVESTMENTS

Wilbur Associates

In 2023 SNAP was donated controlling interest in Wilbur Associates, a Limited Partnership which owns the affordable housing complex known as Hillcrest Village.

At December 31, 2023, the properties assets and liabilities were added to SNAP's books. At 12/31/2022, SNAP's investment in the partnership was valued at \$77,228 and SNAP Rural Housing LLC's investment was valued at \$19,239.

In 2023 SNAP exercised our option to purchase the tax credit property known as Riverwalk Point II (RWPII) effective 12/31/2023 at which time the property's assets and liabilities were added to SNAP's books. At 12/31/2022, SNAP's invested capital in RWPII was valued at \$457,176.

NOTE 12 BENEFICIAL INTEREST IN ASSETS HELD BY INNOVIA FOUNDATION

During 2012, SNAP established the Spokane Neighborhood Action Partners Fund (the Fund) with Innovia, formerly known as Inland Northwest Community Foundation, Spokane, Washington (INWCF), a nonprofit corporation, by the transfer of \$50,000 to that foundation.

The Fund is considered an agency endowment fund of Innovia and SNAP is the Fund's designated beneficiary. Accordingly, SNAP has a beneficial interest in the Fund's assets held by Innovia. The distributable income of the Fund is subject to assessment for the costs of fund administration by Innovia and will be distributed to SNAP, to be used for its charitable purposes, provided that at the time of such distribution SNAP has retained its nonprofit tax status. The board further resolved that SNAP's CEO, Board Chair, and Board Secretary Treasurer, or any one of them, are authorized and directed to act on behalf of the board of directors in all matters relating to any endowment fund at Innovia for which SNAP is a beneficiary, including but not limited to, receiving distributions, accounting for such.

Upon majority approval of the boards of directors of SNAP and Innovia, any part of the investment earnings, or any portion not restricted by the original donor of the gift in excess of \$5,000 may be distributed to SNAP to be used to support SNAP's charitable mission, provided any permanently restricted endowed funds are protected.

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**NOTE 12 BENEFICIAL INTEREST IN ASSETS HELD BY INNOVIA FOUNDATION
(CONTINUED)**

SNAP has granted variance power to Innovia; therefore, Innovia has the power to modify gift restrictions that are no longer practicable or capable of fulfillment.

The investment is reported in the statements of financial position as is described as beneficial interest in assets held by Innovia in the amount of \$424,564 and \$357,921 as of December 31, 2023 and 2022, respectively.

Since the Fund resulted from an internal designation and is not donor-restricted, it is classified and reported as unrestricted board designated net assets. Innovia's spending policies are designed to protect the long-term viability of endowments by addressing the distribution of assets, investment authority, delegation of investment management, standards of conduct and releasing of restrictions on the use of the endowment or investments. The distributable amount is based on the average market value over a 13-quarter rolling average.

During the fiscal years ended December 31, 2023 and 2022, \$-0- was transferred from the Fund to operations.

The following table illustrates the diversification plan of Innovia as of December 31, 2023

Fixed Income	28%
Non-U.S. Equity	16%
U.S. Large Cap Equity	17%
Real Return Strategies	10%
Real Estate	10%
Alternate Investments	10%
Other	9%

NOTE 13 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following purposes or periods as of December 31:

	2023	2022
Local Minor Home Repair Program	\$ -	\$ 198
Homeless Special	-	18,604
Urgent Care Transport Program	1,395	6,531
Weatherization, Primarily Avista	210,563	558,506
Utility Bills, Avista Project Share/Modern Help	433,236	255,149
Housing Rehabilitation Program	606,857	456,159
CDFI Revolving Loan Funds	7,422,572	6,675,694
Total	\$ 8,674,623	\$ 7,970,841

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
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NOTE 13 NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

Net assets with donor restrictions released from restrictions were as follows during the year ending December 31:

	2023	2022
Local Minor Home Repair	\$ 198	\$ 1,367
Homeless Special	18,604	112,805
Urgent Care Transport Program	5,136	25,676
Weatherization, Primarily Avista	392,457	35,749
Utility Bills, Avista Project Share/Modern Help	72,886	-
Housing Rehabilitation Program	-	571
CFDI Revolving Loan Funds	246,253	22,426
Total	<u>\$ 735,534</u>	<u>\$ 198,594</u>

NOTE 14 PLEDGES RECEIVABLE

Pledges receivable are as follows at December 31:

	2023	2022
Receivables to be Collected in Less Than One Year	\$ 20,000	\$ -
Receivables to be Collected in One to Five Years	-	-
Total	20,000	-
Less: Discount to Present Value (4.75%)	-	-
Net Pledges Receivable	<u>\$ 20,000</u>	<u>\$ -</u>

NOTE 15 UNCERTAIN TAX POSITIONS

SNAP files income tax returns in the U.S. federal jurisdiction. At December 31, 2022, there is no examination or pending examination with the IRS.

SNAP adopted the provisions of FASB ASC 740, *Accounting for Uncertainty in Income Taxes*, on January 1, 2009. As of December 31, 2023 and 2022, there are no tax positions for which the deductibility is certain but for which there is uncertainty regarding the timing of such deductibility.

SNAP recognizes interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses. During the years ended December 31, 2023 and 2022, SNAP recognized \$-0- in interest and penalties. SNAP recognized \$-0- for the payment of interest and penalties accrued at December 31, 2023 and 2022.

NOTE 16 FAIR VALUE MEASUREMENTS

FASB 820 provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

SPOKANE NEIGHBORHOOD ACTION PARTNERS
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NOTE 16 FAIR VALUE MEASUREMENTS (CONTINUED)

The three levels of the fair value hierarchy defined by FASB ASC 820 are as follows:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities. Active markets are those in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date. Level 2 includes those financial instruments that are valued using models or other valuation methodologies. These models are primarily industry-standard models that consider various assumptions, including quoted forward prices for commodities, time value, volatility factors, and current market and contractual prices for the underlying instruments, as well as other relevant economic measures. Substantially all of these assumptions are observable in the marketplace throughout the full term of the instrument, can be derived from observable data, or are supported by observable levels at which transactions are executed in the marketplace.

Level 3 – Pricing inputs include significant inputs that are generally unobservable from objective sources. These inputs may be used with internally developed methodologies that result in management’s best estimate of fair value. Level 3 instruments include those that may be more structured or otherwise tailored to SNAP’s needs.

Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. SNAP’s assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy levels.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2023 and 2022.

