



**NORTHWEST MONTANA HUMAN RESOURCES, INC.
DBA
COMMUNITY ACTION PARTNERSHIP OF
NORTHWEST MONTANA**

**AUDITED CONSOLIDATED
FINANCIAL STATEMENTS AND
COMPLIANCE REPORTS**

**For the Years Ended
December 31, 2022 and 2021**

NORTHWEST MONTANA HUMAN RESOURCES, INC.
DBA
COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
December 31, 2022

Board of Directors
(Seated as of December 31, 2022)

Chance Barrett, President
Wendy Nissen, Vice President
Laura Burrowes, Secretary Treasurer
Vince Rubino, Director
Tony Brockman, Director
Glen Magera, Director
Josh Letcher, Director
Jamie Quinn, Director
Donna Martin, Director
Steve Stanley, Director
Robin Haidle, Director

Management

Tracy Diaz, Executive Director
Cassidy Kipp, Deputy Director
Carrie Gable, Chief Financial Officer
Mel Rice, Director of Energy Assistance
Sara Aczas, Director of Employment and Training
Sean O'Neill, Director of Community Services

214 Main Street
PO Box 88
Kalispell, Montana 59903

Phone: (406) 752-6565
Fax: (406) 752-6582
Email: capnm@capnm.net
Website: www.capnm.net

A Non-Profit Community Action Partner Providing Opportunities for Self-sufficiency

NORTHWEST MONTANA HUMAN RESOURCES, INC.
 DBA
 COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors of
Northwest Montana Human Resources, Inc.
DBA Community Action Partnership of Northwest Montana
Kalispell, Montana

Opinion

We have audited the financial statements of Northwest Montana Human Resources, Inc. DBA Community Action Partnership of Northwest Montana, a nonprofit organization (CAPNM), which comprise the consolidated statements of financial position as of December 31, 2022 **and 2021**, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of CAPNM as of December 31, 2022 **and 2021**, and the changes in its 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of CAPNM and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 CAPNM's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with 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 CAPNM's internal control.
- 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 CAPNM'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 audits were conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplemental schedules on pages 38 to 68 are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2023, on our consideration of the CAPNM's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the CAPNM's internal control over financial reporting and compliance.

Caven Florek & James, CPAs

Missoula, Montana
June 28, 2023

CONSOLIDATED FINANCIAL STATEMENTS

NORTHWEST MONTANA HUMAN RESOURCES, INC.
 DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
 CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
 As of December 31, 2022 and 2021

ASSETS	2022	2021
Cash and Cash Equivalents	\$ 3,552,139	\$ 3,589,444
Investment in Certificate of Deposit	124,592	124,274
Accounts Receivable	46,139	57,166
Employee Advances	-	-
Grants Receivable	720,292	727,752
Prepaid Expenses and Other Assets	702,733	688,637
Loans Receivable (Net of Allowance for Doubtful Accounts)	425,098	511,185
Loan Fees (Net of Amortization)	2,318	2,402
Right to Use Assets	6,664	9,968
Equipment and Software (Net of Depreciation)	694,786	432,650
Land and Buildings (Net of Depreciation)	7,251,057	7,456,053
TOTAL ASSETS	\$ 13,525,818	\$ 13,589,563
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable	\$ 223,605	\$ 383,840
Due to Grantor/Funds Held in Trust	668,945	633,795
Payroll Liabilities and Compensated Absences	319,354	309,660
Deferred Revenue	91,675	64,423
Lease Liability	6,664	9,968
Long-Term Debt	5,763,671	5,824,417
TOTAL LIABILITIES	\$ 7,073,914	\$ 7,216,135
NET ASSETS		
Without Donor Restrictions	\$ 6,130,042	\$ 6,052,698
With Donor Restrictions	321,862	320,730
TOTAL NET ASSETS	\$ 6,451,904	\$ 6,373,428
TOTAL LIABILITIES AND NET ASSETS	\$ 13,525,818	\$ 13,589,563

The notes to the consolidated financial statements are an integral part of these statements.

NORTHWEST MONTANA HUMAN RESOURCES, INC.
 DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
 CONSOLIDATED STATEMENTS OF ACTIVITIES
 For the Years Ended December 31, 2022 and 2021

NET ASSETS WITHOUT DONOR RESTRICTIONS	2022	2021
OPERATING REVENUES		
Program Grants	\$ 3,518,774	\$ 3,616,270
Contracts and Rental Income	1,968,896	1,616,882
Contributions	1,690	3,076
Interest	21,286	10,826
Interest Subsidy	168,949	168,809
Other	29,176	24,638
Net Assets Released from Restrictions	5	3,893
TOTAL OPERATING REVENUES	\$ 5,708,776	\$ 5,444,394
OPERATING EXPENSES		
Program Services		
Community Services	\$ 1,352,491	\$ 1,185,566
Energy Programs	2,137,847	1,944,926
Job Training Programs	530,824	590,906
Housing Programs	1,181,375	1,152,088
Supporting Services		
General Administration	428,895	335,619
TOTAL OPERATING EXPENSES	\$ 5,631,432	\$ 5,209,105
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	\$ 77,344	\$ 235,289
NET ASSETS WITH DONOR RESTRICTIONS		
Contributions	\$ 1,137	\$ 1,654
Net Assets Released from Restrictions	(5)	(3,893)
CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS	\$ 1,132	\$ (2,239)
TOTAL CHANGE IN NET ASSETS	78,476	233,050
NET ASSETS AT BEGINNING OF YEAR		
Without Donor Restrictions	\$ 6,052,698	\$ 5,817,409
With Donor Restrictions	320,730	322,969
TOTAL NET ASSETS AT BEGINNING OF YEAR	\$ 6,373,428	\$ 6,140,378
NET ASSETS AT END OF YEAR		
Without Donor Restrictions	\$ 6,130,042	\$ 6,052,698
With Donor Restrictions	321,862	320,730
TOTAL NET ASSETS AT END OF YEAR	\$ 6,451,904	\$ 6,373,428

The notes to the consolidated financial statements are an integral part of these statements.

NORTHWEST MONTANA HUMAN RESOURCES, INC.
 DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
 CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
 For the Year Ended December 31, 2022

	Community Services	Energy Programs	Job Training Programs	Housing Programs	Total Expenses
PROGRAM SERVICES					
Salaries and Wages	\$ 438,571	\$ 579,947	\$ 378,064	\$ 247,595	\$ 1,644,177
Health Insurance	40,682	78,000	61,176	13,230	193,088
TSA Contributions	16,408	21,125	10,226	3,654	51,413
Payroll Taxes	46,537	74,361	30,635	31,593	183,126
Contracted Services	14,961	16,847	4,295	27,978	64,081
Rent/Utilities	22,951	25,201	15,593	85,681	149,426
Supplies, Service & Repairs	18,794	139,213	16,779	228,604	403,390
Legal Assistance	1,137	-	-	3,453	4,590
Depreciation/Amortization	140,938	-	-	176,931	317,869
Telephone / Internet	4,998	7,796	5,699	6,900	25,393
Travel and Training	32,727	64,817	3,915	13,547	115,006
Interest	19,104	-	-	256,800	275,904
Property/General Liability Insurance	13,036	25,191	4,291	42,571	85,089
Bad Debts / (Recovery)	-	-	-	5,038	5,038
Home Weatherization	-	304,768	-	-	304,768
Fuel Assistance	-	745,409	-	-	745,409
Employment / Training	1,393	1,792	-	-	3,185
Loss on Disposal of Assets	2,999	-	-	-	2,999
Supportive Services	247,072	46,682	-	-	293,754
Other Program Related	290,183	6,698	151	37,800	334,832
TOTAL PROGRAM SERVICES	\$ 1,352,491	\$ 2,137,847	\$ 530,824	\$ 1,181,375	\$ 5,202,537
SUPPORTING SERVICES					
General Administration	108,103	168,380	123,900	28,512	428,895
TOTAL EXPENSES	\$ 1,460,594	\$ 2,306,227	\$ 654,724	\$ 1,209,887	\$ 5,631,432

The notes to the consolidated financial statements are an integral part of these statements.

NORTHWEST MONTANA HUMAN RESOURCES, INC.
 DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
 CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
 For the Year Ended December 31, 2021

	Community Services	Energy Programs	Job Training Programs	Housing Programs	Total Expenses
PROGRAM SERVICES					
Salaries and Wages	\$ 404,432	\$ 590,430	\$ 409,215	\$ 243,750	\$ 1,647,827
Health Insurance	47,562	75,350	70,881	16,057	209,850
TSA Contributions	15,184	21,723	11,107	3,370	51,384
Payroll Taxes	31,997	51,635	31,664	30,593	145,889
Contracted Services	16,523	15,523	5,371	26,316	63,733
Rent/Utilities	11,068	18,815	15,291	78,948	124,122
Supplies, Service & Repairs	9,111	273,060	35,584	195,889	513,644
Legal Assistance	1,570	-	-	5,185	6,755
Depreciation/Amortization	89,776	-	-	194,346	284,122
Telephone / Internet	4,246	7,841	6,320	5,983	24,390
Travel and Training	13,066	66,724	1,905	9,201	90,896
Interest	23,748	-	-	259,647	283,395
Property/General Liability Insurance	11,266	16,239	3,096	42,640	73,241
Bad Debts / (Recovery)	23,002	-	-	1,633	24,635
Home Weatherization	1,337	210,776	-	-	212,113
Fuel Assistance	31	579,309	-	-	579,340
Employment / Training	2,706	-	-	-	2,706
Loss on Disposal of Assets	1,857	-	-	-	1,857
Supportive Services	183,348	11,390	-	-	194,738
Other Program Related	293,736	6,111	472	38,530	338,849
TOTAL PROGRAM SERVICES	\$ 1,185,566	\$ 1,944,926	\$ 590,906	\$ 1,152,088	\$ 4,873,486
SUPPORTING SERVICES					
General Administration	91,733	131,876	89,748	22,262	335,619
TOTAL EXPENSES	\$ 1,277,299	\$ 2,076,802	\$ 680,654	\$ 1,174,350	\$ 5,209,105

The notes to the consolidated financial statements are an integral part of these statements.

NORTHWEST MONTANA HUMAN RESOURCES, INC.
 DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
 CONSOLIDATED STATEMENTS OF CASH FLOWS
 For the Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Grants and Contributions	\$ 3,591,463	\$ 3,214,171
Cash Received from Contracts	1,979,923	1,672,409
Cash Received from Interest	33,469	4,527
Cash Received from Other Operating Activities	29,176	24,638
Cash Received (Paid) for Amounts in Trust	-	-
Cash Paid to/for Employees	(2,375,377)	(2,303,638)
Cash Paid to Suppliers/Vendors	(2,851,067)	(2,300,094)
Cash Paid for Interest	<u>(106,955)</u>	<u>(114,586)</u>
Net Cash Flows from Operating Activities	\$ 300,633	\$ 197,427
CASH FLOWS FROM INVESTING ACTIVITIES		
Principal Loan Payments Received	\$ 101,051	\$ 75,263
Principal Loan Payments Advanced	-	(80,000)
Purchase of Investments	(318)	(466)
Sale of Fixed Assets	6,981	500
Purchase of Equipment/Building Improvements	<u>(384,905)</u>	<u>(392,579)</u>
Net Cash Flows from Investing Activities	\$ (277,191)	\$ (397,282)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal Payments on Debt	<u>\$ (60,746)</u>	<u>\$ (74,952)</u>
Net Cash Flows from Financing Activities	<u>\$ (60,746)</u>	<u>\$ (74,952)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	\$ (37,305)	\$ (274,807)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>3,589,444</u>	<u>3,864,251</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 3,552,139</u>	<u>\$ 3,589,444</u>

The notes to the consolidated financial statements are an integral part of these statements.

