

**CONSOLIDATED FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION**

**YEARS ENDED DECEMBER 31, 2024 AND 2023**

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Spokane Neighborhood Action Partners  
Spokane, Washington

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

#### ***Opinion***

We have audited the accompanying financial statements of Spokane Neighborhood Action Partners (the Organization) (a nonprofit organization), which comprise the consolidated statements of financial position as of December 31, 2024, 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2024, and the 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 audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization, and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Other Matter***

The financial statements for the year ended December 31, 2023, were audited by Aiken & Sanders, Inc., PS, who expressed an unmodified opinion on those statements on June 26, 2024.

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

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

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

## ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our 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 generally accepted auditing standards and *Governmental Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

### ***Supplementary 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 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 financial statements. The supplementary information on pages 40-44 and pages 61-64 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 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 25, 2025, on our consideration of the Organization'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 for the year ended December 31, 2024. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. The report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

*D3A PLLC*

Spokane Valley, Washington  
June 25, 2025

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2024 AND 2023**

	<b>2024</b>	<b>2023</b>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 5,875,573	\$ 9,452,779
Restricted Cash (note 1)	3,011,338	3,949,026
Total Cash and Cash Equivalents	8,886,911	13,401,805
Accounts Receivable, Primarily Grantor Agencies (note 1)	5,629,756	3,023,419
Pledges Receivable, Less Discount of \$0 and \$0 for 2024 and 2023, Respectively (note 14)	10,000	20,000
Loans Receivable, Less Allowance of \$529,187 and \$532,032 for 2024 and 2023, Respectively (note 10)	9,195,479	9,051,204
Inventory (note 1)	74,794	90,991
Prepaid Expenses (note 1)	440,702	330,618
Beneficial Interest in Assets Held by Innovia Foundation (note 12)	475,220	424,564
Property and Equipment, Net (note 6)	22,223,329	20,020,762
Operating Lease Right of Use Assets (note 8)	105,957	147,504
Finance Lease Right of Use Assets (note 8)	50,905	52,333
Other Assets (note 4)	188,712	199,463
Total Assets	\$ 47,281,765	\$ 46,762,663

See accompanying Notes to Consolidated Financial Statements.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2024 AND 2023**

**LIABILITIES AND NET ASSETS**

**LIABILITIES**

Accounts Payable and Accrued Expenses	1,575,017	2,419,313
Funds Held for Others	154,937	188,238
Revolving Loan Funds Payable (note 10)	538,831	582,836
Loans and Mortgages Payable (note 5)	10,004,443	10,018,223
Operating Lease Liability Payable (note 8)	106,774	147,912
Finance Lease Liability Payable (note 8)	50,905	52,333
Investment Loans Payable (note 10)	4,000,000	4,000,000
Deferred Revenue (note 1)	2,890,893	2,762,639
Total Liabilities	19,321,800	20,171,494

**COMMITMENTS AND CONTINGENCIES**

**NET ASSETS**

Without Donor Restrictions		
Undesignated	16,997,820	15,012,166
Board Designated Funding	4,871,243	5,009,657
Board Designated for Replacement & Operations of Rental Properties	1,412,832	1,600,524
Board Designated for Operating Reserves	754,740	1,074,977
Board Designated Beneficial Interest in Assets Held Innovia	475,220	252,085
Rural Housing Partner Equity	(11,161)	(23,206)
	24,500,694	22,926,203
With Donor Restrictions (note 13)		
Purpose Restrictions	3,459,271	3,664,966
Total Net Assets	27,959,965	26,591,169
Total Liabilities and Net Assets	\$ 47,281,765	\$ 46,762,663

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
CONSOLIDATED STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2024**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>REVENUE AND OTHER SUPPORT</b>			
Governmental Awards	\$ 20,228,963	\$ -	\$ 20,228,963
Public Support and Private Donations	11,544,472	19,971	11,564,443
Client Fees and Matching Contributions	3,102,995	20,816	3,123,811
Other Income (Expense)	146,853	-	146,853
In-Kind (note 3)	17,675	-	17,675
Interest Income	584,486	-	584,486
Net Assets Released from Restrictions:			
Satisfaction of Program Restrictions (note 13)	<u>246,482</u>	<u>(246,482)</u>	<u>-</u>
Total Revenue and Other Support	35,871,926	(205,695)	35,666,231
<b>EXPENSES</b>			
Program Services:			
Community Action	13,517,920	-	13,517,920
Housing Services	12,239,182	-	12,239,182
Essential Connections	4,275,567	-	4,275,567
Financial Stability	1,991,569	-	1,991,569
Supporting Services:			
Community Action	895,383	-	895,383
Housing Services	792,564	-	792,564
Essential Connections	151,038	-	151,038
Financial Stability	3,446	-	3,446
Fundraising	<u>430,766</u>	<u>-</u>	<u>430,766</u>
Total Expenses	<u>34,297,435</u>	<u>-</u>	<u>34,297,435</u>
<b>CHANGES IN NET ASSETS</b>	1,574,491	(205,695)	1,368,796
Net Assets – Beginning of Year	<u>22,926,203</u>	<u>3,664,966</u>	<u>26,591,169</u>
<b>NET ASSETS – END OF YEAR</b>	<u><u>\$ 24,500,694</u></u>	<u><u>\$ 3,459,271</u></u>	<u><u>\$ 27,959,965</u></u>

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
CONSOLIDATED STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2023**

	<u>Without</u> <u>Donor Restrictions</u>	<u>With</u> <u>Donor Restrictions</u>	<u>Total</u>
<b>REVENUE AND OTHER SUPPORT</b>			
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	1,469,651	993,131	2,462,782
Other Income (Expense)	2,142,332	-	2,142,332
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	<u>42,098,733</u>	<u>703,782</u>	<u>42,802,515</u>
<b>EXPENSES</b>			
Program Services:			
Community Action	16,719,311	-	16,719,311
Housing Services	10,250,456	-	10,250,456
Essential Connections	8,533,977	-	8,533,977
Financial Stability	1,553,461	-	1,553,461
Supporting Services:			
Community Action	1,149,341	-	1,149,341
Housing Services	289,783	-	289,783
Essential Connections	77,819	-	77,819
Financial Stability	14,882	-	14,882
Fundraising	411,534	-	411,534
Total Expenses	<u>39,000,564</u>	<u>-</u>	<u>39,000,564</u>
<b>CHANGES IN NET ASSETS</b>	3,098,169	703,782	3,801,951
Net Assets – Beginning of Year	19,828,034	2,961,184	22,789,218
<b>NET ASSETS – END OF YEAR</b>	<u>\$ 22,926,203</u>	<u>\$ 3,664,966</u>	<u>\$ 26,591,169</u>

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED DECEMBER 31, 2024**

	Program Services				Supporting Services	Fundraising	Total Expenses
	Community Action	Housing Services	Essential Connections	Financial Stability			
Salaries	\$ 1,987,296	\$ 2,653,090	\$ 1,090,763	\$ 954,431	\$ 1,856,148	\$ 184,969	\$ 8,726,697
Employee Benefits	436,867	597,367	263,422	192,783	359,300	48,844	1,898,583
Employee Payroll Taxes	241,983	283,526	98,896	83,670	176,002	16,347	900,424
Total Salaries and Related Expenses	2,666,146	3,533,983	1,453,081	1,230,884	2,391,450	250,160	11,525,704
Specific Assistance to Individuals	9,672,386	3,960,878	2,128,772	161,018	-	-	15,923,054
Subcontracted Services	244,707	-	-	-	-	-	244,707
Building Maintenance	21,921	2,041,571	-	-	13,892	-	2,077,384
Capital Purchases	-	-	-	-	10,084	-	10,084
Occupancy	78,049	164,041	88,552	57,848	(132,709)	18,811	274,592
Utilities	9,236	9,528	-	-	50,237	-	69,001
Communications	36,334	33,670	22,479	7,167	177,686	3,091	280,427
Supplies	105,019	103,218	24,612	20,133	158,793	4,627	416,402
Printing and Copying	10,892	4,546	1,236	6,902	23,508	8,111	55,195
Insurance	37,371	701,734	100,138	7,647	32,919	655	880,464
Expendable Tools	-	44,164	-	-	-	-	44,164
Transportation	3,347	46,271	44,956	660	1,242	396	96,872
Vehicle Maintenance	212	43,615	2,156	-	356	-	46,339
Travel	6,802	365	751	3,781	8,567	-	20,266
Dues, Memberships, and Registration	4,957	1,217	-	120	13,862	3,016	23,172
Training	5,299	36,090	2,272	1,523	7,587	579	53,350
Professional Fees	197,783	659,172	52,154	54,226	545,418	67,186	1,575,939
Interest Expense	-	138,165	-	121,412	54,422	-	313,999
In-Kind	-	1,000	688	10,025	1,199	4,764	17,676
Miscellaneous	32,965	84,010	7,974	10	29,190	4,682	158,831
Property Management - SNAP Properties	-	2,327,850	-	-	-	-	2,327,850
Total Expenses Before Depreciation	13,133,426	13,935,088	3,929,821	1,683,356	3,387,703	366,078	36,435,472
Pooled General Expense	234,324	91,543	184,763	169,179	(713,308)	33,499	-
Pooled Network Expense	280,615	386,891	160,983	139,034	(994,313)	26,790	-
Reclassified Capital Expenditures	(132,550)	(2,729,916)	-	-	(21,527)	-	(2,883,993)
Depreciation	2,105	555,576	-	-	183,876	4,398	745,955
Total Expenses	\$ 13,517,920	\$ 12,239,182	\$ 4,275,567	\$ 1,991,569	\$ 1,842,431	\$ 430,765	\$ 34,297,434
Total Expenses for Program Services	\$ 32,024,238						

See accompanying Notes to Consolidated Financial Statements.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED DECEMBER 31, 2023**