Beneficial Interest in Assets Held by Innovia Foundation - Valued at fair value based on unadjusted quoted market prices of the underlying investments.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while SNAP believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
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NOTE 16 FAIR VALUE MEASUREMENTS (CONTINUED)

The following tables disclose, by level within the fair value hierarchy, SNAP's assets measured and reported on the statements of financial position at fair value on a recurring basis as of December 31, 2023 and 2022, respectively:

	2023			
	Level 1	Level 2	Level 3	Total
Beneficial Interest in Assets Held by Innovia Foundation	\$ -	\$ -	\$ 424,564	\$ 424,564
	2022			
	Level 1	Level 2	Level 3	Total
Beneficial Interest in Assets Held by Innovia Foundation	\$ -	\$ -	\$ 357,921	\$ 357,921

The following sets forth a summary for the years ended December 31, 2023 and 2022 of changes in the fair value of beneficial interest in assets held by Innovia Foundation, the organization's Level 3 asset:

	2023	2022
Balance – Beginning of Year	\$ 357,921	\$ 412,412
Change in Value, Net	66,643	(54,491)
Balance – End of Year	\$ 424,564	\$ 357,921

NOTE 17 LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

	2023	2022
Cash and cash equivalents	\$ 930,700	\$ 391,364
Accounts receivable	2,759,806	4,073,313
Promises to give	20,000	-
Loans receivable within one year	466,885	466,885
	\$ 4,177,391	\$ 4,931,562

Earnings from SNAP's board-designated endowment fund were reinvested into the endowment as is our practice. See Note 12 for further information.

In 2018, SNAP adopted a Cash Management Policy that established cash management and investment objectives related to cash and investments made from cash. As a part of this policy, SNAP invests cash in excess of daily requirements overnight into SNAP's Cash Reserve Sweep Account, which consists of short-term investments or interest-bearing cash equivalents. At December 31, 2023, no other investments made from cash existed.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

NOTE 17 LIQUIDITY AND AVAILABILITY (CONTINUED)

SNAP has ongoing grants and contracts that will reimburse SNAP allowable expenditures for that grant or contract.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
CONSOLIDATING STATEMENT OF FINANCIAL POSITION**

December 31, 2023

2023

	Spokane Neighborhood Action Partners	SNAP Financial Access	Pine Villa	Riverwalk Point I	Riverwalk Point II	L&S Housing	Eliminations	Total
ASSETS								
Cash and cash equivalents	\$ 3,872,001	\$ 5,132,004	\$ 123,329	\$ 109,351	\$ 138,612	\$ 77,482	\$ -	\$ 9,452,779
Restricted cash	1,588,305	1,281,227	183,635	351,806	333,671	210,382	-	3,949,026
	5,460,306	6,413,231	306,964	461,157	472,283	287,864	-	13,401,805
Accounts receivable, primarily grantor agencies	2,428,467	214,253	334,751	11,157	9,291	25,500	-	3,023,419
Pledges receivable	20,000	-	-	-	-	-	-	20,000
Loans receivable	1,621,044	8,510,925	-	-	-	-	(1,080,765)	9,051,204
Related party notes receivable	-	-	-	-	-	-	-	-
Inventory	90,991	-	-	-	-	-	-	90,991
Prepaid expenses	265,257	-	19,155	19,534	-	26,672	-	330,618
Investments	424,564	-	-	-	-	109,532	(109,532)	424,564
Property and equipments, net	9,897,168	-	1,247,417	4,090,241	4,592,410	193,526	-	20,020,762
Operating lease right of use assets	147,504	-	-	-	-	-	-	147,504
Finance lease right of use assets	52,333	-	-	-	-	-	-	52,333
Other Assets	199,463	-	-	-	-	-	-	199,463
TOTAL ASSETS	\$ 20,607,097	\$ 15,138,409	\$ 1,908,287	\$ 4,582,089	\$ 5,073,984	\$ 643,094	\$ (1,190,297)	\$ 46,762,663
LIABILITIES								
Accounts payable and accrued expenses	\$ 1,921,792	\$ 8,387	\$ 356,545	\$ 305,469	\$ 545,747	\$ 17,797	\$ (736,424)	\$ 2,419,313
Funds held for others	33,181	89,353	12,181	18,565	19,110	15,848	-	188,238
Revolving loan funds payable	12,546	570,290	-	-	-	-	-	582,836
Loans and mortgages payable	5,520,156	-	524,715	1,898,328	1,929,741	489,624	(344,341)	10,018,223
Operating lease liability payable	147,912	-	-	-	-	-	-	147,912
Finance lease liability payable	52,333	-	-	-	-	-	-	52,333
Investment loans payable	-	4,000,000	-	-	-	-	-	4,000,000
Deferred revenues	1,730,769	1,001,957	10,003	6,197	5,472	8,241	-	2,762,639
Total liabilities	9,418,689	5,669,987	903,444	2,228,559	2,500,070	531,510	(1,080,765)	20,171,494
NET ASSETS								
Without donor restrictions:								
Undesignated	3,665,349	2,045,850	91,264	(139,310)	(422,426)	(261,477)	(109,532)	4,869,718
Board designated for replacement and operations of SNAP rental properties	564,067	-	190,877	300,927	333,671	210,982	-	1,600,524
Board designated for operating reserves	1,074,977	-	-	-	-	-	-	1,074,977
Board designated beneficial interest in assets held by Innovia	252,085	-	-	-	-	-	-	252,085
Invested in property and equipment, net of related debt	4,379,879	-	722,702	2,191,913	2,662,669	185,285	-	10,142,448
Rural Housing Partner Equity	-	-	-	-	-	(23,206)	-	(23,206)
	9,936,357	2,045,850	1,004,843	2,353,530	2,573,914	111,584	(109,532)	17,916,546
With donor restrictions								
Purpose restrictions	1,252,051	7,422,572	-	-	-	-	-	8,674,623
Total net assets	11,188,408	9,468,422	1,004,843	2,353,530	2,573,914	111,584	(109,532)	26,591,169
TOTAL LIABILITIES AND NET ASSETS	\$ 20,607,097	\$ 15,138,409	\$ 1,908,287	\$ 4,582,089	\$ 5,073,984	\$ 643,094	\$ (1,190,297)	\$ 46,762,663

The accompanying notes are an integral part of these financial statements.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
CONSOLIDATING STATEMENT OF ACTIVITIES**