NORTHWEST MONTANA HUMAN RESOURCES, INC.
 DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
 CONSOLIDATED STATEMENTS OF CASH FLOWS, continued
 For the Years Ended December 31, 2022 and 2021

RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH FLOWS FROM OPERATING ACTIVITIES	2022	2021
Change in Net Assets	\$ 78,476	\$ 233,050
Adjustments to Reconcile Change in Net Assets to Net Cash Flows from Operating Activities		
Items not Affecting Cash:		
Depreciation/Amortization	317,869	284,122
Provision for Loan Loss Reserves	(27,147)	(2,083)
Interest Added (Paid) to/on Debt	12,183	(6,299)
Loss/(Gain) on Disposal/Purchase of Assets	2,999	1,857
Changes in Assets and Liabilities:		
Decrease/(Increase) in Grants Receivable	7,460	(405,039)
Decrease/(Increase) in Accounts Receivable	11,027	55,527
Decrease/(Increase) in Prepaid Expenses	(14,096)	(25,034)
Decrease/(Increase) in Employee Advances	-	132
Increase/(Decrease) in Trade Accounts Payable	(160,235)	82,511
Increase/(Decrease) in Salaries and Accrued Payroll Payable	9,694	(19,527)
Increase/(Decrease) in Due to Grantor/Funds Held in Trust	35,150	15,672
Increase/(Decrease) in Deferred Revenue	27,253	(17,462)
Net Cash Flows from Operating Activities	\$ 300,633	\$ 197,427
Supplemental Disclosure of Non-Cash Investing and Financing Activities		
<i>Financing Activities</i>		
Refinanced Debt Principal	505,892	-
	\$ 505,892	\$ -

NORTHWEST MONTANA HUMAN RESOURCES, INC.
DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Years Ended December 31, 2022 and 2021

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Principles of Consolidation

The accompanying consolidated financial statements include the assets, liabilities, net assets, and financial activities of Northwest Montana Human Resources, Inc. dba Community Action Partnership of Northwest Montana and its affiliates, Polson Sunny Slope Vista Associates, Columbia Falls Teakettle Vista Associates, Columbia falls Teakettle Vista Associates II, Treasure Manor/CAPNM, Recapitalization Montana LLC, and Westgate Senior Associates for the years ending December 31, 2022 and 2021. All significant inter-company transactions and balances have been eliminated.

B. Organization

Northwest Montana Human Resources, Inc. DBA Community Action Partnership of Northwest Montana (CAPNM) is a not-for-profit corporation organized under Internal Revenue Code Section 501(c)(3). CAPNM was incorporated in 1976 and is located in Kalispell, Montana and operates field offices in Libby and Polson. The Agency is part of a national network of community action agencies (CAA's) that were created by the federal government in 1964 to combat poverty. CAPNM administers a variety of federal and non-federal grants, sub-grants and contracts which provide services and activities designed to meet the identified needs of the community. CAPNM, as part of the CAA network, reaches out to low-income people in their communities addressing their multiple needs through a comprehensive approach, developing partnerships with other community organizations and administering a full range of coordinated programs designed to have a measurable impact on poverty. The mission of CAPNM is "to provide services and advocacy together with local partners to alleviate poverty, improve lives, and strengthen communities in Flathead, Lake, Lincoln and Sanders County."

CAPNM has a tripartite board structure that is designated to promote the participation of the entire community in the reduction or elimination of poverty. The Board of Directors is comprised of individuals from Flathead, Lake, Lincoln and Sanders counties. Board members serve voluntarily and are chosen to represent either the private sector, the public sector or the low-income sector of the population.

NORTHWEST MONTANA HUMAN RESOURCES, INC.
DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Years Ended December 31, 2022 and 2021

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Organization, continued

Columbia Falls Teakettle Vista Associates (TK), Columbia Falls Teakettle Vista Associates II (TK II), Polson Sunny Slope Vista Associates (SS), and Westgate Senior Associates (WG) were Montana Limited Partnerships in which CAPNM was the general partner. On April 1, 2015, CAPNM purchased the interests of the limited partners of TK and WG, purchased the interest of TK II on December 31, 2019, and purchased the interests of SS on July 31, 2019 and became the sole owners of the entities. The entities listed were formed for the purpose of constructing, acquiring, owning, operating and managing 120 units of rural rental housing in Montana. The projects operate in accordance with regulatory agreements signed with the Montana Board of Housing intended to keep the project in compliance with Section 42 of the Internal Revenue Code and qualify for Federal Low-Income Housing Tax Credits and also in accordance with Rural Development 515 regulations and guidelines as applicable. The projects were placed into service in October of 2000 to 2004 and the tax credit compliance periods ended in 2015 to 2019.

Treasure Manor/CAPNM is an entity which is a disregarded entity from CAPNM. The entity was formed for the purchase of the Treasure Manor apartment complex as required by the application for tax credits.

Recapitalization Montana LLC is a not-for-profit corporation under Internal Revenue Section 501 (c)(3) which serves a general partner in the Courtyard Associated Limited Partnership. This nonprofit corporation, wholly owned by CAPNM, was formed to facilitate the rehabilitation and operation of the Courtyard Apartments, a 32 unit low and moderate-income apartment complex in Kalispell, Montana.

C. Basis of Accounting

CAPNM's consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP) as codified by the Financial Accounting Standards Board.

NORTHWEST MONTANA HUMAN RESOURCES, INC.
DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Years Ended December 31, 2022 and 2021

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

D. Cash and Cash Equivalents

For purposes of the statement of cash flows, CAPNM considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents. CAPNM maintains its bank accounts with local financial institutions that are subject to coverage by the Federal Deposit Insurance Corporation (FDIC). Amounts that exceed their insured limits are collateralized through a tri-party pledge, security, and safekeeping agreement with the Federal Home Loan Bank of Seattle. Accordingly, CAPNM does not believe it is exposed to any significant credit risk on its cash balances. Of the cash balances, \$36,626, \$12,697, and \$1,014,827 are reserved for housing tenant deposits, tax and insurance payments, and replacement reserves, respectively for 2022. As of December 31, 2021, there was \$36,619, \$15,339, and \$996,931 reserved for tenant deposits, tax and insurance payments, and replacement reserves, respectively.

E. Receivables

Accounts receivable represent amounts owed to CAPNM from program service contracts and tenant rents. Contracts call for a fixed fee for service and are composed primarily of energy assistance reimbursements for services provided to eligible clients. Management considers all amounts to be fully collectible based on review of past performance and individual accounts. Therefore, no provision for uncollectible accounts has been established. Due to inherent uncertainties associated with the allowance account, it is at least reasonably possible that this estimate could change in the near term.

Employee advances represent amounts owed to CAPNM for travel advances.

Grants receivable represents the balance of earned grant revenues not received in cash. Most grants allow monthly drawdowns of cash. CAPNM has an additional \$4,686,624 in grant commitments from various funding sources at December 31, 2022 compared to \$6,299,447 at December 31, 2021.

Loans receivable consist of investments in affordable housing projects and housing mortgage loans. Allowances for uncollectible amounts are determined as a percentage of outstanding loans receivable based on estimated and historical losses.

F. Prepaid Expenses

Prepaid expenses consist primarily of prepaid insurance premiums, unemployment insurance reserves, and other prepaid costs.

NORTHWEST MONTANA HUMAN RESOURCES, INC.
DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Years Ended December 31, 2022 and 2021

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

G. Certificate of Deposit

CAPNM has a certificate of deposit with a local financial institution. The certificate of deposit is reported at its principal balance plus accrued interest, which approximates fair value. The interest rate was 0.40% and 0.40% at December 31, 2022 and 2021, respectively. The certificate of deposit was renewed for three years on February 11, 2022.

H. Property and Equipment

Property and equipment are stated at cost if purchased or at fair value on the date of donation. Assets costing \$5,000 or more and having a useful life more than one year are capitalized. Repairs and maintenance costs are expensed as incurred and improvements that extend the life or capacity of the asset are capitalized. Items are depreciated on a straight-line basis over the following useful lives of three to twenty years.

Equipment purchased with federal grant funds is subject to rights of rescission of the grantors. Equipment purchased with federal grant monies are limited to use by the grant program purchasing the equipment. Should the program terminate, grantors may invoke claim to that equipment purchased through the grant agreement.

I. Net Asset Classification

The net assets of CAPNM are reported in the following categories:

Net assets without donor restrictions represent net amounts that have been earned and expended according to contract restrictions and net amounts from generally unrestricted activities. There were no Board of Directors designated net assets as of December 31, 2022 and 2021, respectively.

Net assets with donor restrictions represent net assets subject to donor- (or certain grantor-) imposed restrictions. CAPNM had \$321,862 and \$320,730 of net assets with donor restrictions as of December 31, 2022 and 2021, respectively, primarily relating to contributions for client housing cost assistance and a supportive housing revolving loan fund.

NORTHWEST MONTANA HUMAN RESOURCES, INC.
DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Years Ended December 31, 2022 and 2021

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

I. Net Asset Classification, continued

Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support.

As of December 31, 2022, and 2021, CAPNM had no net assets restricted in perpetuity.

J. Due to Grantor/Funds Held in Trust

Grantors advance cash to CAPNM for cash-flow purposes. CAPNM, at times, receives cash in excess of the amount earned for a program. This account represents \$41,607 and \$23,110 of cash advanced to CAPNM as of December 31, 2022 and 2021, which was not earned and will be returned to the grantor.

In addition, CAPNM has made qualifying loans with HOME program funds which, if collected, will be due back to the Montana Department of Commerce. The amount of loans issued under the HOME program which potentially may be recaptured from eligible activities and returned to the Montana Department of Commerce was \$627,338 and \$610,685 as of December 31, 2022 and 2021, respectively.

K. Income Tax Status

CAPNM is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. Accordingly, the increase in net assets is generally not subject to taxation. No provision for income tax has been recorded in these financial statements because CAPNM believes it had no significant income unrelated to its tax-exempt purpose in 2022 or 2021.

With few exceptions, CAPNM's information returns (I.R.S. Form 990) are not subject to examination for fiscal years prior to 2019.

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NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

L. Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that may affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities, and the reported amounts of revenue and expenses. Actual amounts could differ from those estimates.

M. Revenue Recognition

Contract, grant, and other revenues are recognized when earned. Contributed service revenue results when donated services create or enhance nonfinancial assets or when specialized skills are provided by people possessing those skills and would typically be purchased if not provided by donation. Contributed goods are valued at their estimated fair market value at the date of contribution.

N. Expense/Cost Allocations

CAPNM allocates costs that can be identified specifically with a particular final cost objective directly to the individual program benefiting. Joint costs are allocated directly to individual programs using a base most appropriate to the particular cost being prorated. CAPNM implemented an indirect cost rate methodology for grant awards covered by the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards.

O. Advertising

CAPNM expenses the cost of advertising as incurred. Advertising expenses totaled \$8,687 in 2022 and \$11,884 in 2021, respectively.

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NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

P. Program Services

Separate accounts are maintained for each fund; however, in the accompanying consolidated financial statements, funds that have similar characteristics have been combined into program groups. The primary program groups and their related purposes are summarized as follows:

Community Services programs provide funds for planning, capacity building, financial literacy, economic development, homeless services, and satellite offices in outlying rural communities. CAPNM's Community Services Block Grant (CSBG) is a primary component of this classification. CSBG funds are expended to provide locally budgeted social services in the community.

Energy programs are designed to improve the heating efficiency of homes and to permanently reduce energy consumption by using such weatherization techniques as insulation, caulking, storm windows, furnace modification, and client education. Priority is given to high-energy consumers. Eligible participants are also subsidized for their primary heating costs for the heating season through fuel assistance programs.

Job Training programs are designed to provide career awareness, supportive services, remedial education and assessment, and job readiness activities to achieve self-sufficiency.

Housing programs provide rental assistance, rental housing, repair assistance for senior citizens and very low-income individuals, and rehabilitation of vacant, foreclosed and/or abandoned homes.

Support services for general management expenses are pooled and then distributed to programs based on the ratio of the program's staff salaries to total program salaries as outlined in the Agency's cost allocation plan. General management expenses include administrative staff costs, fiscal department costs, personnel costs, secretarial support costs, general business liability and professional insurance, postage, and copying. Audit costs are also included in this category and are allocated according to the ratio of program costs to total program costs.

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NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Q. Risk and Uncertainty

CAPNM faces a number of risks including (1) loss or damage to property, (2) general liability, (3) employee medical insurance, (4) professional liability and (5) directors' and officers' liability. Commercial insurance policies are purchased for loss or damage resulting from these risks.

NOTE 2. 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, December 31, 2021 and 2020, comprise the following:

		2022		2021
Cash and Cash Equivalents	\$	2,487,989	\$	2,540,557
Investment in Certificate of Deposit		124,592		124,274
Accounts Receivable		46,139		57,166
Grants Receivable		720,292		727,752
Total Financial Assets Available	\$	3,379,012	\$	3,449,749

As part of CAPNM's liquidity management plan, they invest cash in excess of daily requirements in certificates of deposit and money market funds.