	Program Services				Supporting Services	Fundraising	Total Expenses
	Community Action	Housing Services	Essential Connections	Financial Stability			
Salaries	\$ 2,118,295	\$ 2,367,031	\$ 1,262,571	\$ 962,146	\$ 1,709,959	\$ 196,579	\$ 8,616,581
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	3,164,715	1,651,497	1,267,398	2,213,271	256,381	11,323,861
Specific Assistance to Individuals	13,035,144	3,002,840	5,918,404	(305,373)	-	-	21,651,015
Subcontracted Services	143,869	(9,300)	145,150	-	-	-	279,719
Building Maintenance	14,891	286,506	-	-	24,496	-	325,893
Capital Purchases	-	123,825	-	-	(13,756)	-	110,069
Closing/Sales Costs	-	55,522	-	-	-	-	55,522
Occupancy	110,993	139,977	85,248	58,915	(166,213)	18,847	247,767
Utilities	3,765	12,333	-	-	49,968	-	66,066
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 Registration	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
Total Expenses Before Depreciation	16,295,050	10,120,436	8,166,615	1,278,643	2,828,211	348,166	39,037,121
Pooled General Expense	195,815	42,808	207,077	153,468	(633,361)	34,193	-
Pooled Network Expense	247,529	298,502	158,652	121,350	(850,809)	24,776	-
Reclassified Capital Expenditures	(19,083)	(652,552)	-	-	-	-	(671,635)
Depreciation	-	441,262	1,633	-	187,784	4,399	635,078
Total Expenses	\$ 16,719,311	\$ 10,250,456	\$ 8,533,977	\$ 1,553,461	\$ 1,531,825	\$ 411,534	\$ 39,000,564
Total Expenses for Program Services	\$ 37,057,205						

See accompanying Notes to Consolidated Financial Statements.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
CONSOLIDATED STATEMENT OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2024 and 2023**

	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Changes in Net Assets	1,368,796	3,801,951
Adjustments to Reconcile Changes in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	745,955	635,078
(Gain) Loss from disposal of assets	20,048	2,737
(Gain) Loss from Investments in Partnerships	-	373,372
(Gain) On Extinguishment of Debt	(197,500)	-
Change in Value of Beneficial Interest in Assets Held by Innovia	(50,656)	43,506
Change in Assets and Liabilities:		
Receivables	(2,586,337)	1,233,369
Pledge Receivable	(10,000)	(20,000)
Prepaid Expenses	(110,084)	(53,020)
Inventory	16,197	(14,408)
Other Assets	10,751	111,273
Operating Lease Right of Use Asset	41,547	81,895
Accounts Payable, Accrued Expenses, and Other Liabilities	(844,296)	(427,064)
Revolving Loan Funds Payable	(44,005)	(76,918)
Operating Lease Liabilities	(41,138)	(147,504)
Funds Held for Others	(33,301)	110,526
Deferred Revenues	128,254	2,630,823
	<b>(1,585,769)</b>	<b>8,285,616</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from Disposal of Property	-	2,285,369
Purchases of Property, Plant, and Equipment	(2,968,570)	(5,808,361)
Proceeds from Beneficial Interest in Innovia Foundation	-	110,149
Loans Receivable Payments	1,055,434	1,524,702
Loans Receivable Issued	(1,199,709)	(1,744,017)
	<b>(3,112,845)</b>	<b>(3,632,158)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds From Finance Lease Liabilities, net of payments	-	(52,083)
Proceeds from Long-term debt	507,797	1,409,686
Payments on Long-Term Debt	(324,077)	(1,415,549)
	<b>183,720</b>	<b>(57,946)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(4,514,894)</b>	<b>4,595,512</b>
Cash and Cash Equivalents – Beginning of Year	13,401,805	8,806,293
<b>CASH AND CASH EQUIVALENTS – END OF YEAR</b>	<b>8,886,911</b>	<b>13,401,805</b>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Cash Paid During the Year for Interest	313,999	292,791

See accompanying Notes to Consolidated Financial Statements.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2024 and 2023**

**NOTE 1    SIGNIFICANT ACCOUNTING POLICIES**

Spokane Neighborhood Actions 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, various projects aggregated in an account designated “L&S Housing” and Inland Empire Property Management Group, LLC. 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. In this regard, SNAP has a controlling financial interest in 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, 2024 and 2023**

**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).

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 6<sup>th</sup>, 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.

In 2024 and 2023, SNAP was donated additional ownership interest in Wilbur Associates (a Washington limited partnership) of 9.5% and 20.58% respectively, bringing their total ownership stake to a 63.58% as of December 31, 2024. Wilbur Associates 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.

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. SNAP is the sole member of SRH. In this regard, SNAP has a controlling financial interest in SRH, and for purposes of GAAP, the financial statements of SNAP and SRH are consolidated.

Inland Empire Property Management Group, LLC (IEPMG) is a Washington limited liability company that was formed in 2024. The Company was formed for the purpose of operating the Company's property management services. SNAP is the sole member of IEPMG. In this regard, SNAP has a controlling financial interest in IEPMG, and for purposes of GAAP, the financial statements of SNAP and IEPMG are consolidated.

**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, 2024 and 2023**

**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 \$167,934 and \$188,238 and cash held for client loan programs of \$1,282,012 and \$1,370,578 (loan loss reserves and the Small Business Administration, SBA), as of December 31, 2024 and 2023, respectively. Board designated cash for properties and operating reserves consisted of \$1,561,391 and \$2,390,209 as of December 31, 2024 and 2023, 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, 2024, all receivables were current, with the exception of the contracts SNAP has with the County of Spokane, which have been delayed as a result of computer program upgrades by the County. There were no bad debts recognized during the years ended 2024 and 2023.

**Loans Receivable**

SNAP obtains funds to loan to individuals. As further discussed in Note 10, an allowance for loan loss provisions is provided. 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.

**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.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2024 and 2023**

**NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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 at both December 31, 2024 and 2023.

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.

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.

Inland Empire Property Management Group is a single owner (SNAP) LLC, and by default is disregarded as an entity separate from its owner.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2024 and 2023**

**NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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 Assets 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.

**Reclassifications**

Certain items included in the accompanying 2023 financial statements have been reclassified to conform to the 2024 presentation with no material effect on the previously reported change in net assets.

**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, 2024 and 2023, SNAP recorded deferred revenue of \$2,890,896 and \$2,762,639, 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, 2024 and 2023:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Accounts receivable	5,629,756	3,023,419	7,373,640
Loans receivable	9,195,479	9,051,204	8,264,001
Deferred revenue	2,890,893	2,762,639	131,813

**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 should be followed and for exchange transactions, Topic 606 should be followed.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 and 2023**

**NOTE 1    SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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).

**Subsequent Events**

Subsequent events have been evaluated through June 25, 2025, 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 \$494,376 and \$429,130 in 2024 and 2023, respectively.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2024 and 2023**

**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 for donated goods and services of \$17,675 and \$10,664 were recorded in the statement of activities for the years ended December 31, 2024 and 2023, respectively.

**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 2024 and 2023, SNAP had funds on deposit with the Trust of \$188,712 and \$199,463, respectively. A corresponding liability has been accrued for the estimated cost of claims at December 31 2024 and 2023 of \$188,712 and \$199,463, respectively.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2024 and 2023**

**NOTE 5 LOANS AND MORTGAGES PAYABLE**

Loans and mortgages payable consisted of the following:

	2024		2023
	Current Portion	Long-Term Portion	Balance
<b>Patrician Apartments: 102 East Second</b>			
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
Contract Number OPR 94-251 (HOME Loan)			
Noninterest-bearing note payable to the City of Spokane; the loan balance was forgiven August 16, 2024.	-	-	197,500
Total Patrician Apartments	-	155,000	352,500
<b>Avondale Apartments: 229 West Second</b>			
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	146,456	161,102
<b>Pacific Apartments: 2701-21 East Pacific</b>			
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

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2024 and 2023**

**NOTE 5 LOANS AND MORTGAGES PAYABLE (CONTINUED)**

	2024		2023
	Current Portion	Long-Term Portion	Balance
<b>Windsor Apartments: 9522 East 8th</b>			
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	100,800	105,000
	<u>4,200</u>	<u>100,800</u>	<u>109,200</u>
<b>Windermere Apartments: 907/916 East Sinto</b>			
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.	6,887	216,883	223,770
	<u>6,887</u>	<u>216,883</u>	<u>230,588</u>
<b>Belamy: 2108 East First</b>			
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 2022; matures in December 2047; Secured by real estate.	1,950	56,252	58,202
	<u>1,950</u>	<u>56,252</u>	<u>62,045</u>
<b>Resident Court: 1203 West 5th</b>			
Contract Number 00-49300-530			
Note payable to the Washington State Department of Commerce bearing interest of 1% for 50 years. 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
	<u>-</u>	<u>743,928</u>	<u>743,928</u>

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2024 and 2023**

**NOTE 5 LOANS AND MORTGAGES PAYABLE (CONTINUED)**

	2024		2023	
	Current Portion	Long-Term Portion	Balance	Balance
<b>Alexandria: 623 South Howard</b>				
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
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
<b>St. Annes Triplex: 2111-17/21 East Pacific</b>				
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.	2,150	46,823	48,973	51,123

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
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**NOTE 5 LOANS AND MORTGAGES PAYABLE (CONTINUED)**

	2024		2023	
	Current Portion	Long-Term Portion	Balance	Balance
<b>Pine Villa: 33 E. Graves Rd.</b>				
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.				
	19,052	426,965	446,017	461,620
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.				
	2,961	57,203	60,164	63,098
Total Pine Villa	22,013	484,168	506,181	524,718
<b>Broadway Senior Housing: 8001 E Broadway Ave</b>				
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
<b>SNAP Property Rehabilitation Projects</b>				
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.				
	-	509,641	509,641	1,844

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2024 and 2023**

**NOTE 5 LOANS AND MORTGAGES PAYABLE (CONTINUED)**

	2024		2023
	Current Portion	Long-Term Portion	Balance
			Balance
<b>Riverwalk Point I: 5008 E Buckeye</b>			
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.			
	19,778	102,037	121,815
			141,494
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.			
	37,004	976,152	1,013,156
			1,049,975
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.			
	14,207	77,608	91,815
			105,952