YEAR ENDED DECEMBER 31, 2023	2023						
	Spokane Neighborhood Action Partners	SNAP Financial Access	Pine Villa	Riverwalk Point I	Riverwalk Point II	L&S Housing	Consolidated Total
REVENUE, SUPPORT, AND OTHER							
Without donor restrictions:							
Governmental awards	\$ 22,484,124	\$ 1,053,775	\$ -	\$ -	\$ -	\$ -	\$ 23,537,899
Public support and private donations	13,295,472	89,598	268,168	423	-	1,504	13,655,165
Client fees and matching contributions	1,105,029	182,257	427,686	484,831	-	483,062	2,682,865
Other income (expense), including developer fees	(429,608)	446,479	-	(476)	2,240,243	(91,100)	2,165,538
In-kind	6,414	4,250	-	-	-	-	10,664
Interest income	15,209	530,748	1,159	10	-	362	547,488
Net assets released from restrictions	489,281	246,253	-	-	-	-	735,534
Total without donor restrictions	36,965,921	2,553,360	697,013	484,788	2,240,243	393,828	43,335,153
With donor restrictions:							
Public support and private donations	446,185	-	-	-	-	-	446,185
Client fees and matching contributions	-	993,131	-	-	-	-	993,131
Net assets released from restrictions	(489,281)	(246,253)	-	-	-	-	(735,534)
Total with donor restrictions	(43,096)	746,878	-	-	-	-	703,782
TOTAL REVENUE AND OTHER SUPPORT	36,922,825	3,300,238	697,013	484,788	2,240,243	393,828	44,038,935
EXPENSES							
Program services							
Community action	16,719,311	-	-	-	-	-	16,719,311
Housing services	8,668,708	-	546,076	587,345	-	488,854	10,290,983
Essential connections	8,533,977	-	-	-	-	-	8,533,977
Financial stability	616,855	2,109,293	-	-	-	-	2,726,148
Support services							
Community action	1,149,342	-	-	-	-	-	1,149,342
Housing services	289,783	-	-	-	-	-	289,783
Essential connections	77,819	-	-	-	-	-	77,819
Financial stability	-	14,882	-	-	-	-	14,882
Fundraising	411,533	-	-	-	-	-	411,533
TOTAL EXPENSES	36,467,328	2,124,175	546,076	587,345	-	488,854	40,213,778
Change in net assets	455,497	1,176,063	150,937	(102,557)	2,240,243	(95,026)	3,825,157
NET ASSETS, beginning of year	10,963,202	8,292,360	846,665	2,491,580	-	195,411	22,789,218
Rural Housing Partner Equity	-	-	-	-	-	(23,206)	(23,206)
Transfers	(230,292)	-	7,241	(35,493)	333,671	(75,127)	-
NET ASSETS, end of year	\$ 11,188,407	\$ 9,468,423	\$ 1,004,843	\$ 2,353,530	\$ 2,573,914	\$ 2,052	\$ 26,591,169

The accompanying notes are an integral part of these financial statements.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
SCHEDULE OF PUBLIC SUPPORT AND PRIVATE DONATIONS**

YEARS ENDED DECEMBER 31, 2023 AND 2022	2023	2022
United Way of Spokane County		
CHC-Mortgage Assistance Program	\$ 22,917	\$ 21,083
Financial Access	27,500	24,750
Resource Development	2,796	2,219
Vending Revenues - Various Properties	12,336	15,123
Project Share		
Avista	178,651	625,968
Inland Power & Light	33,297	68,414
Modern Electric	8,393	10,574
Utility customers and other private donations	64,418	68,581
Avista - Utility Conservation Program	2,640,309	2,276,822
Avista - LIRAP - Low Income Rate Assistance Program	9,700,661	7,780,482
Avista - Retrofit CEEP Program	14,865	228
Comprehensive Housing Counseling		
BECU	238,809	-
US Bank Foundation	15,000	20,000
Other Support	2,500	520
Foundations and Other Public Support		
Women's Business Center	16,039	176,129
Other Financial Institutions	56,155	144,218
Avista Pine Villa Rehab	264,408	-
Other Institutions:		
Housing Development/RWPI Investment	108,971	101,911
Urgent Care Pilot Program	148,772	194,014
Asset Management	5,518	19,267
SNAP Rural Housing	(17,745)	5,732
SNAP Senior Housing Development	-	342,000
Homeless Diversion	31,469	-
Other - Public Support and Private Donations	525,311	477,443
Total	\$ 14,101,350	\$ 12,375,478

The accompanying notes are an integral part of these financial statements.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
SCHEDULE OF SUPPORTING SERVICES DETAIL BY PROGRAM**

YEAR ENDED DECEMBER 31, 2023	2023				
	<u>Community Action</u>	<u>Housing Services</u>	<u>Essential Connections</u>	<u>Financial Stability</u>	<u>Total</u>
Salaries	\$ 1,799,417	\$ 66,803	\$ 40,318	\$ -	\$ 1,906,538
Employee benefits	377,854	13,589	10,503	-	401,946
Employee payroll taxes	152,212	5,494	3,462	-	161,168
Total salaries and related expenses	<u>2,329,483</u>	<u>85,886</u>	<u>54,283</u>	<u>-</u>	<u>2,469,652</u>
Occupancy	(151,533)	2,687	1,480	-	(147,366)
Utilities	49,968	-	-	-	49,968
Building maintenance/capital purchase and offset	10,592	148	-	-	10,740
Communications	177,136	1,804	8	-	178,948
Supplies	149,643	618	92	-	150,353
Printing and copying	23,425	5,451	60	-	28,936
Insurance	22,707	1,042	676	-	24,425
Transportation	1,844	64	-	-	1,908
Travel	19,638	-	-	-	19,638
Dues, memberships, and registration	11,841	3,885	-	-	15,726
Training	9,738	-	-	-	9,738
In-kind	2,601	-	-	-	2,601
Professional fees	473,781	801	592	-	475,174
Interest expense	59,203	-	-	-	59,203
Miscellaneous	29,864	(203,737)	-	606	(173,267)
Pooled general expenses	(1,011,505)	382,514	15,547	14,276	(599,168)
Pooled network expenses	(839,734)	8,620	5,081	-	(826,033)
Total expenses before depreciation	<u>1,368,692</u>	<u>289,783</u>	<u>77,819</u>	<u>14,882</u>	<u>1,751,176</u>
Depreciation	<u>192,183</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>192,183</u>
TOTAL EXPENSES PLUS DEPRECIATION	<u>\$ 1,560,875</u>	<u>\$ 289,783</u>	<u>\$ 77,819</u>	<u>\$ 14,882</u>	<u>\$ 1,943,359</u>

The accompanying notes are an integral part of these financial statements.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
SCHEDULE OF SUPPORTING SERVICES DETAIL BY PROGRAM**