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NOTE 3. LOANS RECEIVABLE

A summary of loans receivable and their related allowances at December 31, 2022 and 2021 are as follows:

	Loans Receivable	Allowance Doubtful Accounts	Loans Receivable	Allowance Doubtful Accounts
	2022	2022	2021	2021
Senior Home Repair Program	\$ 235,866	\$ 11,793	\$ 287,148	\$ 14,357
Affordable Housing:				
Courtyard Apartments	85,828		82,527	
Westgate Senior Associates	99,761	-	102,842	-
Silent Second Mortgages and Down-Payment Assistance	<u>197,195</u>	<u>81,998</u>	<u>262,440</u>	<u>106,573</u>
 Total	 \$ 618,650	 \$ <u>93,791</u>	 \$ 734,957	 \$ <u>120,930</u>
Intercompany Elimination	(99,761)		(102,842)	
Less Allowance	<u>(93,791)</u>		<u>(120,930)</u>	
Loans Receivable, Net	<u>\$ 425,098</u>		<u>\$ 511,185</u>	

Senior Home Repair Program – The Senior Home Repair Program was started in December 2000 and was designed to preserve units of affordable housing throughout Flathead County by providing home rehabilitation for a minimum of 32 low- and moderate-income senior citizen homeowners. Amounts loaned to qualifying individuals, without interest, are secured by a trust indenture. Under the terms of the indenture, the loan amounts must be repaid upon ceasing to occupy the home as their principal residence or upon sale of the residence.

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NOTE 3. LOANS RECEIVABLE, Continued

Affordable Housing – Westgate Senior Associates - Westgate Senior Associates, a Montana Limited Partnership, was established in 1999 to own and operate 24 units of affordable housing for senior citizens at 500-548 Corporate Drive, Kalispell, Montana. CAPNM participated in the project as the local nonprofit sponsor during the building phase. CAPNM received a \$300,000 grant from the Montana Department of Commerce HOME Program to be used to assist with the “gap” financing of the project. CAPNM in turn, granted \$139,250 to the project to assist with fees and services related to the actual permanent financing of the project. CAPNM loaned the remaining \$160,750 to the project for 50 years at 1% interest. Payments of \$1,022 are due quarterly with the first payment due three months after closing of the permanent loan. The loan is secured by a trust indenture on the property, which is subordinate to the permanent financing. Westgate Senior Associates granted to CAPNM an irrevocable option to purchase the property upon the expiration of the 15-year period of affordability in 2015, which was exercised.

Silent Second Mortgages and Down Payment Assistance

The Mutual Self-Help (MSH) housing project enabled ownership of 154 homes to qualifying individuals and families. The program required participant homeowners to provide at least 65 percent of the labor during the construction of their and other’s homes. CAPNM facilitated the construction through the purchase and development of parcels of land used by the program. CAPNM has loaned participants in their Mutual Self-Help Housing program funding for down-payment assistance for the purchase of the land the homes were built on and cost over runs during construction of their homes. The loans range from \$750 to \$41,710 per household. All loans are due upon the sale, refinance, or rental of the home constructed. The down payment assistance and silent second mortgages bear interest at a rate of 0.0% to 3.50% and are funded by grants for mutual self-help housing, HOME investment partnerships program, and supportive housing from the U.S. Department of Housing and Urban Development and U.S. Department of Agriculture.

CAPNM recognizes interest income on loans receivable on the accrual basis. Loan fees and costs are recognized as income in the period the fees or costs are earned. Loans receivable accrue interest under the applicable loan document terms until the loan is deemed uncollectible. Loans are considered delinquent after 30 days of non-payment from the original due date or deferred due date. Loans are considered impaired when collection of the full amount of the loan is unlikely based on various factors discussed below.

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NOTE 3. LOANS RECEIVABLE, Continued

CAPNM uses multiple bases to estimate the allowance for credit losses including historical losses of the loan program, existing economic conditions related to the industry in which the loan recipient operates, collateral of the loan recipient, loan payment history and actual or likely events which have or will occur. The risk characteristics of the individual loan programs are similar in nature. CAPNM operates loan programs for recipients who cannot generally obtain conventional financing under the requirements and restrictions placed on them by federal and state loan funding sources. Therefore, due to the nature of the loan programs operated, CAPNM's loan portfolio is generally of inherently higher risk than typical conventional financing loans; however, the loans are collateralized by the property purchased.

CAPNM's loans are considered deferred loans, therefore no loans are considered past due as of December 31, 2022 and 2021, and all amounts are considered current under the terms of the loans. Impaired loans are valued at the estimated value of the remaining recoverable assets after consideration of collateral and guarantees. An allowance for bad debt is recorded against these impaired loans for the difference between the balance of the loan and estimated recovery value.

As of December 31, 2022, and 2021, CAPNM had no loans considered impaired.

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NOTE 3. LOANS RECEIVABLE, Continued

A summary of the allowance for credit losses and recorded investment in financing receivables as of December 31, 2022:

	RESIDENTIAL			TOTAL
	Senior Home Repair	Affordable Housing	Mutual Self-Help Housing	
Total Financing Receivables, December 31, 2022	\$ 235,866	\$ 85,828	\$ 197,195	\$ 518,889
Allowance for Credit Losses, January 1, 2022	(14,357)	-	(106,573)	(120,930)
Charge-off's	-	-	-	-
Recoveries	-	-	-	-
Current Year Provision for Losses	2,564	-	24,575	27,139
Allowance for Credit Losses, December 31, 2022	(11,793)	-	(81,998)	(93,791)
Net Financing Receivables, December 31, 2022	\$ 224,073	\$ 85,828	\$ 115,197	\$ 425,098
Receivables Individually Evaluated for Impairment	\$ -	\$ -	\$ -	\$ -
Allowance for Credit Losses	-	-	-	-
Receivables Collectively Evaluated for Impairment	235,866	85,828	197,195	518,889
Allowance for Credit Losses	(11,793)	-	(81,998)	(93,791)
Net Financing Receivables, December 31, 2022	\$ 224,073	\$ 85,828	\$ 115,197	\$ 425,098

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NOTE 3. LOANS RECEIVABLE, Continued

A summary of the allowance for credit losses and recorded investment in financing receivables as of December 31, 2021:

	RESIDENTIAL			
	Senior Home Repair	Affordable Housing	Mutual Self-Help Housing	TOTAL
Total Financing Receivables, December 31, 2021	\$ 287,148	\$ 82,527	\$ 262,440	\$ 632,115
Allowance for Credit Losses, January 1, 2021	(17,871)	-	(105,150)	(123,021)
Charge-off's	-	-	-	-
Recoveries	-	-	-	-
Current Year Provision for Losses	3,514	-	(1,423)	2,091
Allowance for Credit Losses, December 31, 2021	(14,357)	-	(106,573)	(120,930)
Net Financing Receivables, December 31, 2021	\$ 272,791	\$ 82,527	\$ 155,867	\$ 511,185
Receivables Individually Evaluated for Impairment	\$ -	\$ -	\$ -	\$ -
Allowance for Credit Losses	-	-	-	-
Receivables Collectively Evaluated for Impairment	287,148	82,527	262,440	632,115
Allowance for Credit Losses	(14,357)	-	(106,573)	(120,930)
Net Financing Receivables, December 31, 2021	\$ 272,791	\$ 82,527	\$ 155,867	\$ 511,185

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NOTE 3. LOANS RECEIVABLE, Continued

An analysis of credit exposure by internally assigned grade at December 31, 2022 and 2021 is as follows:

	RESIDENTIAL SENIOR HOME / MUTUAL SELF-HELP		RESIDENTIAL AFFORDABLE HOUSING	
	2022	2021	2022	2021
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Pass - Performing Loans	\$ 433,061	\$ 549,588	\$ 85,828	\$ 82,527
Pass with Collateral Deficiencies	-	-	-	-
Non-Performing, Collateralized	-	-	-	-
Non-Performing, Collateral Deficiencies	-	-	-	-
Total	<u>\$ 433,061</u>	<u>\$ 549,588</u>	<u>\$ 85,828</u>	<u>\$ 82,527</u>

An analysis of past due financing receivables as of December 31, 2022 and 2021 is as follows:

	RESIDENTIAL SENIOR HOME / MUTUAL SELF-HELP		RESIDENTIAL AFFORDABLE HOUSING	
	2022	2021	2022	2021
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
30 - 59 Days Past Due	\$ -	\$ -	\$ -	\$ -
60 - 89 Days Past Due	-	-	-	-
Greater than 90 Days Past Due	-	-	-	-
Total Past Due	\$ -	\$ -	\$ -	\$ -
Current Financing Receivables	<u>433,061</u>	<u>549,588</u>	<u>85,828</u>	<u>82,527</u>
Total Financing Receivables	<u>\$ 433,061</u>	<u>\$ 549,588</u>	<u>\$ 85,828</u>	<u>\$ 82,527</u>

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NOTE 4. LAND, BUILDINGS AND EQUIPMENT

Land, buildings, and equipment consisted of the following at December 31, 2022 and 2021:

	2022	2021
Equipment and Software	\$ 1,144,491	\$ 903,668
Less: Accumulated Depreciation	<u>(449,705)</u>	<u>(471,018)</u>
Total	<u>\$ 694,786</u>	<u>\$ 432,650</u>
Land	\$ 1,033,541	\$ 1,033,541
Buildings and Improvements	883,168	883,168
Affordable Housing	7,788,587	7,782,306
Less: Accumulated Depreciation	<u>(2,454,239)</u>	<u>(2,242,962)</u>
Total Land and Buildings	<u>\$ 7,251,057</u>	<u>\$ 7,456,053</u>
Land, Buildings, Equipment and Software, Net	<u>\$ 7,945,843</u>	<u>\$ 7,888,703</u>

Depreciation expense totaled \$317,869 and \$284,122 for the years ended December 31, 2022 and 2021, respectively.

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NOTE 5. DEFERRED REVENUE

Revenues in federal grant programs are recognized when corresponding expenses have been incurred in conformance with contractual requirements. Deferred revenue corresponds to amounts received in cash through contract advances. Activity in deferred revenue for 2022 and 2021 is as follows:

	<u>2022</u>	<u>2021</u>
Deferred Revenue, January 1	\$ 64,423	\$ 81,885
Grant Awards Received	8,973,805	10,404,465
Less Earned Revenue for Expenses Incurred	<u>(4,259,929)</u>	<u>(4,122,480)</u>
Gross Deferred Revenue	4,778,299	6,363,870
Less Amount not Received in Cash	<u>(4,686,624)</u>	<u>(6,299,447)</u>
Net Deferred Revenue, December 31	<u>\$ 91,675</u>	<u>\$ 64,423</u>

NOTE 6. NOTES PAYABLE

In August 2011, Community Frameworks offered conversion of eligible loans funded with Supportive Housing Opportunity Program (SHOP) dollars. The eligible loans were converted to a one-third unrestricted grant and a two-thirds restricted capital revolving fund for the remainder of the ten year original loan term. In 2011, CAPNM converted loans in the amount of \$1,480,000 into an unrestricted grant of \$546,666 and a temporarily restricted revolving loan fund in the amount of \$933,334. In 2022, 2021, 2020, 2019, 2018, 2017, 2016, 2015, and 2014, \$0, \$0, \$50,000, \$290,000, \$160,000, \$90,000, \$66,667, \$0 and \$320,000 was released from restriction in compliance with the applicable loan agreement, respectively.

Interest expense totaled \$275,904 and \$283,395 for the years ended December 31, 2022 and 2021, respectively.