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2024 and 2023**

**NOTE 5 LOANS AND MORTGAGES PAYABLE (CONTINUED)**

	2024		2023	
	Current Portion	Long-Term Portion	Balance	Balance
Riverwalk Point I (Continued)				
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	70,989	1,582,488	1,653,477	1,724,112
<b>Republic Gardens: 627 S Madison, Republic, WA</b> (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.	-	-	-	20,929
<b>Woodhaven: 465 W 6th Ave, Kettle Falls, WA</b> (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.	4,517	126,317	130,834	160,403
<b>Hillcrest: 501 NW Armstrong, Wilbur, WA</b> (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	299,824	303,424	308,291

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2024 and 2023**

**NOTE 5 LOANS AND MORTGAGES PAYABLE (CONTINUED)**

	2024		2023
	Current Portion	Long-Term Portion	Balance
<b>Riverwalk Point II: 4915 E Upriver Drive, Spokane, WA</b>			
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.	17,949	449,173	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
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	22,949	1,719,173	1,759,615

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2024 and 2023**

**NOTE 5 LOANS AND MORTGAGES PAYABLE (CONTINUED)**

	2024		2023
	Current Portion	Long-Term Portion	Balance
			Balance
<b>Whistalks Way: 3102 W. Whistalks Way</b>			
Loan Number 130012610			
Note payable to First Interstate Bank, due in monthly installments of \$5,537, including 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.			
	33,665	753,655	817,261
<b>Project Atlas (Birdseye) Client Database</b>			
Loan Number 130012611			
Note payable to First Interstate Bank, bearing interest at a variable rate, which at December 31, 2023 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.			
	112,086	264,847	484,251
Total Long-Term Debt	\$ 292,329	\$9,712,114	\$ 10,004,443

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

Year Ending December 31,	Amount
2025	\$ 292,329
2026	287,312
2027	294,769
2028	296,367
2029	144,242
Thereafter	8,689,424
Total	\$ 10,004,443

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
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**NOTE 6 PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following at December 31:

	2024	2023
Nondepreciable:		
Land	\$ 3,824,599	\$ 3,824,599
Construction in Progress	3,123,735	49,250
Donated Stock	-	20,048
Total Nondepreciable	6,948,334	3,893,897
Depreciable:		
Buildings and Residences	22,515,789	22,884,381
Equipment	2,592,933	2,332,357
Total Depreciable	25,108,722	25,216,738
Total	32,057,056	29,110,635
Less: Accumulated Depreciation	9,833,728	9,089,873
Total	\$ 22,223,328	\$ 20,020,762

Construction in progress at December 31, 2024 consists primarily of rehabilitation projects on SNAP's housing properties. Estimated cost to complete the projects are approximately \$4,600,000 and is expected to be financed with various grants and loans, of which approximately \$3,900,000 has already been secured. Most projects are expected to be completed by the end of 2025.

In addition, approximately \$130,000 of CIP is for the Broadway Affordable Housing Project. This is a Low-Income Housing Tax Credit project is estimated to cost \$26 million to build and is anticipated to be funded through grants, loans, and tax incentivized investors. This project is expecting to be completed by 2027.

**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 finance 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 periods 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.

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

The component of lease costs for the year ended December 31, 2024 and 2023 were as follows:

	2024	2023
Operating Lease Cost	\$ 106,954	\$ 92,414
Short Term Lease Cost	132,466	109,876
Total Lease Cost	\$ 239,420	\$ 202,290

Other information related to leases as of December 31, 2024 are as follows:

Supplemental cash flow information:

ROU Assets Obtained in Exchange for Lease Obligations:	
Operating Leases	\$72,290
Reductions to ROU Assets Resulting from Reductions to Lease Obligations:	
Operating Leases	\$113,429
Remaining lease term:	
Operating Leases	9 months to 1 year
Discounted rate:	
Operating Leases	2.50%
Finance Leases	2.50%

Future maturities of lease liabilities are as follows:

Year Ending December 31,	Operating	Finance
2025	\$ 107,724	\$ 16,512
2026	-	13,839
2027	-	13,596
2028	-	7,940
2029	-	1,385
	107,724	53,272
Less Imputed Interest	(950)	(2,367)
Total	\$ 106,774	\$ 50,905

**NOTE 9 INTERCOMPANY TRANSACTIONS**

SNAP has notes receivable from Riverwalk Point I LLC (RWP I) in the amounts of \$150,000 and \$31,950. A discount of \$7,253 and \$7,735 was recorded at December 31, 2024 and 2023 respectively.

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.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
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**NOTE 9 INTERCOMPANY TRANSACTIONS (CONTINUED)**

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, 2024, a note in the amount of \$178,657, net of discount of \$426,343, is deferred. As of December 31, 2023 a note in the amount of \$170,126, net of discount of \$434,874, is deferred.

SNAP also has a company management fee as of December 31, 2024 and 2023 of \$195,000 and \$195,000, respectively, due from RWP II.

During 2024, SNAP provided L&S Investments a cash advance loan in the amount of \$50,000 and L&S Kettle Falls Ltd a cash advance loan in the amount of \$50,000. The loans bear no interest.

The aforementioned receivables, discounts and interest payable have been eliminated for the purposes of the consolidated financial statements.

**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 used to support this program and provide future residential loans.

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.

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

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.

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 for remaining loan balances. The program ended in FY 2024.

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

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.

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 a bank obligated extension of up to five years at SNAP Financial Access' discretion. 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 a bank obligated extension of up to five years at SNAP Financial Access' discretion. Annually thereafter, duration is extended an additional year at the bank's discretion.

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

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 a bank obligated extension of up to five years at SNAP Financial Access' discretion. 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 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 a bank obligated extension of up to five years at SNAP Financial Access' discretion. 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.

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

The following is a recap of loans receivable and loan funds payable for the years ended December 31, 2024 and 2023, respectively:

Project Number	Loan Type	2024				
		Gross Loan Receivable	Allowance for Loan Loss Provisions	Net Receivable	Net Payable	Cash Available
Project #171	RL	\$ 6,782	\$ 1,356	\$ 5,426	\$ -	\$ 7,592
Project #270	RL	544,993	27,250	517,744	-	93,477
Project #272	RL	13,207	660	12,546	12,546	-
Project #702	RL	3,277	229	3,047	-	66,091
Project #705	RL	29,184	2,043	27,141	86,794	14,064
Project #713	RL	-	-	-	-	117,746
Project #720	RL	177,474	12,423	165,051	-	466,006
Project #721	RL	26,873	1,881	24,992	36,832	67,864
Project #722	RL	132,927	9,305	123,622	161,847	121,736
Project #725	RL	157,809	11,047	146,763	183,333	86,251
Project #750	RL	2,471,583	123,579	2,348,003	-	352,532
Project #751	RL	59,428	2,971	56,457	57,479	1,843
Project #758	RL	2,339,743	116,987	2,222,756	-	888,110
Project #760	RL	194,479	13,614	180,866	-	374,172
Project #761	RL	72,972	5,108	67,864	-	(17,170)
Project #763	RL	694,507	41,134	653,374	-	(23,490)
Project #770	IL	209,040	10,452	198,588	176,154	15,168
Project #771	IL	388,286	27,180	361,106	823,846	476,197
Project #772	IL	601,097	30,055	571,042	563,673	66,327
Project #773	IL	52,624	3,684	48,941	436,327	421,724
Project #774	IL	250,768	12,538	238,229	250,295	50,056
Project #775	IL	322,245	22,557	299,687	749,705	509,039
Project #776	IL	757,114	37,856	719,258	757,114	(5,861)
Project #777	IL	218,249	15,278	202,971	242,886	44,374
Total		<u>\$ 9,724,661</u>	<u>\$ 529,187</u>	<u>\$ 9,195,474</u>	<u>\$ 4,538,831</u>	<u>\$ 4,193,848</u>

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

		2023				
Project Number	Loan Type	Gross Loan Receivable	Allowance for		Net Payable	Cash Available
			Loan Loss Provisions	Net Receivable		
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
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		<u>\$ 9,583,235</u>	<u>\$ 532,031</u>	<u>\$ 9,051,204</u>	<u>\$ 4,582,836</u>	<u>\$ 4,463,576</u>

Loan Type:

RL = Revolving Loan

IL = Investment Loan

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

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:

<u>Year Ending December 31,</u>	<u>Amount</u>
2025	82,555
2026	82,555
2027	70,075
2028	57,944
2029	57,944
Thereafter	<u>187,758</u>
Total	<u><u>\$ 538,831</u></u>

The allowance for credit losses for client loans receivable and the related activity are as follows:

	<u>2024</u>	<u>2023</u>
Beginning balance	\$ 532,031	\$ 1,159,516
Provision for credit losses	31,239	(611,219)
Writeoffs	<u>(34,083)</u>	<u>(16,266)</u>
Ending balance	<u><u>\$ 529,187</u></u>	<u><u>\$ 532,031</u></u>

**NOTE 11 GRANT PROGRAMS**

Grant expenditures are subject to the approval of various granting and contracting agencies. To be eligible for reimbursement, expenditures made under federal programs must comply with regulations established by the related agency. Agency determination of the SNAP's failure to comply with such regulations may result in disallowed costs and a liability for reimbursements received.

Recent developments have introduced new uncertainties regarding federal funding. These uncertainties include potential changes in government policies, budget cuts, and shifts in priorities that may affect the allocation of funds. Additionally, the ongoing economic environment and political landscape contribute to the unpredictability of future federal funding. Changes in federal funding can affect the organization's ability to meet its program objectives, comply with grant requirements, and maintain financial stability. Should grant funding be significantly reduced, the SNAP would experience difficulties in maintaining its programs at the current levels.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
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**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.

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 \$475,220 and \$424,564 as of December 31, 2024 and 2023, 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 2024 and 2023, \$-0- was transferred from the Fund to operations.

The following table illustrates the diversification plan of Innovia as of December 31, 2024.

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%

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

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

	2024	2023
Centralized Diversion Program	\$ 8,423	\$ -
Urgent Care Transport Program	-	1,395
Weatherization, Primarily Avista	107,494	95,946
Utility Bills, Avista Project Share/Modern Help	188,149	433,236
Housing Rehabilitation Program	-	-
CDFI Revolving Loan Funds	3,155,205	3,134,389
Total	\$ 3,459,271	\$ 3,664,966

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

	2024	2023
Local Minor Home Repair	\$ -	\$ 198
Homeless Special	-	18,604
Urgent Care Transport Program	1,395	5,136
Weatherization, Primarily Avista	-	392,457
Utility Bills, Avista Project Share/Modern Help	245,087	72,886
Housing Rehabilitation Program	-	-
CFDI Revolving Loan Funds	-	246,253
Total	\$ 246,482	\$ 735,534

**NOTE 14 UNCERTAIN TAX POSITIONS**

SNAP files income tax returns in the U.S. federal jurisdiction. At December 31, 2024, 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, 2024 and 2023, there are no tax positions for which the deductibility is certain but for which there is uncertainty regarding the timing of such deductibility.