YEAR ENDED DECEMBER 31, 2022	2022				
	Community Action	Housing Services	Essential Connections	Financial Stability	Total
Salaries	\$ 1,736,739	\$ 58,573	\$ 15,563	\$ 27,163	\$ 1,838,038
Employee benefits	394,808	13,613	4,565	6,682	419,668
Employee payroll taxes	150,888	4,948	1,497	2,286	159,619
Total salaries and related expenses	2,282,435	77,134	21,625	36,131	2,417,325
Occupancy	(125,741)	3,904	573	1,650	(119,614)
Utilities	44,696	-	-	-	44,696
Building maintenance/capital purchase and offset	49,115	-	-	-	49,115
Communications	173,319	3,757	46	-	177,122
Supplies	117,959	2,645	108	79	120,791
Printing and copying	25,688	2,606	-	151	28,445
Insurance	20,337	1,115	99	152	21,703
Transportation	1,925	217	-	-	2,142
Vehicle maintenance	843	-	-	-	843
Travel	6,241	-	-	-	6,241
Dues, memberships, and registration	11,506	1,935	-	-	13,441
Training	9,089	-	-	-	9,089
In-kind	12,473	-	-	-	12,473
Professional fees	492,133	13,734	-	-	505,867
Interest expense	67,038	-	-	-	67,038
Miscellaneous	39,508	(463)	-	-	39,045
Pooled general expenses	(922,111)	302,321	18,781	20,717	(580,292)
Pooled network expenses	(781,904)	9,042	2,041	3,408	(767,413)
Total expenses before depreciation	1,524,549	417,947	43,273	62,288	2,048,057
Depreciation	196,215	-	-	-	196,215
TOTAL EXPENSES PLUS DEPRECIATION	\$ 1,720,764	\$ 417,947	\$ 43,273	\$ 62,288	\$ 2,244,272

The accompanying notes are an integral part of these financial statements.

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 Directors
Spokane Neighborhood Action Partners
Spokane, WA

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the consolidated financial statements of Spokane Neighborhood Action Partners (SNAP), which comprise the consolidated statement of financial position as of December 31, 2023, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated June 26, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered SNAP's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of SNAP's internal control. Accordingly, we do not express an opinion on the effectiveness of SNAP's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's consolidated financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether SNAP's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain

provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of consolidated financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

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



Aiken & Sanders, Inc., PS
Certified Public Accountants
& Management Consultants

June 26, 2024

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors
Spokane Neighborhood Action Partners
Spokane, WA

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Spokane Neighborhood Action Partners (SNAP) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of SNAP's major federal programs for the year ended December 31, 2023. SNAP's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, SNAP complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of SNAP and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of SNAP's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to SNAP's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on SNAP's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit

conducted in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about SNAP's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 SNAP's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of SNAP's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of SNAP's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

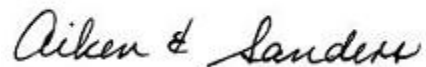
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our

audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Aiken & Sanders, Inc., PS
Certified Public Accountants
& Management Consultants

June 26, 2024

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2023**

Section I – Summary of Auditors’ Results

Financial Statements

- | | | |
|---|-------------------|------------------------|
| 1. Type of auditor’s report issued: | <i>Unmodified</i> | |
| 2. Internal control over financial reporting: | | |
| • Material weakness(es) identified? | _____ yes | <u>X</u> no |
| • Reportable condition(s) identified that are not considered to be material weaknesses? | _____ yes | <u>X</u> none reported |
| 3. Noncompliance material to financial statements noted? | _____ yes | <u>X</u> no |

Federal Awards

- | | | |
|---|-------------------|------------------------|
| 1. Internal control over major programs: | | |
| • Material weakness(es) identified? | _____ yes | <u>X</u> no |
| • Reportable condition(s) identified that are not considered to be material weaknesses? | _____ yes | <u>X</u> none reported |
| 2. Type of auditor’s report issued on compliance for major programs: | <i>Unmodified</i> | |
| 3. Audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a) are reported in this schedule? | _____ yes | <u>X</u> no |

Identification of Major Federal Programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
21.027	Coronavirus State and Local Fiscal Recovery
93.568	Low-Income Home Energy Assistance

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? X yes _____ no

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2023**

Section II - Financial Statement Findings

No matters were reported for the year ended December 31, 2023.

Section III - Federal Award Findings and Questioned Costs

No matters were reported for the year ended December 31, 2023.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2023**

There were no prior year findings.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2023**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Fund Number	CFDA Number	Awards Number	Period of Award	Total Authorized Award	Balance of Award at Beginning of Year	Funds Received During the Year	Amounts Passed Through to Subrecipients	Expenditures During the Year	Unexpended Balance of Award at End of Year
U.S. Department of Health and Human Services										
DHHS Community Economic Development	720	93.570	OCS CED	01/01/23-12/31/23	\$ 369,565	\$ 369,565	\$ 85,732	\$ -	\$ 37,151	\$ 418,146
Passed through Washington State Department of Commerce - Housing										
LIHEAP Weatherization ARP	206	93.568	F21-5310C-423 A	07/01/21-09/30/23	1,064,779	345,762	390,762	-	345,762	-
LIHEAP Weatherization Supplemental	206	93.568	F23-53105-423 A	10/01/22-09/30/24	157,605	157,605	28,000	-	39,000	118,605
LIHEAP Weatherization Program	209	93.568	F21-53101-423 C	10/01/21-09/30/23	874,283	390,486	418,486	-	390,486	-
LIHEAP Weatherization Program	209	93.568	F23-53101-423	10/01/22-09/30/24	538,219	538,219	105,000	-	205,000	333,219
Passed through Washington State Department of Commerce - Community Services										
LIHEAP - EAP	411	93.568	F22-32606-054 A	10/01/21-09/30/24	3,968,573	-	341,365	-	-	-
LIHEAP - EAP	411	93.568	F23-32606-054 B	10/01/22-07/31/25	4,194,407	4,194,407	3,476,347	-	3,509,419	684,988
LIHWAP - ARP Water Assistance	409	93.568	22-32607-054 A	10/01/21-09/30/23	823,234	390,004	390,004	-	390,004	-
LIHWAP - Water Assistance	409	93.568	24-32607-054	10/01/23-03/31/24	290,167	290,167	-	-	1,870	288,297
LIHEAP - ARP Energy Assistance	410	93.568	21-3260A-054 A	07/01/21-09/30/23	5,735,865	230,927	231,156	-	230,927	-
LIHEAP - Supplemental	414	93.568	23-326CR-054 A	10/01/22-09/30/24	2,082,638	1,988,377	1,151,999	-	1,057,738	930,639
LIHEAP - IIJA	415	93.568	23-32601-054	10/01/22-09/30/24	230,153	230,153	230,153	-	230,153	-
LIHEAP - IIJA	415	93.568	24-32601-054	10/01/23-09/30/25	142,353	142,353	-	-	-	142,353
					<u>20,102,276</u>	<u>8,898,460</u>	<u>6,763,272</u>	<u>-</u>	<u>6,400,359</u>	<u>2,498,101</u>
Passed through Washington State Department of Commerce - Community Services										
Community Services Block Grant	110	93.569	F22-32101-028	10/01/21-09/30/23	586,492	400,799	450,852	-	400,799	-
Community Services Block Grant	110	93.569	F24-32101-028	10/01/22-09/30/24	608,264	608,264	228,371	-	284,255	324,009
					<u>1,194,756</u>	<u>1,009,063</u>	<u>679,223</u>	<u>-</u>	<u>685,054</u>	<u>324,009</u>
Passed through Aging & Long Term Care of Eastern Washington										
Minor Home Repair IIIB	220	93.044	21-22:57:14(2)	01/01/22-12/31/22	39,940	500	3,048	-	-	500
Minor Home Repair IIIB-ARP	220	93.044	21-22:57:14(2)	01/01/22-12/31/22	352,941	172,635	28,474	-	-	172,635
Minor Home Repair IIIB	220	93.044	21-23:57:14(4)	01/01/23-12/31/23	41,498	41,498	40,787	-	41,498	-
Minor Home Repair IIIB-ARP	220	93.044	21-23:57:14(4)	01/01/23-12/31/23	193,772	193,772	191,192	-	193,772	-
LTC Ombudsman Program ALTCEW	123	93.044	22-23:88:14(1)	01/01/23-12/31/23	15,011	15,011	15,011	-	15,011	-
					<u>643,162</u>	<u>423,416</u>	<u>278,512</u>	<u>-</u>	<u>250,281</u>	<u>173,135</u>
Passed through Multi-Service Center										
LTC Ombudsman Program MSC	122	93.778	LTCOP 2223-1	07/01/22-06/30/23	202,042	91,915	158,404	-	87,390	4,525
LTC Ombudsman Program MSC	122	93.778	LTCOP 2324-1	07/01/23-06/30/24	250,953	250,953	-	-	100,721	150,232
					<u>452,995</u>	<u>342,868</u>	<u>158,404</u>	<u>-</u>	<u>188,111</u>	<u>154,757</u>
Total U.S. Department of Health and Human Services					<u>22,762,754.00</u>	<u>11,043,372.00</u>	<u>7,965,143.00</u>	<u>-</u>	<u>7,560,956.00</u>	<u>3,568,148.00</u>