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NOTE 6. NOTES PAYABLE, Continued

CAPNM's long-term notes payable at December 31, 2022 and 2021 are as follows:

	Original Loan Amount	2022	2021
	<u> </u>	<u> </u>	<u> </u>
Note payable to Glacier Bank of Kalispell originating August 25, 2008 due on August 25, 2033. Interest is variable resetting every five years to 2.5% above the Federal Home Loan Bank Index with a rate floor of 4.5%. Terms are monthly principal and interest payments of \$4,630.82 secured by real property at 214 S. Main.	\$ 900,000	\$ -	\$ 503,987
Note payable to Valley Bank originating February 1, 2022 due on February 1, 2042. Interest is variable resetting in 10 years to 3.0% above the Federal Home Loan Bank Des Moines 5/15 Amortizing Advance rate with a floor of 3.5% and ceiling of 6.5%. The interest rate was 3.50% as of December 31, 2022. Terms are monthly principal and interest payments of \$2,933.36 secured by real property at 214 S. Main.	\$ 505,892	\$ 489,318	\$ -
Mortgage Payable USDA Rural Development assumed February 1, 2018 due February 1, 2068. Interest is 3.25% subsidized to 1%. Terms call for monthly installments of \$5,118, payments are deferred until March 1, 2040. This agreement is secured by real property and rents of Treasure Manor Apartments	\$ 1,515,751	\$ 1,574,296	\$ 1,574,296
Mortgage Payable Rural Housing Service originated November 1, 2000, due November 1, 2050. Interest 6.25% subsidized to 1%. Terms call for principal and interest payments monthly of \$1,990 secured by real property and rents of Westgate Senior Associates	\$ 970,000	\$ 810,196	\$ 820,617

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NOTE 6. NOTES PAYABLE, Continued

	Original Loan Amount	2022	2021
Mortgage Payable Rural Housing Service originated August 29, 2003, due September 1, 2053. Interest 5.375% subsidized to 1%. Terms call for principal and interest payments monthly of \$2,122 secured by real property and rents of Polson Sunny Slope Vista Apartments	\$ 1,000,000	\$ 866,637	877,465
Promissory Note with USDA Rural Development, originating January 31, 2005 due in January 31, 2055. Interest 6.00% subsidized to 1%. Terms call for principal and interest payments monthly of \$3,144 secured by real property and rents of the Columbia Falls Teakettle Vista II Apartments	\$ 1,000,000	\$ 898,701	\$ 907,668
Promissory Note with the City of Columbia Falls, Montana, originating January 31, 2005 due in January 31, 2055. Interest 1.00% Fixed. Terms call for principal and interest payments annually of \$7,627 payable only from residual receipts of the Columbia Falls Teakettle Vista II Apartments	\$ 300,000	\$ 238,726	\$ 244,432
Mortgage Payable Rural Housing Service originated November 1, 2000, due November 1, 2050. Interest 6.875% subsidized to 1%. Terms call for principal and interest payments monthly of \$3,821 secured by real property and rents of Columbia Falls Teakettle Vista Associates	\$ 1,000,000	\$ 885,797	\$ 895,952
Total Notes Payable		\$ 5,763,671	\$ 5,824,417

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NOTE 6. NOTES PAYABLE, Continued

Annual maturities of notes payable at December 31, 2022 are as follows:

Future maturities are:

<u>Years Ending:</u>		
2023	\$	54,504
2024		58,733
2025		62,369
2026		65,454
2027		70,174
Thereafter		5,452,437
	\$	<u>5,763,671</u>

NOTE 7. LEASES

Effective January 1, 2022, the Company adopted the new lease accounting guidance in Accounting Standards Update No. 2016-02, Leases (Topic 842). The Company has elected the package of practical expedients permitted in ASC Topic 842. Accordingly, the Company accounted for its existing operating leases as operating leases under the new guidance, without reassessing (a) whether the contract contains a lease under ASC Topic 842, (b) whether classification of the capital lease would be different in accordance with ASC Topic 842, or (c) whether the unamortized initial direct costs before transition adjustments (as of December 31, 2021) would have met the definition of initial direct costs in ASC Topic 842 at lease commencement. As a result of the adoption of the new lease accounting guidance, the Company recognized on January 1, 2022 a lease liability at the carrying amount of the lease obligation and a right-of-use asset of \$9,968. Adoption of ASC Topic 842 had no effect on previously reported Net Assets.

The Company leases one space for operations. This lease agreement expires in November 2024 and is classified as an operating lease with a total lease expense for the year ended December 31, 2022 of \$6,664.

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NOTE 7. LEASES, Continued

The following is a maturity analysis of the annual undiscounted cash flows of these operating leases as of December 31, 2022:

2023	\$	3,600
2024		3,300
2025		-
2026		-
2027		-
	\$	<u>6,900</u>

NOTE 8. EMPLOYEE BENEFITS

CAPNM provides eligible employees with sick leave and vacation time. Eligible employees may accumulate an unlimited amount of sick leave and up to six weeks of vacation. Upon termination, employees are paid 100% of their unused vacation time and 25% of their unused sick leave. CAPNM's compensated absence liability was \$123,526 and \$114,498 at December 31, 2022 and 2021, respectively.

CAPNM implemented a 403(b) Thrift Plan in accordance with Internal Revenue Service regulations. The Thrift Plan is underwritten by Mutual of America. Eligible employees may designate an amount to be deducted from their paycheck. There is no minimum required monthly contribution. CAPNM matches the employee contribution up to 5% of the employee's wage after one year of employment. Employees contributions vest immediately. CAPNM's contributions vest on the following schedule:

<u>Years of Service</u>	<u>Vesting Percentage</u>
1 years or more	100%

CAPNM contributed \$55,193 and \$52,376 to the 403(b) Thrift Plan in 2022 and 2021, respectively.

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NOTE 9. NET ASSETS

CAPNM receives contributions that are restricted in use to direct client services. These contributions support participant needs when they cannot qualify for assistance under other Agency programs.

Temporarily restricted net assets at December 31, 2022 and 2021 consisted of the following:

Description	2022	2021
Direct Participant Support Services	\$ 21,862	\$ 20,730
Libby Property	300,000	300,000
Total	\$ 321,862	\$ 320,730

NOTE 10. RELATED PARTIES

The Valley View Apartments Corporation, Green Meadow Manor Corporation, Columbia Villa Apartments Corporation, and Big Sky Manor Corporation are defined as supporting organizations under Internal Revenue Code Section 501(c)(3). CAPNM created the four nonprofit corporations to serve as the nonprofit general partners in four limited partnerships in order to facilitate the purchase, rehabilitation, and operation of low-income housing and the sale of low-income housing tax credits under the Department of Housing and Urban Development's Preservation Program. The Corporations own .0081 percent of each limited partnership. Investments in corporations in which CAPNM has less than a 20% interest are recorded at cost. Big Sky Manor Corporation exited their limited partnership in 2017.

CAPNM is not considered to have any liability nor asset regarding the Corporations, however the Corporations have the right of first refusal to purchase the units upon expiration of the 15-year low-income housing tax credit use restriction period in 2014. Developer fees receivable that were due from these related parties were \$0 and \$5,036 as of 2022 and 2021.

Teakettle Vista Apartments, Inc. is a not-for-profit corporation under Internal Revenue Section 501(c)(3). This nonprofit corporation, wholly owned by CAPNM, was formed to facilitate the construction and operation of a 20-unit low-income apartment complex for senior citizens in Columbia Falls, Montana. The Corporation is the general partner in Columbia Falls Teakettle Vista Associates. The Corporation owns .01 percent of the partnership. The Corporation had the right of first refusal to purchase the units upon expiration of the 15-year low-income housing tax credit use restriction period in 2015 which it exercised.

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NOTE 10. RELATED PARTIES, Continued

Sunny Slope Vista Apartments Inc. is a not-for-profit corporation under Internal Revenue Section 501(c)(3). This nonprofit corporation, wholly owned by CAPNM, was formed to facilitate the construction and operation of a 20-unit low-income apartment complex for senior citizens in Polson, Montana. The Corporation is the general partner in Polson Sunny Slope Vista Associates, a Montana limited partnership. The Corporation owns .01 percent of the partnership. The Corporation has a one-year right of first refusal expiring August 14, 2018, to purchase the units upon the expiration of the 15-year low-income housing tax credit use restriction period in 2017 which it exercised.

Teakettle Vista Apartments II, Inc. is also a not-for-profit corporation under Internal Revenue Section 501 (c)(3). This nonprofit corporation, wholly owned by CAPNM, was formed to facilitate the construction and operation of a 24-unit low-income apartment complex for senior citizens in Columbia Falls, Montana. The Corporation is the general partner in Teakettle Vista Associates II, a Montana limited partnership. The Corporation owns .01 percent of the partnership. The Corporation has the right of first refusal to purchase the units upon expiration of the 15-year low-income housing tax credit use restriction period in 2019 which it exercised.

Recapitalization Montana LLC is a not-for-profit corporation under Internal Revenue Section 501 (c)(3). This nonprofit corporation, wholly owned by CAPNM, was formed to facilitate the rehabilitation and operation of a 32 unit low and moderate-income apartment complex in Kalispell, Montana. The Corporation is the general partner in Courtyard Associates, a Montana limited partnership. The Corporation owns .006 percent of the partnership. The Corporation has the right of first refusal to purchase the units upon expiration of the 15-year low-income housing tax credit use restriction period in 2034 plus one year.

In 2021, an operating deficit loan in the amount of \$80,000 was issued from Recapitalization Montana LLC to Courtyard Associates. Repayment will occur as allowable within the limited partnership agreement. Debt will accrue 4% interest until time of repayment.

NORTHWEST MONTANA HUMAN RESOURCES, INC.
 DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 For the Years Ended December 31, 2022 and 2021

NOTE 11. ADMINISTRATIVE COSTS

CAPNM's administrative costs by natural classification are summarized as follows:

	<u>2022</u>	<u>2021</u>
Wages, Payroll Taxes and Fringe Benefits	\$ 313,263	\$ 229,293
Supplies, Printing, Postage, and Office Costs	63,449	56,095
Liability Insurance	30,269	23,174
Contract Services and Service Agreements	3,932	5,263
Travel and Training	3,428	7,176
Occupancy Costs	<u>14,554</u>	<u>14,618</u>
Total Administrative Expenses	<u>\$ 428,895</u>	<u>\$ 335,619</u>

NOTE 12. SUBSEQUENT EVENTS

In February 2023 CAPNM purchased a parking lot using a newly created wholly owned subsidiary, 214 Holdings LLC, for \$735,000. This purchase was financed by a \$300,000 variable interest rate loan with Stockman Bank of Montana due in February 2038.

Management has evaluated subsequent events through June 28, 2023, the date the financial statements were available for issue.

SINGLE AUDIT SECTION

NORTHWEST MONTANA HUMAN RESOURCES, INC.
 DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended December 31, 2022

FEDERAL SOURCE PASS THROUGH SOURCE PROGRAM	ALN Number	Contract Number	Contract Period	Federal Expenditures	Awards to Subrecipients
Department of Agriculture					
SNAP Cluster					
<i>Easterseals - Goodwill Northern Rocky Mountain Inc</i>					
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP)	10.561	22-022-28000-0	10/01/22 - 09/30/23	4,572	-
Total Department of Agriculture, SNAP Cluster				\$ 4,572	-
Department of Housing and Urban Development					
<i>Local Initiatives Support Corporation</i>					
Rural LISC - CAPACITY BUILDING	14.252	PA#43110-0022	01/01/20 - 09/30/22	7,012	-
Total Capacity Building Program				\$ 7,012	-
<i>NeighborWorks Montana</i>					
HOUSING COUNSELING	14.169	NONE	10/01/21 - 09/30/22	1,500	-
HOUSING COUNSELING	14.169	NONE	10/01/22 - 09/30/23	2,781	-
Total Housing Counseling Program				\$ 4,281	-
<i>Montana Dept. of Public Health and Human Services</i>					
EMERGENCY SOLUTIONS GRANTS PROGRAM	14.231	20-028-19008-0	04/01/20 - 09/30/23	623,940	258,159
EMERGENCY SOLUTIONS GRANTS PROGRAM	14.231	21-028-51008-0	09/01/21 - 07/31/23	5,274	-
EMERGENCY SOLUTIONS GRANTS PROGRAM	14.231	20-028-51008-0	07/01/21 - 06/30/22	13,611	-
Total Emergency Solutions Grants Program				\$ 642,825	258,159
<i>Direct</i>					
SHELTER PLUS, CONTINUUM OF CARE	14.267	MT0052L8T002005	10/01/21 - 09/30/22	40,476	-
SHELTER PLUS, CONTINUUM OF CARE	14.267	MT0052L8T002106	10/01/22 - 09/30/23	21,698	-
YOUTH HOMELESSNESS DEMONSTRATIONS, CONTINUUM OF CARE	14.267	MT0100Y8T002100	10/01/22 - 09/30/23	7,121	-
PERMANENT SUPPORTIVE HOUSING, CONTINUUM OF CARE	14.267	MT0098T8T002100	12/01/22 - 11/30/23	1,843	-
RAPID-REHOUSING, CONTINUUM OF CARE	14.267	MT0043L8T002108	11/01/22 - 10/31/23	6,160	-
RAPID-REHOUSING, CONTINUUM OF CARE	14.267	MT0043L8T002007	11/01/21 - 10/31/22	48,416	-
RAPID-REHOUSING, CONTINUUM OF CARE	14.267	MT0065L8T002002	11/01/21 - 10/31/22	2,815	-
Total Continuum of Care Program				\$ 128,529	-
YOUTH HOMELESSNESS DEMONSTRATIONS, CONTINUUM OF CARE	14.276	MT0083Y8T001899	05/11/21 - 09/30/22	22,360	-
Total Continuum of Care Program				\$ 22,360	-
Total Department of Housing and Urban Development				\$ 805,007	258,159
Department of Energy					
<i>Montana Dept. of Public Health and Human Services</i>					
DOE WEATHERIZATION	81.042	21-028-30028-0	07/01/20 - 06/30/22	218,654	-
DOE WEATHERIZATION	81.042	22-028-30028-0	07/01/22 - 06/30/23	36,617	-
BONNEVILLE POWER WX	81.042	23-028-31006-0	10/01/22 - 09/30/23	5,360	-
BONNEVILLE POWER WX	81.042	22-028-31006-0	10/01/21 - 09/30/22	113,433	-
Total Department of Energy				\$ 374,064	-