**NOTE 15 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 15 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, 2024 and 2023.

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.

The following tables disclose, by level within the fair value hierarchy, SNAP's assets, held by Innovia Foundation measured and reported on the statements of financial position at fair value on a recurring basis as of December 31, 2024 and 2023, respectively:

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2024 and 2023**

**NOTE 15 FAIR VALUE MEASUREMENTS (CONTINUED)**

	2024			
	Level 1	Level 2	Level 3	Total
Beneficial Interest in Assets Held by Innovia Foundation	\$ -	\$ -	\$ 475,220	\$ 475,220
	2023			
	Level 1	Level 2	Level 3	Total
Beneficial Interest in Assets Held by Innovia Foundation	\$ -	\$ -	\$ 424,564	\$ 424,564

The following sets forth a summary for the years ended December 31, 2024 and 2023 of changes in the fair value of beneficial interest in assets held by Innovia Foundation, the organization's Level 3 asset:

	2024	2023
Balance – Beginning of Year	\$ 424,564	\$ 357,921
Change in Value, Net	50,656	66,643
Balance – End of Year	\$ 475,220	\$ 424,564

**NOTE 16 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:

	2024	2023
<b>Financial Assets:</b>		
Cash and cash equivalents	8,886,911	13,401,805
Accounts receivable	5,629,756	3,023,419
Promises to give	10,000	20,000
Loans receivable within one year	675,268	466,885
	15,201,935	16,912,109
 <b>Less amounts unavailable for general expenditures within one year:</b>		
Restricted cash, net of amounts included in board designated and donor restricted net assets	167,934	188,238
Board designated net assets	7,514,035	7,937,243
Donor restricted net assets	3,459,271	3,664,966
	4,060,695	5,121,662

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2024 and 2023**

**NOTE 16 LIQUIDITY AND AVAILABILITY (CONTINUED)**

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, 2024, no other investments made from cash existed.

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, 2024**

December 31, 2024	Spokane Neighborhood Action Partners	SNAP Financial Access	Pine Villa	Riverwalk Point I	Riverwalk Point II	L&S Housing	IEPMG	Eliminations	Total
<b>ASSETS</b>									
Cash and Cash Equivalents	\$ 1,815,298	\$ 4,682,143	\$ (743,635)	\$ 94,795	\$ 148,237	\$ 124,210	\$ (245,475)	\$ -	\$ 5,875,573
Restricted Cash	873,023	1,225,555	129,235	322,552	271,409	189,564	-	-	3,011,338
<b>Total Cash and Cash Equivalents</b>	<b>2,688,321</b>	<b>5,907,698</b>	<b>(614,400)</b>	<b>417,347</b>	<b>419,646</b>	<b>313,774</b>	<b>(245,475)</b>	<b>-</b>	<b>8,886,911</b>
Accounts Receivable, Primarily Grantor Agencies	4,194,377	241,568	979,046	46,311	45,019	124,679	344,721	(345,965)	5,629,756
Pledges Receivable, Primarily Grantor Agencies	10,000	-	-	-	-	-	-	-	10,000
Loans Receivable	1,900,833	8,659,761	-	-	-	-	-	(1,365,115)	9,195,479
Inventory	74,794	-	-	-	-	-	-	-	74,794
Prepaid Expenses	309,022	-	28,857	29,295	30,377	43,151	-	-	440,702
Investments	475,220	-	-	-	-	-	-	-	475,220
Property and Equipment, Net	11,172,835	-	2,390,931	3,995,811	4,481,881	181,871	-	-	22,223,329
Operating Lease Right of Use Assets	105,957	-	-	-	-	-	-	-	105,957
Finance Lease Right of Use Assets	50,905	-	-	-	-	-	-	-	50,905
Other Assets	188,712	-	-	-	-	-	-	-	188,712
<b>Total Assets</b>	<b>\$ 21,170,976</b>	<b>\$ 14,809,027</b>	<b>\$ 2,784,434</b>	<b>\$ 4,488,764</b>	<b>\$ 4,976,923</b>	<b>\$ 663,475</b>	<b>\$ 99,246</b>	<b>\$(1,711,080)</b>	<b>\$ 47,281,765</b>
<b>LIABILITIES AND NET ASSETS</b>									
Accounts Payable and Accrued Expenses	\$ 1,198,675	\$ 11,763	\$ 146,468	\$ 384,390	\$ 694,338	\$ 106,450	\$ 5,030	(972,097)	\$ 1,575,017
Funds Held for Others	69,651	56,457	51,037	19,261	21,484	77,417	145,259	(285,629)	150,937
Revolving Loan Funds Payable	12,546	526,285	-	-	-	-	-	-	538,831
Loans and Mortgages Payable	5,668,860	-	506,180	1,828,175	1,920,324	534,258	-	(453,354)	10,004,443
Operating Lease Liability Payable	106,774	-	-	-	-	-	-	-	106,774
Finance Lease Liability Payable	50,905	-	-	-	-	-	-	-	50,905
Investment Loans Payable	-	4,000,000	-	-	-	-	-	-	4,000,000
Deferred Revenues	2,053,300	799,365	5,926	10,855	13,582	7,865	-	-	2,890,893
<b>Total Liabilities</b>	<b>\$ 9,160,711</b>	<b>\$ 5,393,870</b>	<b>\$ 709,611</b>	<b>\$ 2,242,681</b>	<b>\$ 2,649,728</b>	<b>\$ 725,990</b>	<b>\$ 150,289</b>	<b>\$(1,711,080)</b>	<b>\$ 19,321,800</b>
<b>NET ASSETS</b>									
Without Donor Restrictions									
Undesignated	\$ 9,174,998	\$ 2,161,979	\$ 1,922,608	\$ 1,974,410	\$ 2,055,786	\$ (240,918)	\$ (51,043)	\$ -	\$ 16,997,820
Board Designated Funding	773,270	4,097,973	-	-	-	-	-	-	4,871,243
Board Designated for Replacement & Operations of Rental Pro	527,971	-	152,215	271,673	271,409	189,564	-	-	1,412,832
Board Designated for Operating Reserves	754,740	-	-	-	-	-	-	-	754,740
Board Designated Beneficial Interest in Assets Held Innovia	475,220	-	-	-	-	-	-	-	475,220
<b>Total Without Donor Restrictions</b>	<b>11,706,199</b>	<b>6,259,952</b>	<b>2,074,823</b>	<b>2,246,083</b>	<b>2,327,195</b>	<b>(51,354)</b>	<b>(51,043)</b>	<b>-</b>	<b>24,511,855</b>
With Donor Restrictions									
Purpose Restrictions	304,066	3,155,205	-	-	-	-	-	-	3,459,271
Rural Housing Partner Equity	-	-	-	-	-	(11,161)	-	-	(11,161)
<b>Total Net Assets</b>	<b>\$ 12,010,265</b>	<b>\$ 9,415,157</b>	<b>\$ 2,074,823</b>	<b>\$ 2,246,083</b>	<b>\$ 2,327,195</b>	<b>\$ (62,515)</b>	<b>\$ (51,043)</b>	<b>\$ -</b>	<b>\$ 27,959,965</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 21,170,976</b>	<b>\$ 14,809,027</b>	<b>\$ 2,784,434</b>	<b>\$ 4,488,764</b>	<b>\$ 4,976,923</b>	<b>\$ 663,475</b>	<b>\$ 99,246</b>	<b>\$(1,711,080)</b>	<b>\$ 47,281,765</b>

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
CONSOLIDATING STATEMENT OF ACTIVITIES  
DECEMBER 31, 2024**

December 31, 2024	Spokane Neighborhood Action Partners	SNAP Financial Access	Pine Villa	Riverwalk Point I	Riverwalk Point II	L&S Housing	IEPMG	Eliminating Entries	Total
<b>REVENUE, SUPPORT, AND OTHER</b>									
Without Donor Restrictions:									
Governmental Awards	\$ 19,062,059	\$ 603,911	\$ 562,993	\$ -	\$ -	\$ -	\$ -	-	\$ 20,228,963
Public Support and Private Donations	10,838,341	88,478	611,384	127	-	6,142	-	-	11,544,472
Client Fees and Matching Contributions	1,218,830	(17,136)	456,829	532,942	434,661	476,869	-	-	3,102,995
Other Income (Expense)	175,077	13,887	-	(482)	(8,531)	(109,532)	-	76,434	146,853
In-Kind	7,650	10,025	-	-	-	-	-	-	17,675
Interest Income	108,065	548,414	866	88	3,096	391	-	(76,434)	584,486
Net Assets Released from Restrictions	246,482	-	-	-	-	-	-	-	246,482
Total Without Donor Restrictions	<u>31,656,504</u>	<u>1,247,579</u>	<u>1,632,072</u>	<u>532,675</u>	<u>429,226</u>	<u>373,870</u>	<u>-</u>	<u>-</u>	<u>35,871,926</u>
With Donor Restrictions:									
Governmental Awards	-	-	-	-	-	-	-	-	-
Public Support and Private Donations	19,971	-	-	-	-	-	-	-	19,971
Client Fees and Matching Contributions	-	20,816	-	-	-	-	-	-	20,816
Net Assets Released from Restrictions	(246,482)	-	-	-	-	-	-	-	(246,482)
Total With Donor Restrictions	<u>(226,511)</u>	<u>20,816</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(205,695)</u>
Total Revenue, Support, and Other	<u>31,429,993</u>	<u>1,268,395</u>	<u>1,632,072</u>	<u>532,675</u>	<u>429,226</u>	<u>373,870</u>	<u>-</u>	<u>-</u>	<u>35,666,231</u>
<b>EXPENSES AND LOSSES</b>									
Program Services:									
Community Action	13,517,920.00	-	-	-	-	-	-	-	13,517,920.00
Housing Services	9,960,234.00	-	577,830.00	640,122.00	675,945.00	438,437.00	(53,386.00)	-	12,239,182.00
Essential Connections	4,275,567.00	-	-	-	-	-	-	-	4,275,567.00
Financial Stability	673,355.00	1,318,214.00	-	-	-	-	-	-	1,991,569.00
Support Services:									
Community Action	895,383.00	-	-	-	-	-	-	-	895,383.00
Housing Services	688,135.00	-	-	-	-	-	104,429.00	-	792,564.00
Essential Connections	151,038.00	-	-	-	-	-	-	-	151,038.00
Financial Stability	-	3,446.00	-	-	-	-	-	-	3,446.00
Fundraising	430,766.00	-	-	-	-	-	-	-	430,766.00
Total Expenses and Losses	<u>30,592,398</u>	<u>1,321,660</u>	<u>577,830</u>	<u>640,122</u>	<u>675,945</u>	<u>438,437</u>	<u>51,043</u>	<u>-</u>	<u>34,297,435</u>
<b>CHANGES IN NET ASSETS</b>	<b>837,595</b>	<b>(53,265)</b>	<b>1,054,242</b>	<b>(107,447)</b>	<b>(246,719)</b>	<b>(64,567)</b>	<b>(51,043)</b>	<b>-</b>	<b>1,368,796</b>
Net Assets – Beginning of Year	<u>11,188,408</u>	<u>9,468,422</u>	<u>1,004,843</u>	<u>2,353,530</u>	<u>2,573,914</u>	<u>2,052</u>	<u>-</u>	<u>-</u>	<u>26,591,169</u>
Transfers and Interagency Transactions	(15,738)	-	15,738	-	-	-	-	-	-
<b>NET ASSETS – END OF YEAR</b>	<b>\$ 12,010,265</b>	<b>\$ 9,415,157</b>	<b>\$ 2,074,823</b>	<b>\$ 2,246,083</b>	<b>\$ 2,327,195</b>	<b>\$ (62,515)</b>	<b>\$ (51,043)</b>	<b>\$ -</b>	<b>\$ 27,959,965</b>