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2023**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Fund Number	CFDA Number	Awards Number	Period of Award	Total Authorized Award	Balance of Award at Beginning of Year	Funds Received During the Year	Amounts Passed Through to Subrecipients	Expenditures During the Year	Unexpended Balance of Award at End of Year
U.S. Department of Energy										
Passed through Washington State Department of Commerce - Housing										
DOE Weatherization	205	81.042	F22-53103-423	07/01/22-06/30/23	411,096	198,460	253,096	-	198,460	-
DOE Weatherization	205	81.042	F23-53103-423	07/01/23-06/30/24	495,980	495,980	101,138	-	217,560	278,420
DOE BIL Weatherization	215	81.042	F22-92401F-423	09/01/22-06/30/27	389,087	389,087	332,862	-	333,450	55,637
BPA Weatherization	219	81.999	F21-53104-423 B	10/01/21-09/30/23	300,360	133,158	150,158	-	133,158	-
BPA Weatherization	219	81.999	F23-53104-423	10/01/23-09/30/24	98,577	98,577	-	-	24,500	74,077
Total U.S. Department of Energy					1,695,100	1,315,262	837,254	-	907,128	408,134
U.S. Department of Housing and Urban Development										
Passed through City of Spokane - Community, Housing, & Human Services										
Coordinated Assessment - SHCA	160	14.267	WA9999U0T022102	08/01/22-07/31/23	73,830	445	73,830	-	445	-
Coordinated Assessment - SHCA	160	14.267	WA0001U0T022203	08/01/23-07/31/24	73,830	73,830	27,709	-	42,853	30,977
Coc RRH Singles w-o Children	175	14.267	WA9999U0T022102	08/01/22-07/31/23	179,163	95,632	102,601	-	92,634	2,998
Coc RRH Singles w-o Children	175	14.267	WA0001U0T022203	08/01/23-07/31/24	179,163	179,163	25,509	-	74,404	104,759
					505,986	349,070	229,649	-	210,336	138,734
Passed through City of Spokane - Community, Housing, & Human Services										
City Single Family Rehab Program	223	14.218	OPR 2021-0849	01/01/22-12/31/22	1,433,219	829,088	125,202	-	-	829,088
City Single Family Rehab Program	223	14.218	OPR 2022-0797	01/01/23-12/31/23	1,484,879	1,484,879	926,917	-	1,032,332	452,547
CD-City Minor Home Repair and 'E.H.R.'	228	14.218	OPR 2021-0848	01/01/22-12/31/22	500,000	197,820	25,887	-	-	197,820
CD-City Minor Home Repair and 'E.H.R.'	228	14.218	OPR 2022-0796	01/01/23-12/31/23	500,000	500,000	444,019	-	479,845	20,155
City CDBG Homeownership Program	751	14.218	OPR 2019-0917 B	07/01/22-06/30/23	109,293	31,992	109,293	-	31,992	-
City CDBG Homeownership Program	751	14.218	OPR 2019-0917 C	07/01/23-06/30/24	134,518	134,518	-	-	41,736	92,782
Alexandria CDGB Rehab	081	14.218	OPR 2023-1199	06/01/23-06/30/24	815,000	815,000	-	-	-	815,000
Pacific CDBG Rehab	081	14.218	OPR 2023-0826	06/01/23-06/30/24	705,000	705,000	-	-	-	705,000
Patrician CDBG Rehab	081	14.218	OPR 2023-0840	06/01/23-06/30/24	678,850	678,850	-	-	-	678,850
Passed through Spokane County Community Services, Housing and Community Development Department										
Emergency Health&Safety Repairs and Accessibility	224	14.218	22-25136(1)	07/01/22-09/30/23	171,772	129,249	171,772	-	129,249	-
Emergency Health&Safety Repairs and Accessibility	224	14.218	CDBG 23-25218	10/01/23-06/30/24	150,000	150,000	-	-	14,435	135,565
County CDBG Loan Fund 21	705	14.218	CDBG 22-25143	07/01/22-06/30/23	107,286	29,897	107,286	-	29,897	-
County CDBG Loan Fund 20	705	14.218	B-23-UC-53-0004	07/01/23-06/30/24	20,000	20,000	-	-	12,134	7,866
					6,809,817	5,706,293	1,910,376	-	1,771,620	3,934,673
Passed through Washington State Housing Finance Commission										
Super NOFA	569	14.169	Super NOFA -20	10/01/20-12/31/22	105,045	-	11,846	-	-	-
Super NOFA	569	14.169	Super NOFA -23-24	01/01/23-09/30/24	56,000	56,000	27,691	-	35,470	20,530
					161,045	56,000	39,537	-	35,470	20,530