NORTHWEST MONTANA HUMAN RESOURCES, INC.
 DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended December 31, 2022

FEDERAL SOURCE PASS THROUGH SOURCE PROGRAM	ALN Number	Contract Number	Contract Period	Federal Expenditures	Awards to Subrecipients
Department of Treasury					
<i>Montana Dept. of Public Health and Human Services</i>					
EMERGENCY RENTAL ASSISTANCE PROGRAM	21.023	22-028-17008-0	12/01/21 - 09/30/22	6,365	-
EMERGENCY RENTAL ASSISTANCE PROGRAM	21.023	23-028-17008-0	10/01/22 - 09/30/24	6,105	-
Total Emergency Rental Assistance Program				<u>\$ 12,470</u>	<u>-</u>
<i>Neighborworks Montana, Neighborhood Reinvestment Corporation Public Law 115-141</i>					
HOUSING STABILITY COUNSELING	99.U19	NONE	10/01/21 - 02/28/23	750	-
Total Housing Stability Counseling Program				<u>\$ 750</u>	<u>-</u>
Total Department of Treasury				<u>\$ 13,220</u>	<u>-</u>
Department of Health and Human Services					
<i>Montana Dept. of Public Health and Human Services</i>					
LIHEAP WEATHERIZATION	93.568	21-028-16008-0	07/01/21 - 09/30/22	377,281	-
LIHEAP WEATHERIZATION	93.568	22-028-16008-0	07/01/22 - 09/30/23	209,305	-
ARPA LIHEAP	93.568	21-028-19090-7	07/01/21 - 09/30/22	171,026	-
ARPA LIHEAP ADMIN, OUTREACH, LIEAP CRF & CLIENT ED	93.568	21-028-19053-5	10/01/21 - 09/30/23	451,437	-
LIHEAP ADMIN, OUTREACH, LIHEAP CRF & CLIENT ED	93.568	23-028-13008-0	10/01/22 - 09/30/24	228,201	-
LIHEAP ADMIN, LIHEAP CRF & CLIENT ED	93.568	22-028-13008-0	10/01/21 - 09/30/23	398,249	-
LIHEAP ADMIN, OUTREACH, LIHEAP CRF & CLIENT ED	93.568	21-028-13008-0	10/01/20 - 09/30/22	64,492	-
Total LIEAP Program				<u>\$ 1,899,991</u>	<u>-</u>
ARPA LIHWAP ADMIN & OUTREACH	93.499	21-028-18053-5	10/01/21 - 09/30/23	17,422	-
Total LIHWAP Program				<u>\$ 17,422</u>	<u>-</u>
<i>477 Cluster</i>					
WoRC (Flathead & Lincoln Counties)	93.558	23-022-28016-0	07/01/22 - 06/30/23	322,753	-
WoRC (Flathead & Lincoln Counties)	93.558	21-022-28016-0	07/01/20 - 06/30/22	326,043	-
CSBG	93.569	20-028-19048-0	05/01/20 - 09/30/22	16,161	-
CARES - CSBG	93.569	21-028-19048-0	05/01/20 - 09/30/23	31,028	-
CSBG	93.569	22-028-10008-0	01/01/22 - 09/30/23	176,681	-
CSBG	93.569	21-028-10008-0	01/01/21 - 09/30/22	272,987	22,291
Total 477 Cluster				<u>\$ 1,145,653</u>	<u>22,291</u>
Total Dept of Health and Human Services				<u>\$ 3,063,066</u>	<u>22,291</u>
TOTAL FEDERAL EXPENDITURES				<u>\$ 4,259,929</u>	<u>280,450</u>
LOANS AND LOAN GUARANTEES					
<i>Department of Agriculture</i>					
Direct Loan Guaranteed by the US Department of Agriculture	10.415			<u>\$ 1,574,296</u>	

NORTHWEST MONTANA HUMAN RESOURCES, INC.
DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2022

NOTE 1. BASIS OF PRESENTATION

The accompanying schedule is presented on the accrual basis of accounting, which is the same basis of accounting used for financial reporting purposes. The information in this schedule is presented in accordance with requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from the amounts presented in, or used in the preparation, of the consolidated financial statements.

NOTE 2. PROGRAM SCHEDULES

Program schedules are included for all grants, contracts, and projects with ending dates that occurred during the reporting period January 1, 2022 through December 31, 2022. Because CAPNM administers programs with varying ending dates, the schedules that follow are based upon the program period. Many of the programs started in the previous year (2021), but were completed in the current year and, consequently; amounts shown differ from amounts reported in the accompanying financial statements. Acronyms used are as follows:

CAPNM	Community Action Partnership of Northwest Montana
CRF	Contingency Revolving Fund
CDBG	Community Development Block Grant
CSBG	Community Services Block Grant
DPHHS	Montana Department of Health & Human Services
DOE	Department of Energy
DOL	Montana Department of Labor
HERA	Housing and Economic Recovery Act of 2008
HOME	Home Investment Partnerships Program
HUD	Department of Housing and Urban Development
LIEAP	Low-Income Energy Assistance Program
LISC	Local Initiative Support Corporation
MDOC	Montana Department of Commerce
MSH	Mutual Self-Help Housing
SHOP	Self-Help Housing Opportunities Program
SHR	Self-Help Rehabilitation
TANF	Temporary Assistance to Needy Families
USB	Universal Systems Benefit
USDA	United States Department of Agriculture
WX	Weatherization

NOTE 3. INDIRECT COST RATE

CAPNM has elected to use the direct allocation method allowed under Uniform Guidance.

NOTE 4. OUTSTANDING BALANCES OF LOANS/LOAN GUARANTEES – END OF YEAR

Loan Guaranteed by the US Department of Agriculture 10.415 Loan Balance End of Year \$1,574,296

SUPPLEMENTAL SCHEDULES

NORTHWEST MONTANA HUMAN RESOURCES, INC.
DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
STATEMENT OF FINANCIAL POSITION - COMBINING SCHEDULE
As of December 31, 2022

ASSETS	CAPNM	CAPNM Treasure Manor	Recapitalization Montana LLC	Sunny Slope	Westgate	Teakettle II	Teakettle	Eliminations	TOTAL
Cash and Cash Equivalents	\$ 2,166,083	\$ 227,449	\$ 8,599	\$ 219,883	\$ 203,025	\$ 433,882	\$ 293,218	\$ -	\$ 3,552,139
Investment in Certificate of Deposit	124,592	-	-	-	-	-	-	-	124,592
Accounts Receivable	34,591	330	-	2,689	-	4,466	4,063	-	46,139
Grants Receivable	720,292	-	-	-	-	-	-	-	720,292
Prepaid Expenses and Other Assets	362,595	7,948	504,000	5,448	9,619	9,358	6,017	(202,252)	702,733
Loans Receivable (Net of Allowance)	439,031	-	85,828	-	-	-	-	(99,761)	425,098
Loan Fees (Net of Amortization)	-	-	-	-	2,318	-	-	-	2,318
Right to Use Assets	6,664	-	-	-	-	-	-	-	6,664
Equipment and Software (Net of Depreciation)	679,949	-	-	5,204	-	9,633	-	-	694,786
Land and Buildings (Net of Depreciation)	856,814	1,138,051	-	1,629,122	632,446	2,369,269	625,355	-	7,251,057
TOTAL ASSETS	\$ 5,390,611	\$ 1,373,778	\$ 598,427	\$ 1,862,346	\$ 847,408	\$ 2,826,608	\$ 928,653	\$ (302,013)	\$ 13,525,818
LIABILITIES AND NET ASSETS									
LIABILITIES									
Trade Accounts Payable	\$ 50,406	\$ 85,882	\$ 64	\$ 25,565	\$ 23,955	\$ 22,062	\$ 15,671	\$ -	\$ 223,605
Due to Grantor/Funds Held in Trust	668,945	-	-	-	-	-	-	-	668,945
Salaries and Compensated Absences Payable	319,637	(427)	356	-	-	-	(212)	-	319,354
Deferred Revenue	91,675	-	-	-	-	-	-	-	91,675
Lease Liability	6,664	-	-	-	-	-	-	-	6,664
Long-Term Debt	489,318	1,574,296	-	866,637	909,957	1,137,427	885,797	(99,761)	5,763,671
TOTAL LIABILITIES	\$ 1,626,645	\$ 1,659,751	\$ 420	\$ 892,202	\$ 933,912	\$ 1,159,489	\$ 901,256	\$ (99,761)	\$ 7,073,914
NET ASSETS									
Without Donor Restrictions	\$ 3,442,104	\$ (285,973)	\$ 598,007	\$ 970,144	\$ (86,504)	\$ 1,667,119	\$ 27,397	\$ (202,252)	\$ 6,130,042
With Donor Restrictions	321,862	-	-	-	-	-	-	-	321,862
TOTAL NET ASSETS	\$ 3,763,966	\$ (285,973)	\$ 598,007	\$ 970,144	\$ (86,504)	\$ 1,667,119	\$ 27,397	\$ (202,252)	\$ 6,451,904
TOTAL LIABILITIES AND NET ASSETS	\$ 5,390,611	\$ 1,373,778	\$ 598,427	\$ 1,862,346	\$ 847,408	\$ 2,826,608	\$ 928,653	\$ (302,013)	\$ 13,525,818

NORTHWEST MONTANA HUMAN RESOURCES, INC.
 DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
 STATEMENT OF ACTIVITIES - COMBINING SCHEDULE
 For the Year Ended December 31, 2022

OPERATING REVENUES	CAPNM	CAPNM	Recapitalization	Sunny	Westgate	Teakettle II	Teakettle	Eliminations	TOTAL
	CAPNM	Treasure Manor	Montana LLC	Slope	Westgate	Teakettle II	Teakettle	Eliminations	TOTAL
Program Grants	\$ 3,518,774	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,518,774
Contracts	1,166,563	192,667	-	151,660	171,266	151,172	135,568	-	1,968,896
Contributions	2,827	-	-	-	-	-	-	-	2,827
Interest/Interest Subsidy	17,529	16,675	3,320	32,301	36,557	37,771	46,082	-	190,235
Other	29,176	-	-	-	-	-	-	-	29,176
TOTAL OPERATING REVENUES	\$ 4,734,869	\$ 209,342	\$ 3,320	\$ 183,961	\$ 207,823	\$ 188,943	\$ 181,650	\$ -	\$ 5,709,908
OPERATING EXPENSES									
Salaries and Wages	\$ 1,749,251	\$ 46,039	\$ 2,678	\$ 23,959	\$ 24,379	\$ 25,545	\$ 30,905	\$ -	\$ 1,902,756
Health Insurance	220,790	-	272	-	239	474	439	-	222,214
TSA Contributions	55,061	-	132	-	-	-	-	-	55,193
Payroll Taxes	181,366	8,478	218	3,194	4,355	3,338	3,955	-	204,904
Contracted Services	43,719	-	32	5,872	5,100	6,643	6,647	-	68,013
Rent/Utilities	80,035	16,392	53	19,174	12,702	19,765	15,859	-	163,980
Supplies, Service & Repairs	247,992	67,461	-	32,932	41,156	42,663	32,022	-	464,226
Legal Assistance	3,662	287	55	58	183	183	183	-	4,611
Depreciation	140,938	31,085	-	26,763	28,083	60,243	30,757	-	317,869
Telephone / Internet	21,904	2,281	70	852	1,075	570	570	-	27,322
Travel and Training	112,451	338	-	1,496	1,676	1,274	1,199	-	118,434
Interest	19,104	41,268	-	46,852	50,892	56,563	61,225	-	275,904
Property/General Liability Insurance	73,728	9,865	17	6,314	12,242	8,157	5,035	-	115,358
Bad Debts	5,038	-	-	-	-	-	-	-	5,038
Home Weatherization	304,768	-	-	-	-	-	-	-	304,768
Fuel Assistance	745,409	-	-	-	-	-	-	-	745,409
Employment / Training	3,185	-	-	-	-	-	-	-	3,185
Loss on Disposal of Assets	2,999	-	-	-	-	-	-	-	2,999
Supportive Services	293,754	-	-	-	-	-	-	-	293,754
Other Program Related	297,750	5,042	546	160	26,364	2,834	2,799	-	335,495
TOTAL OPERATING EXPENSES	\$ 4,602,904	\$ 228,536	\$ 4,073	\$ 167,626	\$ 208,446	\$ 228,252	\$ 191,595	\$ -	\$ 5,631,432
NET INCOME	\$ 131,965	\$ (19,194)	\$ (753)	\$ 16,335	\$ (623)	\$ (39,309)	\$ (9,945)	\$ -	\$ 78,476