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
SCHEDULE OF PUBLIC AND PRIVATE DONATIONS  
DECEMBER 31, 2024 and 2023**

YEARS ENDED DECEMBER 31, 2024 AND 2023	2024	2023
United Way of Spokane County:		
CHC-Mortgage Assistance Program	\$ 9,880	\$ 22,917
Financial Access	8,773	27,500
Resource Development	8,343	2,796
Vending Revenues - Various Properties	29,236	12,336
Project Share:		
Avista	386,634	178,651
Inland Power & Light	61,907	33,297
Modern Electric	9,165	8,393
Utility Customers and Other Private Donations	62,028	64,418
Avista - Utility Conservation Program	3,516,708	2,640,309
Avista - LIRAP - Low Income Rate Assistance Program	5,279,723	9,700,661
Avista - Retrofit CEEP Program	-	14,865
Comprehensive Housing Counseling:		
BECU	-	238,809
US Bank Foundation	27,900	15,000
Other Support	-	2,500
Foundations and Other Public Support:		
Women's Business Center	54,704	16,039
Other Financial Institutions and Individuals	25,000	56,155
Avista Pine Villa Rehab	606,418	264,408
Other Institutions:		
Housing Development/RWPI Investment	105,909	108,971
URGENT Care Pilot Program	269,169	148,772
Asset Management	20,000	5,518
SNAP Rural Housing	-	(17,745)
SNAP Housing Development-Rehab	408,480	-
Homeless Diversion	5,707	31,469
Other - Public Support and Private Donations	668,759	525,311
	<u>668,759</u>	<u>525,311</u>
Total	<u>\$ 11,564,443</u>	<u>\$ 14,101,350</u>

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
SCHEDULE OF SUPPORTING SERVICES DETAIL BY PROGRAM  
DECEMBER 31, 2024**

YEAR ENDED DECEMBER 31, 2024	Community Action	Housing Services	Essential Connections	Financial Stability	Total
Salaries	\$ 1,748,399	\$ 212,435	\$ 80,283	\$ -	\$ 2,041,117
Employee Benefits	336,047	51,574	20,523	-	408,144
Employee Payroll Taxes	166,006	18,938	7,405	-	192,349
Total Salaries and Related Expenses	<u>2,250,452</u>	<u>282,947</u>	<u>108,211</u>	<u>-</u>	<u>2,641,610</u>
Occupancy	(127,607)	10,954	2,755	-	(113,898)
Utilities	50,237	-	-	-	50,237
Building Maintenance	13,892	-	-	-	13,892
Capital Purchases	10,084	-	-	-	10,084
Reclassified Capital Expenditures	(21,527)	-	-	-	(21,527)
Communications	179,306	1,471	-	-	180,777
Supplies	156,219	7,004	197	-	163,420
Printing and Copying	23,381	8,216	22	-	31,619
Insurance	27,731	2,974	2,869	-	33,574
Transportation	1,595	43	-	-	1,638
Vehicle Maintenance	356	-	-	-	356
Travel	8,567	-	-	-	8,567
Dues, Membership, Registration	16,099	779	-	-	16,878
Training	7,601	565	-	-	8,166
In-Kind	5,963	-	-	-	5,963
Professional Fees	606,124	6,440	40	-	612,604
Interest Expense	54,422	-	-	-	54,422
Miscellaneous	26,234	7,638	-	-	33,872
Pooled General Expense	(1,135,609)	427,007	25,347	3,446	(679,809)
Pooled Network Expense	(1,015,645)	36,526	11,596	-	(967,523)
Management Fees	-	-	-	-	-
Total Expenses Before Depreciation	<u>1,137,875</u>	<u>792,564</u>	<u>151,037</u>	<u>3,446</u>	<u>2,084,922</u>
Depreciation	188,274	-	-	-	188,274
Total Expenses Plus Depreciation	<u>\$ 1,326,149</u>	<u>\$ 792,564</u>	<u>\$ 151,037</u>	<u>\$ 3,446</u>	<u>\$ 2,273,196</u>

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
SCHEDULE OF SUPPORTING SERVICES DETAIL BY PROGRAM  
DECEMBER 31, 2023**

YEAR ENDED DECEMBER 31, 2023	Community Action	Housing Services	Essential Connections	Financial Stability	Total
Salaries	\$ 1,799,416	\$ 66,803	\$ 40,318	\$ -	\$ 1,906,537
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>2,329,482</u>	<u>85,886</u>	<u>54,283</u>	<u>-</u>	<u>2,469,651</u>
Occupancy	(151,533)	2,687	1,480	-	(147,366)
Utilities	49,968	-	-	-	49,968
Building Maintenance	24,348	148	-	-	24,496
Reclassified Capital Expenditures	(13,756)	-	-	-	(13,756)
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
Vehicle Maintenance	-	-	-	-	-
Travel	19,638	-	-	-	19,638
Dues, Membership, 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 Expense	(1,011,505)	382,514	15,547	14,276	(599,168)
Pooled Network Expense	(839,734)	8,620	5,081	-	(826,033)
Management Fees	-	-	-	-	-
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	192,183	-	-	-	192,183
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>



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, Washington

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 (Organization), which comprise the consolidated statement of financial position as of December 31, 2024, 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 25, 2025.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the consolidated financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 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. We did identify a deficiency in internal control, described in the accompanying schedule of audit findings and questioned costs as item 2024-001, that we consider to be a significant deficiency.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Management's Response to the Finding**

*Government Auditing Standards* requires the auditor to perform limited procedures on management's response to the finding identified in our audit and described in the accompanying schedule of audit findings and questioned costs. Management's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

## **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.

*D3A PLLC*

Spokane Valley, Washington  
June 25, 2025



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

Board of Directors  
Spokane Neighborhood Action Partners  
Spokane, Washington

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Spokane Neighborhood Action Partners' (Organization) compliance with the types of compliance requirements described as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the Organization's major federal programs for the year ended December 31, 2024. The Organization's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of audit findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended December 31, 2024.

***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 Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization 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 the Organization'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 the Organization's federal programs.

### ***Auditors' 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 the Organization'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 generally accepted auditing standards, *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 the Organization's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 the Organization'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 the Organization'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 the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate 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 a 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 Auditors' 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, as defined above. 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.

*D3A PLLC*

Spokane Valley, Washington  
June 25, 2025

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2024**

**Section I – Summary of Auditors’ Results**

**Financial Statements:**

Type of auditors’ report issued: *Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified?      yes   X   no
- Significant deficiency(ies) identified?   X   yes      none reported

Noncompliance material to financial statements noted?      yes   X   no

**Federal Awards:**

Internal control over the major federal programs:

- Material weakness(es) identified?      yes   X   no
- Significant deficiency(ies) identified?      yes   X   none reported

Type of auditors’ report issued on compliance for the major federal programs: *Unmodified*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?      yes   X   no

**Identification of Major Federal Programs:**

<i>Federal Assistance Listing Numbers</i>	<i>Name of Federal Program or Cluster</i>
14.239	Home Investment Partnership Program
21.023	Emergency Rental Assistance Program
93.569	Community Services Block Grant

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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 (CONTINUED)  
YEAR ENDED DECEMBER 31, 2024**

**Section II - Financial Statement Findings**

**2024-001 Preparation of the Schedule of Expenditures of Federal Awards (SEFA)**

*Criteria* Per 2 CFR 200.510(b), non-federal entities must prepare a SEFA that includes the total federal awards expended for each federal program assistance listing number. Additionally, under AU-C 935 and GAGAS 6.56, auditors are required to report material misstatements in the SEFA as findings in the financial statement audit report.

[ ] Compliance Finding [X] Significant Deficiency [ ] Material Weakness

*Condition* During our audit of the financial statements and the SEFA for the year ended December 31, 2024, we identified balances for loans under ALN 14.239, Home Investment Partnership Program, for which the compliance requirements had ended in a prior year. These amounts were carried forward and reported in the current year SEFA, despite no new loans being issued and no continuing compliance requirements applicable during the audit period. Per 2 CFR 200.502 *Basis for determining Federal awards expended*, stipulates that only loans that have continuing federal compliance requirements are to be included on the SEFA.