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2023**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Fund Number	CFDA Number	Awards Number	Period of Award	Total Authorized Award	Balance of Award at Beginning of Year	Funds Received During the Year	Amounts Passed Through to Subrecipients	Expenditures During the Year	Unexpended Balance of Award at End of Year
Passed through Washington State Department of Commerce										
2108 E. First Avenue Loan	516	14.239	96-404-107	06/30/00-06/30/49	100,000	62,045	-	-	62,045	62,045
Riverwalk Point I Loan	538	14.239	02-40420-003	12/31/06-12/31/52	1,086,611	1,086,611	-	-	1,086,611	1,049,975
Riverwalk Point I Loan	538	14.239	02-40420-003	12/31/06-12/31/28	248,093	120,018	-	-	120,018	105,952
Alexandria Apartments Loan	539	14.239	04-40403-030	10/16/03-06/30/44	508,224	508,224	-	-	508,224	508,224
Alexandria Apartments Loan	539	14.239	04-40403-030	10/16/03-06/30/44	145,888	145,888	-	-	145,888	145,888
Passed through City of Spokane Department of Community Development										
Patrician Apartments Loan	507	14.239	OPR 94-251	03/22/94-12/31/24	197,500	197,500	-	-	197,500	197,500
Passed through Spokane County Housing and Community Development Loan										
Riverwalk Point II Loan	501	14.239	Pine Villa	01/01/99-06/01/42	637,645	482,306	-	-	482,306	461,620
Riverwalk Point II Loan	509	14.239	06-16A	01/01/08-05/31/49	200,000	130,000	-	-	130,000	125,000
					3,123,961	2,732,591	-	-	2,732,592	2,656,203
Total U.S. Department of Housing and Urban Development					10,600,809	8,843,954	2,179,562	-	4,750,018	6,750,140
Federal Transit Administration										
Passed through Spokane Transit Authority										
STA Volunteer Drive Program	103	20.513	2020-10534	03/01/21-02/28/23	170,000	17,614	41,845	-	17,614	-
STA Volunteer Drive Program	103	20.513	2023-10816	03/01/23-12/31/26	251,870	251,870	57,063	-	76,052	175,818
Total Federal Transit Administration					421,870	269,484	98,908	-	93,666	175,818
U.S. Department of Treasury										
U.S. Treasury CDFI Financial Assistance Grant	760	21.020	131FA011523+161FA02046	01/01/23-12/31/23	488,198	488,198	35,319	-	610	522,907
U.S. Treasury CDFI Rapid Response Assistance	763	21.024	21RRP057587	06/15/21-12/31/23	1,000,000	515,456	585,897	-	577,847	523,506
U.S. Treasury CDFI Equitable Recovery Program	761	21.033	22ERP061033	04/10/23-12/31/28	1,019,629	1,019,629	1,019,629	-	17,212	1,002,417
Passed through Washington State Housing Finance Commission										
Home Owners Assistance	571	21.027	HAF0025	10/01/22-06/30/24	573,000	569,395	165,405	-	190,000	379,395
Passed through City of Spokane Department of Community Development										
City Utility Relief Fund	442	21.027	OPR 2023-0471	05/01/23-04/30/26	800,000	800,000	800,000	-	800,000	-
					1,373,000	1,369,395	965,405	-	990,000	379,395

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2023**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Fund Number	CFDA Number	Awards Number	Period of Award	Total Authorized Award	Balance of Award at Beginning of Year	Funds Received During the Year	Amounts Passed Through to Subrecipients	Expenditures During the Year	Unexpended Balance of Award at End of Year
Passed through Spokane County Community Services, Housing and Community Development Department										
Pine Villa Apartments Rehab	083	21.023	Pine Villa Rehab	05/01/23-09/01/25	1,255,410	1,255,410	-	-	-	1,255,410
ERAP CARES Rental Assistance	444	21.023	22HCD2657(1)	02/01/22-06/30/23	8,818,784	3,537,483	4,311,718	-	3,219,794	317,689
TRAP 2.0 Rental Assistance	448	21.023	22HCD2655	10/01/21-06/30/23	12,832,717	2,103,315	2,810,724	-	1,842,522	260,793
ERA 2.0 Rental Assistance	449	21.023	SNAP ERA 2.0	03/01/21-08/30/25	3,264,065	2,100,446	572,243	-	1,381,295	719,151
					<u>26,170,976</u>	<u>8,996,654</u>	<u>7,694,685</u>	<u>-</u>	<u>6,443,611</u>	<u>2,553,043</u>
Total U.S. Department of Treasury					<u>30,051,803</u>	<u>12,389,332</u>	<u>10,300,935</u>	<u>-</u>	<u>8,029,280</u>	<u>4,981,268</u>
U.S. Small Business Administration										
SBA Prime TA Grant	717	59.046	SBAOCAML220396-01-00	07/01/22-06/30/23	198,874	158,822	139,092	-	99,040	59,782
SBA Prime TA Grant	717	59.046	SBAOCAML230523-01-00	07/01/23-06/30/24	151,021	151,021	-	-	70,930	80,091
					<u>349,895</u>	<u>309,843</u>	<u>139,092</u>	<u>-</u>	<u>169,970</u>	<u>139,873</u>
SBA Women's Business Center	716	59.043	SBAOEDWB210027-01-00	09/30/21-09/29/22	150,000	-	75,187	-	-	-
SBA Women's Business Center	716	59.043	SBAOEDWB220074	09/30/22-09/29/23	150,000	101,893	133,367	-	101,893	-
SBA Women's Business Ownership Assistance	716	59.043	SBAOEDWB210027	09/30/23-09/29/24	150,000	150,000	-	-	61,584	88,416.00
SBA Women's Business Center CARES Act	724	59.043	SBAHQ-20-C-0109	05/01/20-04/30/22	420,000	44,508	6,578	-	-	44,508.00
					<u>870,000</u>	<u>296,401</u>	<u>215,132</u>	<u>-</u>	<u>163,477</u>	<u>132,924.00</u>
Total U.S. Small Business Administration					<u>1,219,895</u>	<u>606,244</u>	<u>354,224</u>	<u>-</u>	<u>333,447</u>	<u>272,797</u>
United States Department of Agriculture										
Republic USDA RRH Loan	801	10.415	Case#56-10-1332187	09/26/1979-09/30/29	320,000	7,881	-	-	7,881	-
Woodhaven USDA RRH Loan	802	10.415	Case#56-033-586245552	12/09/02-05/31/34	177,732	139,685	-	-	139,685	133,970
Wilbur USDA RRH Loan	803	10.415	Case#56-22-133-7868	09/22/1981-09/22/31	570,000	316,676	-	-	316,676	305,679
					<u>1,067,732</u>	<u>464,242</u>	<u>-</u>	<u>-</u>	<u>464,242</u>	<u>439,649</u>
Total United States Department of Agriculture					<u>1,067,732</u>	<u>464,242</u>	<u>-</u>	<u>-</u>	<u>464,242</u>	<u>439,649</u>
Total Federal Assistance Awards					<u>\$ 67,819,963</u>	<u>\$ 34,931,890</u>	<u>\$ 21,736,026</u>	<u>\$ -</u>	<u>\$ 22,138,737</u>	<u>\$ 16,595,954</u>

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2023**

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Spokane Neighborhood Action Partners (SNAP) and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations *Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2 INDIRECT COSTS

SNAP's Cost Allocation Policy is based on the Direct Allocation method described in 2 CFR 200 Appendix IV B.4. This Direct Allocation Method treats all costs as direct costs except general administration and general expenses. SNAP did not elect to use the 10% de minimus rate.