NORTHWEST MONTANA HUMAN RESOURCES, INC.
 DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
 STATEMENT OF FINANCIAL POSITION - COMBINING SCHEDULE
 As of December 31, 2021

ASSETS	CAPNM	CAPNM Treasure Manor	Recapitalization Montana LLC	Sunny Slope	Westgate	Teakettle II	Teakettle	Eliminations	TOTAL
Cash and Cash Equivalents	\$ 2,279,689	\$ 187,076	\$ 12,297	\$ 194,340	\$ 203,446	\$ 428,997	\$ 283,599	\$ -	\$ 3,589,444
Investment in Certificate of Deposit	124,274	-	-	-	-	-	-	-	124,274
Accounts Receivable	46,657	379	-	2,689	(3)	3,135	4,309	-	57,166
Grants Receivable	727,752	-	-	-	-	-	-	-	727,752
Prepaid Expenses and Other Assets	356,560	6,061	504,000	4,155	6,997	8,427	4,689	(202,252)	688,637
Loans Receivable (Net of Allowance)	531,500	-	82,527	-	-	-	-	(102,842)	511,185
Loan Fees (Net of Amortization)	-	-	-	-	2,402	-	-	-	2,402
Equipment and Software (Net of Depreciation)	415,690	-	-	5,204	-	11,756	-	-	432,650
Land and Buildings (Net of Depreciation)	893,366	1,169,136	-	1,649,605	660,445	2,427,389	656,112	-	7,456,053
TOTAL ASSETS	\$ 5,375,488	\$ 1,362,652	\$ 598,824	\$ 1,855,993	\$ 873,287	\$ 2,879,704	\$ 948,709	\$ (305,094)	\$ 13,589,563
LIABILITIES AND NET ASSETS									
LIABILITIES									
Trade Accounts Payable	\$ 231,622	\$ 55,135	\$ 64	\$ 24,719	\$ 35,709	\$ 21,176	\$ 15,415	\$ -	\$ 383,840
Due to Grantor/Funds Held in Trust	633,795	-	-	-	-	-	-	-	633,795
Salaries and Compensated Absences Payable	309,660	-	-	-	-	-	-	-	309,660
Deferred Revenue	64,423	-	-	-	-	-	-	-	64,423
Short-Term Debt	-	-	-	-	-	-	-	-	-
Long-Term Debt	503,987	1,574,296	-	877,465	923,459	1,152,100	895,952	(102,842)	5,824,417
TOTAL LIABILITIES	\$ 1,743,487	\$ 1,629,431	\$ 64	\$ 902,184	\$ 959,168	\$ 1,173,276	\$ 911,367	\$ (102,842)	\$ 7,216,135
NET ASSETS									
Without Donor Restrictions	\$ 3,311,271	\$ (266,779)	\$ 598,760	\$ 953,809	\$ (85,881)	\$ 1,706,428	\$ 37,342	\$ (202,252)	\$ 6,052,698
With Donor Restrictions	320,730	-	-	-	-	-	-	-	320,730
TOTAL NET ASSETS	\$ 3,632,001	\$ (266,779)	\$ 598,760	\$ 953,809	\$ (85,881)	\$ 1,706,428	\$ 37,342	\$ (202,252)	\$ 6,373,428
TOTAL LIABILITIES AND NET ASSETS	\$ 5,375,488	\$ 1,362,652	\$ 598,824	\$ 1,855,993	\$ 873,287	\$ 2,879,704	\$ 948,709	\$ (305,094)	\$ 13,589,563

NORTHWEST MONTANA HUMAN RESOURCES, INC.
 DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
 STATEMENT OF ACTIVITIES - COMBINING SCHEDULE
 For the Year Ended December 31, 2021

	CAPNM	CAPNM Treasure Manor	Recapitalization Montana LLC	Sunny Slope	Westgate	Teakettle II	Teakettle	Eliminations	TOTAL
OPERATING REVENUES									
Program Grants	\$ 3,616,270	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,616,270
Contracts	842,949	179,839	-	147,541	164,129	149,922	132,502	-	1,616,882
Contributions	4,730	-	-	-	-	-	-	-	4,730
Interest/Interest Subsidy	7,899	16,467	2,565	32,290	37,459	36,914	46,041	-	179,635
Other	24,638	-	-	-	-	-	-	-	24,638
TOTAL OPERATING REVENUES	\$ 4,496,486	\$ 196,306	\$ 2,565	\$ 179,831	\$ 201,588	\$ 186,836	\$ 178,543	\$ -	\$ 5,442,155
OPERATING EXPENSES									
Salaries and Wages	\$ 1,692,918	\$ 43,799	\$ 5,324	\$ 23,325	\$ 24,429	\$ 19,086	\$ 30,335	\$ -	\$ 1,839,216
Health Insurance	233,195	39	588	25	284	7	-	-	234,138
TSA Contributions	52,110	-	266	-	-	-	-	-	52,376
Payroll Taxes	136,307	8,012	432	3,116	4,388	2,390	3,868	-	158,513
Contracted Services	46,596	-	-	5,650	5,500	5,600	5,650	-	68,996
Rent/Utilities	60,339	16,403	480	16,793	13,340	18,354	13,031	-	138,740
Supplies, Service & Repairs	377,808	49,533	-	29,307	40,634	35,322	33,214	-	565,818
Legal Assistance	7,243	-	20	-	-	-	-	-	7,263
Depreciation	89,776	31,085	-	40,866	27,476	64,162	30,757	-	284,122
Telephone / Internet	20,856	2,247	350	779	885	417	400	-	25,934
Travel and Training	92,613	201	450	1,103	1,480	1,176	1,049	-	98,072
Interest	23,748	41,514	-	47,419	52,482	56,332	61,900	-	283,395
Property/General Liability Insurance	54,219	10,314	70	6,884	11,998	7,779	5,151	-	96,415
Bad Debts	24,791	94	-	-	(250)	-	-	-	24,635
Home Weatherization	212,113	-	-	-	-	-	-	-	212,113
Fuel Assistance	579,340	-	-	-	-	-	-	-	579,340
Employment / Training	2,706	-	-	-	-	-	-	-	2,706
Loss on Disposal of Assets	1,857	-	-	-	-	-	-	-	1,857
Supportive Services	194,738	-	-	-	-	-	-	-	194,738
Other Program Related	300,786	5,434	1,942	99	25,890	3,116	3,451	-	340,718
TOTAL OPERATING EXPENSES	\$ 4,204,059	\$ 208,675	\$ 9,922	\$ 175,366	\$ 208,536	\$ 213,741	\$ 188,806	\$ -	\$ 5,209,105
NET INCOME	\$ 292,427	\$ (12,369)	\$ (7,357)	\$ 4,465	\$ (6,948)	\$ (26,905)	\$ (10,263)	\$ -	\$ 233,050

Supplemental Schedule
NORTHWEST MONTANA HUMAN RESOURCES, INC.
DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
Kalispell, Montana

STATEMENT OF REVENUE AND EXPENSE
BUDGET AND ACTUAL

DOE

Grant Number: DPHHS 21-028-30028-0
Grant Period: July 1, 2021 through June 30, 2022

	Budget	Actual
Revenue		
Grant Revenue	\$ 340,193	\$ 340,193
Misc Revenue	<u>-</u>	<u>261</u>
Total Revenue	<u>\$ 340,193</u>	<u>\$ 340,454</u>
Expenses		
Administration	\$ 36,993	\$ 38,979
Program Support	265,945	266,205
Liability Ins	-	-
Financial Audit	1,750	2,193
Training & TA	23,582	24,421
Health and Safety	<u>11,923</u>	<u>12,101</u>
Total Expenses	<u>\$ 340,193</u>	<u>\$ 343,899</u>
Transfer In	<u>-</u>	<u>3,445</u>
REVENUE OVER (UNDER) EXPENSES	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Supplemental Schedule
NORTHWEST MONTANA HUMAN RESOURCES, INC.
DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
Kalispell, Montana

STATEMENT OF REVENUE AND EXPENSE
BUDGET AND ACTUAL

LIEAP

Grant Number: DPHHS 20-028-30028-0
Grant Period: July 1, 2021 through September 30, 2022

	Budget	Actual
Revenue		
Grant Revenue	\$ 767,509	\$ 639,972
Program Income		276
Misc Revenue		5,670
	<u>767,509</u>	<u>645,918</u>
Total Revenue	\$ <u>767,509</u>	\$ <u>645,918</u>
Expenses		
Administration	\$ 48,559	\$ 59,115
Infrastructure	281,923	169,771
Program Support	437,027	427,589
	<u>767,509</u>	<u>656,475</u>
Total Expenses	\$ <u>767,509</u>	\$ <u>656,475</u>
Transfer In	<u>-</u>	<u>10,557</u>
REVENUE OVER (UNDER) EXPENSES	<u>-</u>	<u>-</u>

Supplemental Schedule
NORTHWEST MONTANA HUMAN RESOURCES, INC.
DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
Kalispell, Montana

STATEMENT OF REVENUE AND EXPENSE
BUDGET AND ACTUAL

BONNEVILLE POWER ADMINISTRATION WEATHERIZATION

Grant Number: DPHHS 22-028-31006-0
Grant Period: October 1, 2021 through September 30, 2022

	Budget	Actual
Revenue		
Grant Revenue	\$ 170,086	\$ 113,807
Misc Revenue	<u> -</u>	<u> 53</u>
Total Revenue	\$ <u>170,086</u>	\$ <u>113,860</u>
Expenses		
Administration	\$ 21,261	\$ 10,883
Program Operations	104,178	88,282
Health and Safety	<u>44,647</u>	<u>14,695</u>
Total Expenses	\$ <u>170,086</u>	\$ <u>113,860</u>
REVENUE OVER (UNDER) EXPENSES	\$ <u> -</u>	\$ <u> -</u>

Supplemental Schedule
NORTHWEST MONTANA HUMAN RESOURCES, INC.
DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
Kalispell, Montana

STATEMENT OF REVENUE AND EXPENSE
BUDGET AND ACTUAL

NORTHWESTERN ENERGY FREE WEATHERIZATION PROGRAM

Grant Number: DPHHS 22-028-33008-0
Grant Period: January 1, 2022 through December 7, 2022

	Budget	Actual
Revenue		
Grant Revenue	\$ 34,254	\$ 34,254
 Expenses		
Program Operations	\$ 20,857	\$ 23,326
Health & Safety	4,374	4,374
Program Overhead	<u>9,023</u>	<u>9,023</u>
 Total Expenses	 \$ <u>34,254</u>	 \$ <u>36,723</u>
 Transfer In	 <u>-</u>	 <u>2,469</u>
 REVENUE OVER (UNDER) EXPENSES	 <u><u>-</u></u>	 <u><u>-</u></u>

Supplemental Schedule
NORTHWEST MONTANA HUMAN RESOURCES, INC.
DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
Kalispell, Montana

STATEMENT OF REVENUE AND EXPENSE
BUDGET AND ACTUAL

LIEAP ARPA

Grant Number: DPHHS 21-028-19090-7
Grant Period: July 1, 2021 through September 30, 2022

	Budget	Actual
Revenue		
Grant Revenue	\$ 171,026	\$ 171,026
Expenses		
Administration	\$ 16,520	\$ 16,520
Program Support	<u>154,506</u>	<u>154,506</u>
Total Expenses	<u>\$ 171,026</u>	<u>\$ 171,026</u>
REVENUE OVER (UNDER) EXPENSES	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Supplemental Schedule
NORTHWEST MONTANA HUMAN RESOURCES, INC.
DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
Kalispell, Montana