This finding appears to be an *isolated* problem.

*Cause* The misstatement resulted from a misunderstanding of the SEFA reporting requirements for federal loan programs. The finance team included the outstanding loan balances based on historical practice, without reassessing whether compliance requirements were still applicable in the current year.

*Effect* Users of the financial statements may be misled by the inaccurate presentation of federal award activity. In addition, errors in the SEFA could result in noncompliance with Uniform Guidance reporting requirements and may impact the determination of major programs and the risk assessment process for the single audit.

*Recommendation* We recommend management review the Uniform Guidance requirements for reporting federal loan programs and implement a control to assess annually whether compliance requirements are still applicable. This should include coordination with program administrators and grant officers to confirm the status of loan programs.

*Views of responsible officials and planned corrective action* Management agrees with the finding and will implement the suggested actions. See corrective action plan attached.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2024**

**Section III - Federal Award Findings and Questioned Costs**

There are no matters reported for the year ended December 31, 2024.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
YEAR ENDED DECEMBER 31, 2024**

There were no prior year findings.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2024**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance		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
	Fund Number	Listing Number								
<b>U.S. Department of Health and Human Services</b>										
Passed through Washington State Department of Commerce - Housing										
LIHEAP Weatherization Supplemental - Covid Funding	206	93.568	F23-53105-423 A	10/01/22-09/30/24	356,351	317,351	328,351	-	317,351	-
LIHEAP Weatherization Program	209	93.568	F23-53101-423 C	10/01/22-07/31/25	559,719	354,719	454,719	-	354,719	-
LIHEAP Weatherization Program	209	93.568	F24-53101-423	10/01/23-09/30/25	653,313	653,313	-	-	143,375	509,938
LIHEAP Weatherization Program	209	93.568	F25-53101-423	10/01/24-09/30/26	643,609	643,609	-	-	-	643,609
Passed through Washington State Department of Commerce - Community Services										
LIHEAP - EAP	411	93.568	F23-32606-054 C	10/01/22-07/31/25	5,328,817	1,819,398	779,246	-	684,988	1,134,410
LIHWAP - Water Assistance - Covid Funding	409	93.568	24-32607-054	10/01/23-03/31/24	290,167	288,297	290,167	-	288,297	-
LIHEAP - Supplemental	414	93.568	23-326CR-054 B	10/01/22-09/30/24	3,091,172	1,939,173	1,939,173	-	1,939,173	-
LIHEAP - IJJA - Covid Funding	415	93.568	24-32601-054	10/01/23-09/30/25	142,353	142,353	142,353	-	142,353	-
LIHEAP - EAP	421	93.568	24-32606-054 A	10/01/23-09/30/25	4,133,400	4,133,400	3,320,620	-	3,614,254	519,146
LIHEAP - EAP	422	93.568	25-32606-054	10/01/24-09/30/26	3,580,591	3,580,591	-	-	-	3,580,591
					18,779,492	13,872,204	7,254,629	-	7,484,510	6,387,694
Passed through Washington State Department of Commerce - Community Services										
Community Services Block Grant	100	93.569	F24-32101-028	10/01/23-09/30/25	609,900	609,900	168,203	-	201,882	408,018
Community Services Block Grant	110	93.569	F24-32101-028	10/01/22-09/30/24	608,264	324,009	379,893	-	324,009	-
					1,218,164	933,909	548,096	-	525,891	408,018
Passed through Aging & Long Term Care of Eastern Washington										
Minor Home Repair IIIB	220	93.044	21-23.57.14(4)	01/01/23-12/31/23	41,498	-	711	-	-	-
Minor Home Repair IIIB-ARP - Covid Funding	220	93.044	21-23.57.14(4)	01/01/23-12/31/23	193,772	-	2,580	-	-	-
Minor Home Repair IIIB	220	93.044	21-24.57.14(7)	01/01/24-12/31/24	42,780	42,780	42,780	-	42,780	-
Minor Home Repair IIIB-ARP - Covid Funding	220	93.044	21-24.57.14(7)	01/01/24-12/31/24	130,562	130,562	130,562	-	130,562	-
LTC Ombudsman Program ALTCEW	123	93.044	22-24.88.14(3)	01/01/24-12/31/24	6,272	6,272	6,272	-	6,272	-
Total Aging Cluster					414,884	179,614	182,905	-	179,614	-
Total U.S. Department of Health and Human Services					20,412,540	14,985,727	7,985,630	-	8,190,015	6,795,712

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2024**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Fund Number	Federal Assistance Listing Number	Awards Number	Period of Award	Total	Balance of	Funds	Amounts	Unexpended	
					Authorized Award	Award at Beginning of Year	Received During the Year	Passed Through to Subrecipients	Expenditures During the Year	Balance of Award at End of Year
<b>U.S. Department of Energy</b>										
Passed through Washington State Department of Commerce - Housing										
DOE Weatherization	205	81.042	F23-53103-423	07/01/23-06/30/24	495,980	278,420	360,731	-	244,309	34,111
DOE Weatherization	205	81.042	F24-53103-423	07/01/24-06/30/25	462,524	462,524	-	-	133,996	328,528
DOE BIL Weatherization - Covid Funding	215	81.042	F22-92401F-423	09/01/22-06/30/27	1,308,907	975,457	112,355	-	111,767	863,690
BPA Weatherization	219	81.999	F23-53104-423 A	10/01/23-09/30/24	197,154	172,654	98,577	-	82,977	89,677
Total U.S. Department of Energy					2,464,565	1,889,055	571,663	-	573,049	1,316,006
<b>U.S. Department of Housing and Urban Development</b>										
Passed through City of Spokane - Community, Housing, & Human Services										
Coordinated Assessment - SHCA	160	14.267	WA0001U0T022203	08/01/23-07/31/24	73,830	30,977	46,121	-	30,977	-
Coordinated Assessment - SHCA	160	14.267	WA9999U0T022304	08/01/24-07/31/25	196,601	196,601	-	-	85,746	110,855
Coc RRH Singles w-o Children	175	14.267	WA0001U0T022203	08/01/23-07/31/24	179,163	104,759	122,627	-	73,733	31,026
Coc RRH Singles w-o Children	175	14.267	OPR 2024-1141	08/01/24-07/31/25	192,591	192,591	-	-	69,483	123,108
					642,185	524,928	168,748	-	259,939	264,989
Passed through City of Spokane - Community, Housing, & Human Services										
City Single Family Rehab Program	223	14.218	OPR 2022-0797	01/01/23-06/30/24	2,075,324	1,042,992	404,768	-	299,353	743,639
City Single Family Rehab Program	223	14.218	OPR 2024-0703	07/01/24-06/30/25	1,524,022	1,524,022	292,104	-	357,284	1,166,738
City Single Family Rehab Expansion Program	227	14.218	OPR 2024-0764	08/01/24-05/31/25	1,700,000	1,700,000	148,408	-	286,172	1,413,828
CD-City Minor Home Repair and 'E.H.R.'	228	14.218	OPR 2022-0796	01/01/23-06/30/24	790,000	310,155	333,002	-	297,177	12,978
CD-City Minor Home Repair and 'E.H.R.'	228	14.218	OPR 2024-0701	07/01/24-06/30/25	500,000	500,000	199,978	-	230,353	269,647
City SFG Program	230	14.218	OPR 2024-0740	07/01/24-06/30/25	100,000	100,000	-	-	-	100,000
City CDBG Homeownership Program	751	14.218	OPR 2019-0917 C	07/01/23-06/30/24	109,293	67,557	109,293	-	67,557	-
City CDBG Microenterprise Program	707	14.218	B-24-MC-53-0006	07/01/24-06/30/25	150,000	150,000	-	-	43,894	106,106
Pacific CDBG Rehab	081	14.218	OPR 2023-0826	06/01/23-05/02/25	705,000	705,000	136,953	-	274,896	430,104
Patrician CDBG Rehab	081	14.218	OPR 2023-0840	06/01/23-05/02/25	678,850	678,850	251,163	-	389,106	289,744
Passed through Spokane County Community Services, Housing and Community Development Department										
Emergency Health&Safety Repairs-Accessibility	224	14.218	CDBG 23-25218	10/01/23-06/30/24	150,000	135,565	135,102	-	120,667	14,898
Emergency Health&Safety Repairs and Accessibility	224	14.218	CDBG 24-25284	07/01/24-12/31/25	200,000	200,000	89,172	-	111,075	88,925
County CDBG Loan Fund	705	14.218	B-23-UC-53-0004	07/01/23-06/30/24	20,000	7,866	19,904	-	7,770	96
County CDBG Loan Fund	705	14.218	B-24-UC-53-0004	07/01/24-06/30/25	60,000	60,000	-	-	45,593	14,407
Total CDBG - Entitlement/Special Purpose Grants Cluster					8,762,489	7,162,007	2,119,847	-	2,530,897	4,651,110