NOTE 3 FEDERAL LOANS

The federal loan programs listed subsequently are administered directly by SNAP, and balances and transactions relating to these programs are included in SNAP's basic financial statements. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the Schedule of Expenditures of Federal Awards. The balance of loans outstanding at December 31, 2023 consist of:

	FD Number	CFDA Number	Award Number	Period of Award	Total Authorized Loan	Balance Outstanding at End of Year	Balance Outstanding at Beginning of Year
U.S. Department of Housing and Urban Development							
Passed through Washington State Department of Commerce							
2108 E. First Avenue	516	14.239	96-404-107	06/30/00-06/30/49	\$ 100,000	\$ 62,045	\$ 62,045
Riverwalk Point I	538	14.239	02-40420-003	12/31/06-12/31/52	1,086,611	1,049,975	1,086,611
Riverwalk Point I	538	14.239	02-40420-003	12/31/06-12/31/28	248,093	105,952	120,018
Alexandria Apartments	539	14.239	04-40403-030	10/16/03-06/30/44	508,224	508,224	508,224
Alexandria Apartments	539	14.239	04-40403-030	10/16/03-06/30/44	145,888	145,888	145,888

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2023**

NOTE 3 FEDERAL LOANS (CONTINUED)

	FD Number	CFDA Number	Award Number	Period of Award	Total Authorized Loan	Balance Outstanding at End of Year	Balance Outstanding at Beginning of Year
Passed through City of Spokane Department of Community Development Patrician Apartments	507	14.239	OPR 94-251	03/22/94-12/31/24	197,500	197,500	197,500
Passed through Spokane County Housing and Pine Villa Loan Community Development	501	14.239	Pine Villa	01/01/99-06/01/42	637,645	461,620	482,306
RWPII HOME Loan	509	14.239	06-16A	01/01/08-05/31/49	200,000	125,000	130,000
United States Department of Agriculture							
Republic USDA RRH Loan	801	10.415	Case#56-10-1332187	09/26/79-09/30/29	320,000	-	7,881
Woodhaven USDA RRH Loan	802	10.415	Case#56-033-586245552	12/09/02-05/31/34	177,732	133,970	139,685
Wilbur USDA RRH Loan	803	10.415	Case#56-22-133-7868	09/22/1981-09/22/31	570,000	305,679	316,676
Total Loans					<u>\$ 4,191,693</u>	<u>\$ 3,095,853</u>	<u>\$ 3,196,834</u>

SPOKANE NEIGHBORHOOD ACTION PARTNERS
SCHEDULE OF EXPENDITURES OF STATE and LOCAL AWARDS
YEAR ENDED DECEMBER 31, 2023

Program or Cluster Title	Project Number	Awards Number	Period of Award	Total Authorized Award	Balance of Award at Beginning of Year	Funds Received During the Year	Expenditures During the Year	Unexpended Balance of Award at End of Year
Washington State Department of Commerce								
Building Communities Fund Whistalks Way Acquisition Grant	080	14-93213-013	11/26/13-12/26/23	\$ 618,860	\$ 618,860	\$ -	\$ -	\$ -
Commerce HPP St Anne's Rehab	081	21P-94115-037	11/21/23-12/31/49	100,000	100,000	-	484	99,516
Commerce HPP Avondale Rehab	081	21P-94115-031	10/24/23-5/10/48	100,000	100,000	-	1,219	98,781
Commerce HPP Patrician Rehab	081	21P-94115-0372	12/12/23-12/31/47	175,000	175,000	-	499	174,501
CSBG-State 2021/2023	101	S22-32101-228	07/01/21-06/30/23	146,498	61,044	62,069	61,044	-
CSBG-State 2023/2025	101	S24-32101-228	07/01/23-06/30/25	148,193	148,193	20,731	22,771	125,422
CSBG-State Supplemental	111	S23-32B902-228	07/01/22-06/30/23	162,254	154,107	157,817	154,107	-
CSBG-State Supplemental	111	S24-32B902-228	07/01/23-06/30/25	90,340	90,340	24,206	28,298	62,042
WA State Tax Credit Community Outreach	149	S23-32TC212-030	10/01/22-06/30/23	257,000	254,083	256,269	254,083	-
WA State Tax Credit Community Outreach	149	S24-32013-024	10/01/23-06/30/25	100,000	100,000	-	865	99,135
WA State Commerce ID Assistance & Support Grant	163	22-46135-01	10/15/21-06/30/23	65,625	33,736	35,480	33,132	604
Matchmaker - Home Repair & Rehabilitation Program	213	S21-92401-423 B	07/01/21-06/30/23	1,475,023	456,513	556,513	456,513	-
WX Plus Health Program	213	S23-92401-423	07/01/23-06/30/25	1,758,018	1,758,018	485,000	485,091	1,272,927
Washington HTF Revolving Loan Fund - Consolidated	270	2-91-491-20	04/01/91-12/31/23	115,793	115,793	45,759	74,403	87,149
Outreach to Underserved Communities	610	22-36704-020	03/01/22-06/30/23	163,277	65,861	64,848	59,297	6,564
Washington Revolving Loan Fund - Consolidated	758	09-94100-005	08/03/09-12/31/30	2,960,900	581,968	-	(65,548)	647,516
Passed through City of Spokane								
Spokane City Rapid Re-Housing Singles - CHG	164	20-46108/22-46108-30	07/01/19-06/30/24	1,283,274	317,387	238,421	150,919	166,468
Spokane City Singles Homeless Diversion	165	20-46108-30	07/01/19-06/30/24	343,531	98,397	65,903	63,629	34,768
Passed through Spokane County Community Services,								
Housing and Community Development Department								
Spokane County Homeless Outreach	176	HHAA 22-25081	01/01/22-12/31/22	109,102	-	14,746	-	-
Spokane County Homeless Outreach	176	HHAA 23-25191	01/01/23-12/31/23	50,000	50,000	48,810	50,000	-
Spokane County RRH-CHG	179	22HCD2681	07/01/22-06/30/23	328,072	167,875	210,967	167,621	254
Spokane County RRH-EP	179	CHG-23-25256	07/01/23-06/30/24	1,379,481	1,379,481	88,440	198,632	1,180,849