STATEMENT OF REVENUE AND EXPENSES
BUDGET AND ACTUAL

LOW INCOME ENERGY ASSISTANCE PROGRAMS

Grant Number: DPHHS 21-028-130080
Grant Period: LIEAP - October 1, 2020 through September 30, 2022
 CRF - November 12, 2020 through November 3, 2021

	<u>LIEAP Administration</u>		<u>CRF</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenue			
Contract Revenue	\$ -	\$ -	\$ 432,018
Misc. Revenue	-	360	-
Grant Revenue	<u>182,385</u>	<u>182,385</u>	<u>-</u>
Total Revenue	<u>\$ 182,385</u>	<u>\$ 182,745</u>	<u>\$ 432,018</u>
Expenses	\$ 182,385		
Audit		\$ 5,202	\$ -
Salaries		99,274	-
Fringe Benefits		18,985	-
Supplies, Postage, Printing, Contract Svc, Misc.		4,237	-
Insurance		1,807	-
Telephone and Internet		5,832	-
Travel & Training		3	-
Rent & Utilities		11,133	-
Support for Client Ed and Outreach		16,643	-
Allocated Common Cost		19,629	-
Wood - Reimbursement		-	8,772
Wood - Direct Client Pay		-	261,997
Wood - Vendor Payments		-	1,025
Utilities in Rent		-	8,044
Third Party Payment		-	6,377
General Vendor Payment		-	107,728
Emergency Repair		-	34,842
Client Utility Reimbursement		-	3,233
Total Expenses	<u>\$ 182,385</u>	<u>\$ 182,745</u>	<u>\$ 432,018</u>
REVENUE OVER (UNDER) EXPENSES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Supplemental Schedule
NORTHWEST MONTANA HUMAN RESOURCES, INC.
DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
Kalispell, Montana

STATEMENT OF REVENUE AND EXPENSES
BUDGET AND ACTUAL

LIEAP - OUTREACH

Grant Number: DPHHS 21-028-13008-0
Grant Period: October 1, 2020 through September 30, 2022

	Budget	Actual
Revenue		
Grant Revenue	\$ 66,017	\$ 66,017
Misc. Revenue	-	324
LIEAP Support	-	11,324
	-	11,324
Total Revenue	66,017	77,665
Expenses	\$ 66,017	
Personnel Costs		
Salaries		\$ 35,734
Fringe Benefits		6,444
Postage, Telephone, Printing, Misc.		8,682
Consumable Supplies		2,595
Rent & Utilities		891
Educational items		11,995
Allocated Common Cost		10,704
Audit		620
	66,017	77,665
Total Expenses	\$ 66,017	\$ 77,665
REVENUE OVER (UNDER) EXPENSES	\$ -	\$ -

Supplemental Schedule
NORTHWEST MONTANA HUMAN RESOURCES, INC.
DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
Kalispell, Montana

STATEMENT OF REVENUE AND EXPENSES
BUDGET AND ACTUAL

LIEAP - CLIENT ED

Grant Number: DPHHS 21-028-13008-0
Grant Period: October 1, 2020 through September 30, 2022

	Budget	Actual
Revenue		
Grant Revenue	\$ 24,027	\$ 24,027
Misc. Revenue	-	370
LIEAP Support	-	2,161
	24,027	26,558
Expenses	\$ 24,027	
Salaries		\$ 9,250
Fringe Benefits		2,022
Postage		1,394
Insurance		31
Printing		157
Telephone & Internet		539
Travel & Training		256
Rent & Utilities		601
Advertising & Marketing		7,906
Educational Items		2,241
Audit Expense		187
Allocated Common Cost		1,974
	\$ 24,027	\$ 26,558
Total Expenses	\$ 24,027	\$ 26,558
REVENUE OVER (UNDER) EXPENSES	\$ -	\$ -

Supplemental Schedule
NORTHWEST MONTANA HUMAN RESOURCES, INC.
DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
Kalispell, Montana

STATEMENT OF REVENUE AND EXPENSES

ENERGY SHARE OF MONTANA

Provider: Energy Share of Montana
Contract Period: July 1, 2021 through June 30, 2022

Revenue	
Contract Program Revenue	\$ 31,739
Misc. Revenue	<u>16</u>
Total Revenue	\$ <u>31,754</u>
Expenses	
Administration	\$ 3,051
Operations	8,363
Fuel Fund	925
Fuel Fund - Deposits	1,218
Unrestricted USB	4,726
USB - NWE Benefits	<u>18,531</u>
Total Expenses	\$ <u>36,814</u>
Transfer In	<u>5,060</u>
REVENUE OVER (UNDER) EXPENSES	\$ <u><u>-</u></u>

Supplemental Schedule
NORTHWEST MONTANA HUMAN RESOURCES, INC.
DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
Kalispell, Montana

STATEMENT OF REVENUE AND EXPENSES

SNAP

Provider: Easterseals - Goodwill
Contract Period: September 1, 2022 to September 30, 2022

Revenue	
Contract Program Revenue	\$ 3,355
Expenses	
Administration	\$ 515
Operations	<u>2,841</u>
Total Expenses	<u>\$ 3,355</u>
REVENUE OVER (UNDER) EXPENSES	<u><u>\$ -</u></u>

Supplemental Schedule
NORTHWEST MONTANA HUMAN RESOURCES, INC.
DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
Kalispell, Montana

STATEMENT OF REVENUE AND EXPENSES

SNAP

Provider: Easterseals - Goodwill
Contract Period: September 1, 2022 to September 30, 2022

Revenue	
Contract Program Revenue	\$ 3,303
Expenses	
Administration	\$ 473
Operations	<u>2,830</u>
Total Expenses	<u>\$ 3,303</u>
REVENUE OVER (UNDER) EXPENSES	<u><u>\$ -</u></u>

Supplemental Schedule
NORTHWEST MONTANA HUMAN RESOURCES, INC.
DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
Kalispell, Montana

STATEMENT OF REVENUE AND EXPENSES
BUDGET AND ACTUAL

PATHWAYS PROGRAM - FLATHEAD AND LINCOLN COUNTIES

Grant Number: DPHHS 21-022-28016-0
Grant Period: July 1, 2020 through June 30, 2022

	<u>FLATHEAD COUNTY</u>		<u>LINCOLN COUNTY</u>	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Revenue				
Grant Revenue	\$ 1,327,498	\$ 1,002,704	\$ 414,884	\$ 385,362
Miscellaneous Revenue	-	247	-	79
	<u>1,327,498</u>	<u>1,002,951</u>	<u>414,884</u>	<u>385,441</u>
Expenses				
Client Advocacy	\$ 998,402	\$ 990,666	\$ 381,660	380,643
Education Pays Incentives	25,560	245	6,614	-
Client Education & Training	71,348	455	12,880	946
Employment & Work Services	85,348	9,175	9,400	3,852
Direct Instruction Financial ED	129,204	2,410	-	-
Matched Savings	17,536	-	4,230	-
Refugee	100	-	100	-
	<u>1,327,498</u>	<u>1,002,951</u>	<u>414,884</u>	<u>385,441</u>
Total Expenses	\$ <u>1,327,498</u>	\$ <u>1,002,951</u>	\$ <u>414,884</u>	\$ <u>385,441</u>
REVENUE OVER (UNDER) EXPENSES	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>

Supplemental Schedule
NORTHWEST MONTANA HUMAN RESOURCES, INC.
DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
Kalispell, Montana

STATEMENT OF REVENUE AND EXPENSES
BUDGET AND ACTUAL

COMMUNITY SERVICES BLOCK GRANT (CSBG)

Grant Number: DPHHS 21-028-10008-0
Grant Period: January 1, 2021 through September 30, 2022

	Budget	Actual
Revenue		
Grant Revenue	\$ 478,227	\$ 478,227
Miscellaneous Revenue	<u>-</u>	<u>5,335</u>
Total Revenue	<u>\$ 478,227</u>	<u>\$ 483,562</u>
Expenses		
Category 1 - Personnel Costs		
Salaries	\$ 198,402	\$ 226,641
Fringe Benefits	59,521	43,886
Contract Services	2,000	4,000
Category 2 - Non-Personnel Costs		
Audit Expense	2,000	3,533
Legal Expenses	2,500	462
Supplies, Telephone, Dues, Misc.	15,076	18,567
Travel & Training	20,000	14,971
Board Meeting Expenses	6,000	3,211
Rent & Utilities	25,456	12,152
Support To Programs	100,537	27,472
Allocated Common Cost	31,735	40,061
Repair & Maintenance	-	58,361
C.N.A	15,000	-
Subgrant	<u>-</u>	<u>30,245</u>
Total Expenses	<u>\$ 478,227</u>	<u>\$ 483,562</u>
REVENUE OVER (UNDER) EXPENSES	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Supplemental Schedule
NORTHWEST MONTANA HUMAN RESOURCES, INC.
DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
Kalispell, Montana

STATEMENT OF REVENUE AND EXPENSES
BUDGET AND ACTUAL

CSBG CARES

Grant Number: DPHHS 20-028-19048-0
Grant Period: May 1, 2020 through September 30, 2022

	Budget	Actual
Revenue		
Grant Revenue	\$ 172,140	\$ 172,140
Misc. Revenue	<u> -</u>	<u> 755</u>
Total Revenue	172,140	172,895
Expenses	\$ 172,140	
Salaries		\$ 4,308
Fringe Benefits		1,479
Postage, Telephone, Printing, Misc.		7,671
Travel & Training		2,934
Equipment		108,973
Supportive Services		1,400
Subgrant		23,537
Consumable Supplies		2,119
Educational items		12,184
Support To Programs		6,447
Rent & Utilities		31
Allocated Common Cost		950
Audit		<u> 862</u>
Total Expenses	<u>\$ 172,140</u>	<u>\$ 172,895</u>
REVENUE OVER (UNDER) EXPENSES	<u><u> -</u></u>	<u><u> -</u></u>

**Supplemental Schedule
 NORTHWEST MONTANA HUMAN RESOURCES, INC.
 DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
 Kalispell, Montana**

**STATEMENT OF REVENUE AND EXPENSES
 BUDGET AND ACTUAL**

Youth Homelessness Demonstration Grant

Grant Number: MT0083Y8T001899
Grant Period: May 11, 2021 through September 30, 2022

	Budget	Actual
Revenue		
Grant Revenue	\$ 96,133	\$ 29,451
Expenses	\$ 96,133	
Salaries		\$ 12,134
Fringe Benefits		3,415
Telephone & Internet		564
Rent & Utilities		430
Travel & Training		-
Supplies, Postage, Fees, Misc.		114
Audit Expense		182
Supportive Services		9,012
Allocated Common Cost		3,600
	\$ 96,133	\$ 29,451
Total Expenses	\$ 96,133	\$ 29,451
REVENUE OVER (UNDER) EXPENSES	\$ -	\$ -

Supplemental Schedule
NORTHWEST MONTANA HUMAN RESOURCES, INC.
DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
Kalispell, Montana

STATEMENT OF REVENUE AND EXPENSES
BUDGET AND ACTUAL

Youth Homelessness Demostration Project

Grant Number: MT0083Y8T001899
Grant Period: May 11, 2021 through September 30, 2022

	Budget	Actual
Revenue		
Grant Revenue	\$ 96,133	\$ 29,451
Expenses	\$ 96,133	
Salaries		\$ 12,134
Fringe Benefits		3,415
Telephone & Internet		564
Rent & Utilities		430
Supplies, Postage, Fees, Misc.		114
Supportive Services		9,013
Audit Expense		182
Allocated Common Cost		3,599
	_____	_____
Total Expenses	\$ 96,133	\$ 29,451
REVENUE OVER (UNDER) EXPENSES	\$ -	\$ -
	_____	_____

**Supplemental Schedule
 NORTHWEST MONTANA HUMAN RESOURCES, INC.
 DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
 Kalispell, Montana**

**STATEMENT OF REVENUE AND EXPENSES
 BUDGET AND ACTUAL**

Emergency Rental Assistance - Housing Stability Services

Grant Number: DPHHS 22-028-17008-0
Grant Period: December 1, 2021 through September 30, 2022

	Budget	Actual
Revenue		
Grant Revenue	\$ 634,300	\$ 6,365
Expenses	\$ 634,300	
Salaries		\$ 1,811
Fringe Benefits		545
Postage, Telephone, Printing, Misc.		214
Rent & Utilities		71
Allocated Common Cost		675
Audit		20
	_____	_____
Total Expenses	\$ 634,300	\$ 3,336
Transfer Out	-	3,029
REVENUE OVER (UNDER) EXPENSES	-	-