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2024**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance		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
	Fund Number	Listing Number								
Passed through Spokane County Community Services, Housing and Community Development Department										
Spokane County ESG	179	14.231	24-25304	07/01/24-06/30/25	135,518	135,518	7,218	-	9,386	126,132
Passed through Washington State Housing Finance Commission										
Super NOFA	569	14.169	Super NOFA -23-24	01/01/23-09/30/24	56,000	48,221	35,154	-	27,375	20,846
Super NOFA	569	14.169	Super NOFA -24-25	10/01/24-03/31/25	60,000	60,000	-	-	7,843	52,157
					116,000	108,221	35,154	-	35,218	73,003
Passed through Washington State Department of Commerce										
Riverwalk Point I Loan	538	14.239	02-40420-003	12/31/06-12/31/52	1,086,611	1,049,975	-	-	1,049,975	1,013,156
Riverwalk Point I Loan	538	14.239	02-40420-003	12/31/06-12/31/28	248,093	105,952	-	-	105,952	91,815
Passed through City of Spokane Department of Community Development										
City ARP SSO Roadmap to Resilience	107	14.239	OPR 2024-0760	07/01/24-06/30/27	154,284	154,284	-	-	17,739	136,545
Patrician Apartments Loan (forgiven 12/31/2024)	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										
Pine Villa HOME Loan (Recoverable Grant)	083/501	14.239	Pine Villa HOME	07/01/24-07/01/44	3,236,384	-	-	-	-	-
Riverwalk Point II Loan	509	14.239	06-16A	01/01/08-05/31/49	200,000	125,000	-	-	125,000	125,000
					5,122,872	1,632,711	197,500	-	1,496,166	1,366,516
Total U.S. Department of Housing and Urban Development					14,779,064	9,583,385	2,528,467	-	4,331,606	6,481,750
<b>Federal Transit Administration</b>										
Passed through Spokane Transit Authority										
STA Volunteer Drive Program	103	20.513	2023-10816	03/01/23-12/31/26	127,583	87,909	53,081	-	57,882	30,027
Total Transit Services Programs Cluster					127,583	87,909	53,081	-	57,882	30,027
<b>U.S. Department of Treasury</b>										
U.S. Treasury CDFI Equitable Recovery (ERP) Covid Fu										
	761	21.033	22ERP061033	04/10/23-12/31/28	1,019,629	1,001,957	-	-	202,592	799,365
Passed through Washington State Housing Finance Commission										
Home Owners Assistance - Covid Funding	571	21.026	HAF0024	10/01/22-06/30/24	573,000	379,395	199,625	-	171,225	208,170
Home Owners Assistance - Covid Funding	571	21.026	HAF0025	09/01/24-06/30/25	220,000	220,000	177,425	-	218,275	1,725
					793,000	599,395	377,050	-	389,500	209,895

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2024**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Fund Number	Federal Assistance Listing 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 City of Spokane Department of Community Development										
City Emergency Hoteling Singles - Covid Funding	174	21.027	OPR 2024-0044	07/01/23-06/30/24	52,000	52,000	52,000	-	52,000	-
Passed through Spokane County Community Services, Housing and Community Development Department										
Pine Villa Apartments Rehab - Covid Funding	083	21.023	Pine Villa Rehab	05/01/23-09/01/25	1,255,410	1,255,410	277,138	-	562,993	692,417
ERA 2.0 Rental Assistance - Covid Funding	449	21.023	SNAP ERA 2.0	03/01/21-08/30/25	3,264,065	719,152	1,558,782	-	719,152	-
					4,519,475	1,974,562	1,835,920	-	1,282,145	692,417
Total U.S. Department of Treasury					6,384,104	3,627,914	2,264,970	-	1,926,237	1,701,677
<b>U.S. Small Business Administration</b>										
SBA Prime TA Grant	717	59.046	SBAOCAML230523-01-00	07/01/23-06/30/24	151,021	80,091	117,343	-	80,091	-
SBA Prime TA Grant	717	59.046	SBAOCAML240578-01-00	07/01/24-06/30/25	84,836	84,836	21,675	-	48,828	36,008
					235,857	164,927	139,018	-	128,919	36,008
SBA Women's Business Center	716	59.043	SBAOEDWB220074	09/30/22-09/29/23	150,000	-	26,118	-	-	-
SBA Women's Business Center	716	59.043	SBAOEDWB210027	09/30/23-09/29/24	150,000	88,416	75,000	-	88,416	-
Total U.S. Small Business Administration					535,857	253,343	240,136	-	217,335	36,008
<b>United States Environmental Protection Agency</b>										
Passed through Spokane Conservation District										
SCD-EPA Tree Planting Referral	221	66.312	EPA-R-OCS-23-02	03/01/24-02/28/27	17,880	17,880	-	-	-	17,880
<b>United States Department of Agriculture</b>										
Passed through Spokane Conservation District										
SCD-USDA Tree Planting Referral	229	10.727	24-DG-11062765-154	03/01/24-02/28/29	30,000	30,000	-	-	-	30,000
<b>United States Department of Agriculture</b>										
Woodhaven USDA RRH Loan	802	10.415	Case#56-033-586245552	12/09/02-05/31/34	177,732	133,970	-	-	133,970	130,834
Wilbur USDA RRH Loan	803	10.415	Case#56-22-133-7868	09/22/1981-09/22/31	570,000	305,679	-	-	305,679	303,424
Total United States Department of Agriculture					747,732	439,649	-	-	439,649	434,258
Total Federal Assistance Awards					45,499,325	30,914,862	13,643,947	-	15,735,773	16,843,318

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
DECEMBER 31, 2024**

**NOTE 1 BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Spokane Neighborhood Action Partners 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* (Uniform Guidance). 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**

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. 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 minimis 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.

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
DECEMBER 31, 2024**

**NOTE 3 FEDERAL LOANS (CONTINUED)**

The balance of loans outstanding at December 31, 2024, consist of:

	FD Number	Assistance Listing Number	Award Number	Period of Award	Total Authorized Loan	Balance Outstanding at End of Year	Balance Outstanding at Beginning of Year
<b>U.S. Department of Housing and Urban Development</b>							
Passed through Washington State Department of Commerce							
Riverwalk Point I	538	14.239	02-40420-003	12/31/06-12/31/52	1,086,611	1,013,156	1,049,975
Riverwalk Point I	538	14.239	02-40420-003	12/31/06-12/31/28	248,093	91,815	105,952
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
Passed through Spokane County Housing and RWPII HOME Loan							
	509	14.239	06-16A	01/01/08-05/31/49	<u>200,000</u>	<u>125,000</u>	<u>125,000</u>
<b>United States Department of Agriculture</b>							
Woodhaven USDA RRH Loan	802	10.415	Case#56-033-586245552	12/09/02-05/31/34	177,732	130,069	133,970
Wilbur USDA RRH Loan	803	10.415	Case#56-22-133-7868	09/22/1981-09/22/31	570,000	300,811	305,679
Total Loans					<u>\$ 2,479,936</u>	<u>\$ 1,660,851</u>	<u>\$ 1,918,076</u>



**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
CORRECTIVE ACTION PLAN  
YEAR ENDED DECEMBER 31, 2024**

3102 W. Whistalks Way  
Spokane, WA 99224  
TEL 509.456.7627  
FAX 509.534.5874

The current year Schedule of Audit Findings and Questioned Costs reported one matter in Section II – *Financial Statement Findings* and no matters in Section III – *Federal Award Findings and Questioned Costs*.

**Current year audit findings:**

**2024-001 Preparation of the Schedule of Expenditures of Federal Awards (SEFA)**

***Corrective action planned:*** Management will implement the suggested actions. This includes a management review of the Uniform Guidance requirements related to the reporting of federal programs and will ensure a formal control to assess, on an annual basis, whether the applicable compliance requirements remain in effect. This process will include coordinated communication with program administrators and grant officers to confirm the status of programs at reporting dates. Additionally, we will adjust our internal control testing procedures to incorporate the inclusion or exclusion of programs on this report, ensuring that similar issues do not recur in the future.

***Anticipated completion date:*** December, 2025

***Contact person responsible for corrective action:*** Justin Baldwin-Bonney, Chief Financial Officer

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
SCHEDULE OF EXPENDITURES OF STATE AND LOCAL AWARDS  
YEAR ENDED DECEMBER 31, 2024**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Project Number	Awards Number	Period of Award	Total	Balance of	Funds	Expenditures	Unexpended
				Authorized Award	Award at Beginning of Year	Received During the Year	During the Year	Balance of Award at End of Year
<b>Washington State Department of Commerce</b>								
Commerce HPP St Anne's Rehab	081	21P-94115-037	11/21/23-12/31/49	100,000	99,516	78,078	86,213	13,303
Commerce HPP Avondale Rehab	081	21P-94115-031	10/24/23-5/10/48	100,000	98,781	1,283	64	98,717
Commerce HPP Patrician Rehab	081	21P-94115-032	12/12/23-12/31/47	175,000	174,901	1,622	1,540	173,361
Commerce HPP Windsor Rehab	081	21P-94115-034	01/16/24-06/30/51	200,000	200,000	144,141	174,563	25,437
Commerce HPP Belamy Rehab	081	21P-94115-036	01/02/24-12/31/52	100,000	100,000	71,874	71,874	28,126
Commerce HPP Sinto Rehab	081	21P-94115-035	03/05/24-12/31/54	100,000	100,000	76,122	76,122	23,878
Commerce HPP Pacific Rehab	081	21P-94115-033	01/02/24-12/31/38	175,000	175,000	78,947	97,463	77,537
CSBG-State 2021/2023	101	S24-32101-228	07/01/23-06/30/25	148,193	125,422	93,022	108,553	16,869
CSBG-State Supplemental	111	S24-32B902-228	07/01/23-06/30/25	90,340	62,042	27,475	25,193	36,849
WA State Tax Credit Community Outreach Year 1	149	S24-32013-024	10/01/23-06/30/24	100,000	99,135	100,000	99,135	-
WA State Tax Credit Community Outreach Year 2	149	S24-32013-024	07/01/24-06/30/25	100,000	100,000	70,691	80,429	19,571
WA State Apple Health and Housing	167	S24-49101-220	03/01/24-12/31/24	25,000	25,000	25,000	19,790	5,210
Matchmaker - Home Repair & Rehabilitation Program	213	S23-92401-423 C	07/01/23-06/30/25	2,768,280	2,283,189	1,048,525	1,381,043	902,146
Home Energy WX Assistance Program	216	S24-32610-423	07/01/24-06/30/25	1,212,112	1,212,112	-	-	1,212,112
Washington HTF Revolving Loan Fund - Consolidated	270	2-91-491-20	04/01/91-12/31/24	87,149	87,149	7,295	-	94,444
SHEAP Energy Assistance	416	S24-32608-054	05/01/24-09/30/25	1,801,469	1,801,469	134,715	511,630	1,289,839
Washington Revolving Loan Fund - Consolidated	758	09-94100-005	08/03/09-12/31/30	2,960,900	647,516	210,045	36,379	821,182
Belamy 2108 E. First Avenue Loan	516	96-404-107	06/30/00-06/30/49	100,000	62,045	-	62,045	58,202
Alexandria Apartments Loan	539	04-40403-030	10/16/03-06/30/44	508,224	508,224	-	508,224	508,224
Alexandria Apartments Loan	539	04-40403-030	10/16/03-06/30/44	145,888	145,888	-	145,888	145,888
<b>Passed through City of Spokane</b>								
Spokane City Rapid Re-Housing Singles - CHG	164	20-46108/22-46108-30	07/01/19-06/30/24	1,283,274	166,468	172,729	149,438	17,030
Spokane City Rapid Re-Housing Singles - CHG	164	OPR 2024-0762	07/01/24-06/30/25	200,000	200,000	83,127	104,276	95,724
Spokane City Singles Homeless Diversion	165	20-46108-30	07/01/19-06/30/24	275,531	34,768	36,342	33,073	1,695
Spokane City Singles Homeless Diversion	165	OPR 2024-0763	07/01/24-06/30/25	68,000	68,000	44,073	52,970	15,030