SPOKANE NEIGHBORHOOD ACTION PARTNERS
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YEAR ENDED DECEMBER 31, 2023

Program or Cluster Title	Project Number	Awards Number	Period of Award	Total Authorized Award	Balance of Award at Beginning of Year	Funds Received During the Year	Expenditures During the Year	Unexpended Balance of Award at End of Year
Washington State Department of Transportation								
Volunteer Driver Transportation Services	609	PTD0376	07/01/21-06/30/23	253,324	90,358	110,618	87,332	3,026
Volunteer Driver Transportation Services	609	PTD0732	07/01/23-06/30/25	581,777	211,885	-	71,684	140,201
US Department of Treasury								
Passed through Washington State Housing Finance Commission								
Home Owners Assistance	571	HAF0025	10/01/22-06/30/24	318,000	240,300	283,025	208,425	31,875
Other								
Passed through City of Spokane - Community, Housing, & Human Services								
Spokane City Relocation Assistance	106	OPR-2023-1099,1335	09/01/23-01/31/24	60,568	60,568	-	60,568	-
Spokane City Single Homeless Coordinated Assessment	162	OPR-2019-0773	07/01/19-06/30/24	249,369	76,933	52,847	51,942	24,991
Homeless Outreach	169	OPR 2019-0772	07/01/19-06/30/24	868,835	340,194	265,887	253,457	86,737
City Utility Relief	442	OPR 2023-0471	05/01/23-04/30/26	1,152,000	1,152,000	905,392	56,582	246,608
City Uhelp Program	440	Uhelp	01/01/23-12/31/23	14,694	(6,600)	11,334	2,587	2,147
Passed through Aging & Long Term Care of Eastern Washington								
ALTCEW-Minor Home Repair SCSA	220	21-22:57:14(2)	01/01/22-12/31/22	106,978	229	1,404	-	229
ALTCEW-Minor Home Repair SCSA	220	21-23:57:14(4)	01/01/23-12/31/23	102,146	102,146	96,973	101,476	670
ALTCEW-Grab Bar Grant	023	22-23:GBI:14(1)	08/01/22-12/31/23	4,500	4,500	-	4,500	-
Passed through Avista Utilities								
Avista Pine Villa Named Communities Investment	083	R-44806	07/14/23-03/31/24	449,847	449,847	-	264,408	185,439
Avista Pilot Weatherization Readiness	201	D-35207(2)	10/01/23-12/31/24	500,000	500,000	-	40,028	459,972
Avista Weatherization Assistance	203	D-35207(3)	01/01/22-12/31/23	4,975,000	3,111,548	1,075,000	2,958,134	153,414
Avista CEEP	217	D-35188 Amend 2	01/01/20-04/28/23	375,000	63,415	63,619	63,391	24
LIRAP Avista Energy Assistance	412	R-42784 Amend 2	10/01/22-09/30/23	12,000,000	7,919,127	8,048,550	7,919,127	-

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
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Program or Cluster Title	Project Number	Awards Number	Period of Award	Total Authorized Award	Balance of Award at Beginning of Year	Funds Received During the Year	Expenditures During the Year	Unexpended Balance of Award at End of Year
LIRAP Avista Energy Assistance-Rate Program	412	LIRAP 23-24	10/01/23-09/30/24	12,000,000	12,000,000	1,781,599	1,781,985	10,218,015
Avista Project Share	440	PS 22-23	07/01/22-6/30/23	250,000	144,988	77,891	95,645	127,234
Avista Project Share	440	PS 23-24	07/01/23-6/30/24	250,000	127,234	77,806	120,046	84,994
Avista Project Share Mgt	441	2022-2023	07/01/22-06/30/23	316,000	110,161	92,786	93,873	109,074
Avista Project Share Mgt	441	2023-2024	07/01/23-06/30/24	316,000	109,074	43,759	61,073	91,760
Passed through United Way of Spokane County								
Centralized Diversion Grant	145	CDF	11/01/22-06/30/23	90,000	90,000	90,000	90,000	-
Passed through Department of Social & Health Services								
ALTSA-GOSH	150	2112-19492	07/01/21-06/30/25	191,687	155,033	14,313	13,445	141,588
Passed through Other								
Minor Home Repair Discretionary	023	MHR	01/01/23-12/31/23	22,320	22,320	7,089	17,507	11,902
SNAP Special	035	Special	01/01/23-12/31/23	40,599	40,599	27,127	23,594	44,132
SNAP Homeless Special	060	HL Special	01/01/23-12/31/23	60,277	21,460	60,277	81,683	54
SNAP Housing Development	078	SNAP HD 2023	01/01/23-12/31/23	25,000	98,421	98,421	98,249	172
City of Spokane Valley Broadway Affordable Housing	082	23-185.00	11/01/23-12/31/28	471,729	471,729	-	2,447	469,282
Cancer Can't - Neighbors on the Go	102	Cancer Can't	01/01/23-12/31/23	4,500	1,952	2,002	2,558	1,396
SNAP Resource Rides - Urgent Care	105	2023	01/01/23-12/31/23	49,895	38,717	11,179	39,055	10,841
OMBUDS Misc	124	OMBUDS	01/01/23-12/31/23	13,278	13,278	20	3,576	9,722
Amerigroup	151	2023	09/01/18-12/31/23	93,082	1,788	20,807	21,923	672
Landlord Match Discretionary	214	LL Match	01/01/23-12/31/23	34,045	34,045	9,400	14,229	29,216
WX Asset Tracking	296	2023	01/01/23-12/31/23	217,676	14,000	203,676	148	217,528
BECU - HCP Fund	565	2023	01/01/23-12/31/23	100,000	100,000	100,000	-	100,000
Better Health Together	600	BHT 18-20	08/30/18-12/31/23	165,580	1,966	111,536	109,456	4,046
Nourishing Neighbors - Meals on Wheels	602	2023	01/01/22-12/31/23	30,000	28,424	21,820	22,994	5,430

**SPOKANE NEIGHBORHOOD ACTION PARTNERS
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Passed through Other								
Better Health Together-CCT	606	BHT-CCT	01/01/20-12/31/23	33,500	7,556	2,304	334	9,526
Better Health Together-SDH	607	BHT-SDoH	10/01/20-06/30/23	269,080	56,140	-	56,140	-
Mastercard Impact Fund SBA	701	MC Impact Fund	11/01/20-12/31/23	50,000	34,964	27,500	55,095	7,369
NWBDA Revolving Loan Fund	702	NWBDA	01/01/21-12/31/23	20,952	28,231	58,542	27,931	58,842
WA State Attorney Mortgage Settlement Revolving Loan	750	MSF Grant	01/01/23-12/31/23	2,600,000	355,990	-	146,163	209,827
Total State and Local Assistance Awards				\$ 51,657,478	\$ 35,251,176	\$ 16,230,482	\$ 17,319,849	\$ 17,354,451