Supplemental Schedule
NORTHWEST MONTANA HUMAN RESOURCES, INC.
DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
Kalispell, Montana

STATEMENT OF REVENUE AND EXPENSES
BUDGET AND ACTUAL

Bank of America Rental Assistance

Grant Number: C665
Grant Period: August 27, 2020 through September 30, 2022

	Budget	Actual
Revenue		
Grant Revenue	\$ 18,918	\$ 18,918
Expenses	\$ 18,918	
Salaries		\$ 2,696
Fringe Benefits		743
Telephone & Internet		103
Rent & Utilities		241
Supplies, Postage, Fees, Misc.		88
Supportive Services		18,918
Audit Expense		54
Allocated Common Cost		580
	\$ 18,918	\$ 23,423
Total Expenses	\$ 18,918	\$ 23,423
Transfer In	-	4,505
REVENUE OVER (UNDER) EXPENSES	\$ -	\$ -

Supplemental Schedule
NORTHWEST MONTANA HUMAN RESOURCES, INC.
DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
Kalispell, Montana

STATEMENT OF REVENUE AND EXPENSES
BUDGET AND ACTUAL

Capacity Building - Tiny Homes

Grant Number: 43110-0022
Grant Period: January 1, 2020 through September 30, 2022

	Actual
Revenue	
Grant Revenue	\$ 32,812
Misc. Revenue	14
	32,826
Total Revenue	\$ 32,826
 Expenses	
Salaries	\$ 11,487
Fringe Benefits	2,913
Telephone & Internet	570
Rent & Utilities	1,389
Travel & Training	362
Insurance	911
Predevelopment	23,293
Supplies, Postage, Fees, Misc.	2,486
Audit Expense	327
Allocated Common Cost	3,780
	47,518
Total Expenses	\$ 47,518
Transfer In	14,692
REVENUE OVER (UNDER) EXPENSES	\$ -

Supplemental Schedule
NORTHWEST MONTANA HUMAN RESOURCES, INC.
DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
Kalispell, Montana

STATEMENT OF REVENUE AND EXPENSES

SECTION 8 HOUSING ASSISTANCE

Contract Number: Montana Department of Commerce 22-745-0007

Contract Period: July 1, 2021 through June 30, 2022

Revenue

Revenue	\$ 174,746
Inspection Fees	170
Misc. Revenue	206
Grant Revenue	<u>42,563</u>

Total Revenue \$ 217,685

Expenses

Fee for Service Expenses

Salaries	\$ 63,065
Fringe Benefits	14,382
Audit	1,077
Supplies, Printing, Fees, Misc.	6,569
Postage	3,809
Service Agreements	722
Telephone & Internet	3,093
Travel & Training	8,259
Rent & Utilities	2,090
Allocated Common Cost	24,508
Insurance	387

Grant Expenses

Salaries	31,812
Fringe Benefits	8,532
Telephone & Internet	1,261
Rent & Utilities	832
Insurance	<u>128</u>

Total Expenses \$ 170,526

Transfers Out 47,159

REVENUE OVER (UNDER) EXPENSES \$ -

Supplemental Schedule
NORTHWEST MONTANA HUMAN RESOURCES, INC.
DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
Kalispell, Montana

STATEMENT OF REVENUE AND EXPENSES
BUDGET AND ACTUAL

Rapid Rehousing Continuum of Care program

Grant Number: MT0043L8T002007
Grant Period: November 1, 2021 through October 31, 2022

	Budget	Actual
Revenue		
Grant Revenue	\$ 61,738	\$ 56,645
Misc. Revenue		20
Total Revenue	\$ 61,738	\$ 56,665
Expenses	\$ 61,738	
Salaries		\$ 19,058
Fringe Benefits		5,369
Telephone & Internet		926
Rent & Utilities		1,008
Travel & Training		45
Supplies, Postage, Fees, Misc.		104
Supportive Services		26,245
Audit Expense		324
Allocated Common Cost		5,458
Total Expenses	\$ 61,738	\$ 58,537
Transfer In		1,872
REVENUE OVER (UNDER) EXPENSES	\$ -	\$ -

Supplemental Schedule
NORTHWEST MONTANA HUMAN RESOURCES, INC.
DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
Kalispell, Montana

STATEMENT OF REVENUE AND EXPENSES

HUD - HOMEBUYER EDUCATION & HOUSING COUNSELING

Provider:	NeighborWorks Montana				
Contract Period:	April 1, 2021 through March 31, 2022				
Revenue					
Revenue		\$	6,004		
Misc. Revenue			74		
Total Revenue		\$	<u>6,078</u>		
Expenses					
Salaries		\$	3,515		
Fringe Benefits			1,069		
Audit			61		
Supplies, Postage, Printing, etc.			112		
Telephone & Internet			147		
Travel & Training			56		
Rent & Utilities			348		
Allocated Common Cost			<u>1,003</u>		
Total Expenses		\$	<u>6,311</u>		
Transfer In			8,047		
Transfer Out to Next Year			<u>(7,814)</u>		
REVENUE OVER (UNDER) EXPENSES		\$	<u><u>-</u></u>		

Supplemental Schedule
NORTHWEST MONTANA HUMAN RESOURCES, INC.
DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
Kalispell, Montana

STATEMENT OF REVENUE AND EXPENSES

HUD - HOMEBUYER EDUCATION & HOUSING COUNSELING

Provider: NeighborWorks Montana
Contract Period: April 1, 2022 through December 31, 2022

Revenue	
Revenue	\$ 4,550
Expenses	
Salaries	\$ 9,089
Fringe Benefits	904
Audit	85
Supplies, Postage, Printing, etc.	135
Telephone & Internet	383
Travel & Training	771
Rent & Utilities	199
Allocated Common Cost	<u>3,160</u>
Total Expenses	<u>\$ 14,726</u>
Transfer In	<u>10,176</u>
REVENUE OVER (UNDER) EXPENSES	<u><u>\$ -</u></u>

Supplemental Schedule
NORTHWEST MONTANA HUMAN RESOURCES, INC.
DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
Kalispell, Montana

STATEMENT OF REVENUE AND EXPENSES
BUDGET AND ACTUAL

Housing is Healthcare

Grant Period: October 1, 2019 through August 31, 2022

	Actual
Revenue	
Grant Revenue	\$ 40,000
Misc. Revenue	116
	40,116
Total Revenue	\$ 40,116
 Expenses	
Salaries	\$ 9,998
Fringe Benefits	2,251
Telephone & Internet	220
Rent & Utilities	310
Travel & Training	1,650
Insurance	57
Contract Services	23,538
Supplies, Postage, Fees, Misc.	316
Audit Expense	182
Allocated Common Cost	2,138
	40,660
Total Expenses	\$ 40,660
Transfer In	544
REVENUE OVER (UNDER) EXPENSES	\$ -

**Supplemental Schedule
 NORTHWEST MONTANA HUMAN RESOURCES, INC.
 DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
 Kalispell, Montana**

**STATEMENT OF REVENUE AND EXPENSES
 BUDGET AND ACTUAL**

Rapid Rehousing Continuum of Care program

Grant Number: MT0065L8T002002
Grant Period: November 1, 2021 through October 31, 2022

	Budget	Actual
Revenue		
Grant Revenue	\$ 31,539	\$ 4,727
Expenses	\$ 31,539	
Salaries		\$ 1,785
Fringe Benefits		473
Telephone & Internet		90
Rent & Utilities		193
Travel & Training		-
Supplies, Postage, Fees, Misc.		37
Supportive Services		1,625
Audit Expense		36
Allocated Common Cost		488
	\$ 31,539	\$ 4,727
Total Expenses	\$ 31,539	\$ 4,727
REVENUE OVER (UNDER) EXPENSES	\$ -	\$ -

**Supplemental Schedule
 NORTHWEST MONTANA HUMAN RESOURCES, INC.
 DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
 Kalispell, Montana**

**STATEMENT OF REVENUE AND EXPENSES
 BUDGET AND ACTUAL**

Shelter Plus Continuum of Care program

Grant Number: MT0052L8T002005
Grant Period: October 1, 2021 through September 30, 2022

	Budget	Actual
Revenue		
Grant Revenue	\$ 78,724	\$ 52,610
Expenses	\$ 78,724	
Salaries		\$ 2,317
Fringe Benefits		599
Telephone & Internet		215
Rent & Utilities		566
Supplies, Postage, Fees, Misc.		87
Supportive Services		47,772
Audit Expense		335
Allocated Common Cost		719
Total Expenses	<u>\$ 78,724</u>	<u>\$ 52,610</u>
REVENUE OVER (UNDER) EXPENSES	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Supplemental Schedule
NORTHWEST MONTANA HUMAN RESOURCES, INC.
DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
Kalispell, Montana

SCHEDULE OF ALLOCATED ADMINISTRATIVE COSTS
BUDGET AND ACTUAL

For the Twelve Months Ended December 31, 2022

	Budget	Actual
Expenses		
Salaries	\$ 251,306	\$ 258,941
Payroll Taxes and Fringe Benefits	46,703	54,683
Contract Services	5,000	3,931
Legal Services	1,000	20
Network Services	3,982	3,401
Supplies (Agency Wide - General Office)	9,250	18,120
Postage	4,000	4,030
Telephone, Email, Cellular (Ex. LD), Internet	2,250	1,929
Travel & Training (for Admin Staff)	2,500	3,426
Office Rent/Utilities/Janitorial	5,700	7,593
Advertising & Marketing	250	-
Service Agreements	15,300	15,113
Equipment Rental from General Fund	3,300	2,919
General Liability Insurance	30,356	30,270
Dues and Subscriptions - fiscal and personnel	1,754	2,273
Repair & Maintenance	7,500	21,963
Storage	600	640
	<u>600</u>	<u>640</u>
Total Expenses	\$ <u>390,751</u>	\$ <u>429,252</u>

**INDEPENDENT AUDITOR'S 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***

The Board of Directors of
Northwest Montana Human Resources, Inc.
DBA Community Action Partnership of Northwest Montana
Kalispell, Montana

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 the Northwest Montana Human Resources, Inc. DBA Community Action Partnership of Northwest Montana (CAPNM), which comprise the consolidated statement of financial position as of December 31, 2022, 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 28, 2023.

Internal Control over Financial Reporting

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Carver Florek & James, CPAs

Missoula, Montana

June 28, 2023

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

The Board of Directors of
Northwest Montana Human Resources, Inc.
DBA Community Action Partnership of Northwest Montana
Kalispell, Montana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Northwest Montana Human Resources, Inc. DBA Community Action Partnership of Northwest Montana's (CAPNM)'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of CAPNM's major federal programs for the year ended December 31, 2022. CAPNM's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, CAPNM complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

We have audited Northwest Montana Human Resources, Inc. DBA Community Action Partnership of Northwest Montana's (CAPNM) compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of CAPNM's major federal programs for the year ended December 31, 2022. CAPNM's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

We are required to be independent of CAPNM and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of CAPNM'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 CAPNM's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on CAPNM's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about CAPNM's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding CAPNM'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 CAPNM'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 CAPNM'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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been 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.

Cavan Florek & James, CPAs

Missoula, Montana
June 28, 2023

NORTHWEST MONTANA HUMAN RESOURCES, INC.
 DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 For the Year Ended December 31, 2022

Section 1 – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting: Material weakness identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None Reported
Noncompliance material to the financial statements noted?	No

Federal Awards

Internal control over major programs: Material weaknesses identified?	No
Significant deficiencies identified?	No
Type of auditor’s report issued on compliance for major federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 500.516(a)?	No

Identification of Major Federal Program:

U.S. Department of Agriculture Direct Loan Guaranteed by the US Department of Agriculture	ALN 10.415
U.S. Department of Housing and Urban Development Emergency Solutions Grant Program	ALN 14.231

The dollar threshold used to distinguish between Type A and Type B programs as described in the Uniform Guidance was \$750,000.

Auditee qualified as a low-risk auditee?	Yes
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NORTHWEST MONTANA HUMAN RESOURCES, INC.
DBA COMMUNITY ACTION PARTNERSHIP OF NORTHWEST MONTANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2022

Section II – Financial Statement Findings

None Reported

Section III – Federal Awards Findings and Questioned Costs

None Reported

Section IV – Summary Schedule of Prior Audit Findings

There were no findings in 2021.