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
SCHEDULE OF EXPENDITURES OF STATE AND LOCAL AWARDS  
YEAR ENDED DECEMBER 31, 2024**

Federal Grantor/Pass-Through Grantor/ 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
<b>Passed through Spokane County Community Services,</b>								
<b>Housing and Community Development Department</b>								
Spokane County Homeless Outreach	176	HHAA 23-25191	01/01/23-06/30/24	72,500	22,500	23,690	22,500	-
Spokane County Homeless Outreach	176	24-46108-29	07/01/24-06/30/25	203,879	203,879	76,258	87,018	116,861
Spokane County Homeless Diversion	177	24-25343	07/01/24-06/30/25	118,091	118,091	41,615	54,151	63,940
Spokane County Eviction Prevention	178	24-25335	07/01/24-06/30/25	1,081,395	1,081,395	281,437	394,251	687,144
Spokane County RRH-CHG	179	CHG-23-25256	07/01/23-06/30/24	1,379,481	1,180,849	1,291,041	1,180,849	-
Spokane County RRH-EP	179	24-25304	07/01/24-06/30/25	478,571	343,053	108,888	129,098	213,955
Spokane County HEAR Program	226	24-25387	07/01/24-06/30/25	1,595,974	1,595,974	328,605	592,506	1,003,468
Pine Villa Community Development Loan	501	Pine Villa	01/01/99-06/01/42	637,645	461,620	-	461,620	446,017
<b>Washington State Department of Transportation</b>								
Volunteer Driver Transportation Services	609	PTD0732	07/01/23-06/30/25	581,777	140,201	193,612	140,201	-
<b>US Department of Treasury</b>								
<b>Passed through Washington State Housing Finance Commission</b>								
Home Owners Assistance	571	HAF0025	10/01/22-06/30/24	318,000	31,875	25,950	22,850	9,025
Home Owners Assistance	571	HAF	10/01/24-06/30/25	210,000	210,000	18,650	23,500	186,500
<b>Other</b>								
<b>Passed through City of Spokane - Community, Housing, &amp; Human Services</b>								
Spokane City Relocation Assistance	106	OPR-2023-1099,1335	09/01/23-01/31/24	60,568	-	60,568	-	-
Spokane City Single Homeless Coordinated Assessment	162	OPR-2019-0773	07/01/19-06/30/24	249,369	24,991	30,153	24,991	-
Spokane City Single Homeless Coordinated Assessment	162	OPR-2019-0704	07/01/24-06/30/27	45,000	45,000	39,536	44,172	828
Homeless Outreach	169	OPR 2019-0772	07/01/19-06/30/24	868,835	86,658	87,619	86,658	-
Homeless Outreach	169	OPR 2024-0777	07/01/24-06/30/25	90,935	90,935	38,911	71,960	18,975
City Water Sewer Rehab	225	OPR 2024-0436	06/01/24-05/25/25	500,000	500,000	11,540	11,657	488,343
City Utility Relief	442	OPR 2023-0471	05/01/23-03/31/24	1,600,000	246,608	445,549	246,608	-
City Uhelp Program	440	Uhelp	01/01/23-12/31/25	20,000	11,008	3,361	12,275	2,094

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
SCHEDULE OF EXPENDITURES OF STATE AND LOCAL AWARDS  
YEAR ENDED DECEMBER 31, 2024**

Federal Grantor/Pass-Through Grantor/ 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
<b>Other</b>								
Passed through Aging & Long Term Care of Eastern Washington								
ALTCEW-Minor Home Repair SCSA	220	21-23:57:14(4)	01/01/23-12/31/23	102,146	-	4,502	-	-
ALTCEW-Minor Home Repair SCSA	220	21-24:57:14(7)	01/01/24-12/31/24	101,509	101,509	90,996	100,747	762
ALTCEW-Ombuds	123	22-24:88:14(3)	01/01/24-12/31/24	9,279	9,279	9,279	9,279	-
Passed through Multi-Service Center								
LTC Ombudsman Program MSC	122	LTCOP 2324-1	07/01/23-06/30/24	272,953	172,232	246,448	145,727	26,505
LTC Ombudsman Program MSC	122	LTCOP 2425-3	07/01/24-06/30/25	209,447	209,447	66,384	140,497	68,950
Passed through Avista Utilities								
Avista CEIP NCIF Pacific Rehab	081	Pacific NCIF	09/30/24-12/31/24	328,897	328,897	244,967	244,967	83,930
Avista Pine Villa Named Communities Investment	083	R-44806	07/14/23-12/31/24	1,955,311	1,690,903	100,652	636,858	1,054,045
Avista Centralized Diversion	145	Avista Fd145	03/25/24-12/31/24	25,000	25,000	25,000	16,577	8,423
Avista Pilot Weatherization Readiness	201	D-35221	01/01/24-03/31/25	500,000	448,891	164,413	354,406	94,485
Avista Weatherization Assistance	203	D-35221	01/01/24-12/31/25	5,525,000	2,971,502	2,818,087	2,853,139	118,363
LIRAP Avista Energy Assistance	412	LIRAP 23-24	10/01/23-09/30/24	10,000,000	3,998,178	3,996,979	3,998,178	-
LIRAP Avista Energy Assistance-Rate Program	412	LIRAP 24-25	10/01/24-09/30/25	12,000,000	12,000,000	1,513,849	1,516,173	10,483,827
Avista Project Share	440	PS 23-24	07/01/23-6/30/24	250,000	83,185	182,584	157,142	108,627
Avista Project Share	440	R-39246	07/01/24-6/30/25	108,627	108,627	79,660	86,658	101,629
Avista Project Share Mgt	441	2023-2024	07/01/23-06/30/24	316,000	91,760	220,862	193,691	118,931
Avista Project Share Mgt	441	2024-2025	07/01/24-06/30/25	250,000	118,932	36,995	69,407	86,520
Passed through Other								
Minor Home Repair Discretionary	023	MHR	01/01/24-12/31/24	11,901	11,901	13,029	5,240	19,690
SNAP Special	035	Special	01/01/24-12/31/24	44,133	44,133	26,111	30,814	39,430
SNAP Homeless Special	060	HL Special	01/01/24-12/31/24	54	54	6,395	6,449	-
SNAP Housing Development	078	SNAP HD 2023	01/01/24-12/31/24	25,000	171	173,500	111,417	62,254
City of Spokane Valley Broadway Affordable Housing	082	23-185.00	11/01/23-12/31/28	471,729	469,282	10,976	87,581	381,701
BECU Broadway Senior Housing	082	BECU	01/01/24-12/31/24	15,000	15,000	15,000	15,000	-
Fundraising	093	2024	01/01/24-12/31/24	254,904	461,150	254,904	427,499	288,555
Project Atlas - Birdseye	097	2024	01/01/24-12/31/24	5,000	5,000	5,000	5,000	-
Cancer Can't - Neighbors on the Go	102	Cancer Can't	01/01/21-12/31/24	4,500	1,395	1,267	2,662	-

**SPOKANE NEIGHBORHOOD ACTION PARTNERS  
SCHEDULE OF EXPENDITURES OF STATE AND LOCAL AWARDS  
YEAR ENDED DECEMBER 31, 2024**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Project Number	Awards Number	Period of Award	Total	Balance of	Funds	Expenditures	Unexpended
				Authorized Award	Award at Beginning of Year	Received During the Year	During the Year	Balance of Award at End of Year
Passed through Other								
STA Volunteer Driver	103	5310 Grant	03/01/23-12/31/26	124,287	87,909	53,081	57,882	30,027
SNAP Resource Rides - Urgent Care	105	2024	01/01/24-12/31/24	12,109	10,840	12,545	20,008	3,377
OMBUDS Misc	124	OMBUDS	01/01/24-12/31/24	9,722	9,722	13	4,945	4,790
CHP Outreach	148	2024	01/01/24-12/31/24	5,002	5,002	5,002	5,002	-
Amerigroup	151	2024	09/01/18-12/31/24	138,316	18,878	45,826	64,704	-
Landlord Match Discretionary	214	LL Match	01/01/24-12/31/24	272	29,216	40,662	29,114	40,764
WX Asset Tracking	296	2024	01/01/24-12/31/24	217,676	217,676	10,000	9,570	218,106
Umpqua Bank Property Mgt Support	500	2024	01/01/24-12/31/24	20,000	20,000	20,000	20,000	-
HCP Fund	565	2024	01/01/24-12/31/24	38,785	38,785	38,785	38,785	-
Better Health Together	600	BHT 18-24	08/30/18-12/31/24	251,072	13,366	241,752	251,537	3,581
Nourishing Neighbors - Meals on Wheels	602	2024	01/01/22-12/31/24	30,000	6,089	7,050	5,983	7,156
Better Health Together-CCT	606	BHT-CCT	01/01/20-12/31/24	33,500	9,526	16	-	9,542
Economic Development	701	Econ Development	01/01/24-12/31/24	10,000	10,000	10,000	10,000	-
SBA Tech Assistance	718	2024	01/01/24-12/31/24	101,507	101,507	101,507	101,507	-
WA State Microenterprise Association	719	24-75400-001	02/01/24-06/16/24	20,000	20,000	20,000	20,000	-
WA State Attorney Mortgage Settlement Revolving Loan	750	MSF Grant	01/01/24-12/31/24	3,074,354	209,827	256,719	150,987	315,559
<b>Total State and Local Assistance Awards</b>				<b>\$ 59,809,372</b>	<b>\$ 39,146,032</b>	<b>\$ 16,762,886</b>	<b>\$ 19,437,902</b>	<b>\$ 22,697,054</b>