



SPECIAL MEETING OF THE BOARD OF COMMISSIONERS

August 18, 2014, 8:30 am
Wonderland Estates
14645 SE Renton Maple Valley Road
Renton, WA 98058

A G E N D A

- I. Call to Order**
- II. Roll Call**
- III. Welcome to Wonderland Estates**
- IV. Public Comment**
- V. Approval of Minutes** - Board Meeting Minutes from July 21, 2014 **1**
- VI. Approval of Agenda**
- VII. Consent Agenda**
 - A. Voucher Certification Report for June 2014 (General and Bond Properties) **2**
 - B. Resolution No. 5478: Authorization for the Executive Director of the Housing Authority of King to enter into an Interlocal Agreement with the Housing Authority of the City of Yakima for Financial Consulting Services **3**
- VIII. Resolutions for Discussion & Possible Action**
 - A. Resolution No. 5479: Authorizing the Adoption of a Revised Risk Management Policy **4**
 - B. Resolution No. 5480: Authorizing the Executive Director to approve, execute and deliver all documents relating to a Bridge Loan in the amount of up to \$20,500,000 from the Authority to the Vantage Point Apartments LLC, to be funded in whole or in part from the proceeds of a taxable line of credit to the Authority from Bank of America and/or funds of the Authority **5**

IX. Briefings & Reports

A. New Bank Accounts	6
B. Second Quarter Financial Report	7
C. Resource Conservation Briefing	8
D. Education Briefing	9
E. Executive Dashboard Report, Second Quarter 2014	10
F. Capital Fund Progress Report	11
G. Executive Director's Report	

X. Executive Session

- A. To review the performance of a public employee per RCW 42.30.110 (1) (g)

XI. Commissioner Comments

XII. Recess for Moving King County Forward (MKCRF) Board Meeting

XIII. Reconvene at Conclusion of Moving King County Forward Board Meeting

XIV. Tour of Wonderland Estates

XV. Adjournment

Members of the public who are disabled and require special accommodations or assistance at the meeting are requested to notify the Board Coordinator, Jessica Olives, in writing at 600 Andover Park West, Seattle, WA 98188 or by calling 206-574-1194 prior to the meeting date.

Next Regular Board Meeting Date:
Monday, September 15, 2014

**MINUTES OF THE SPECIAL MEETING OF THE
BOARD OF COMMISSIONERS OF THE
KING COUNTY HOUSING AUTHORITY**

Monday, July 21, 2014

I. CALL TO ORDER

The special meeting of the Board of Commissioners of the King County Housing Authority was called to order by Commissioner Doug Barnes at 8:31 a.m. on Monday, July 21, 2014, in the Joe Thomas Community Room in the Wiley Center, 9800 8th Avenue SW, Seattle, Washington.

II. ROLL CALL

Present: Commissioner Doug Barnes, Chair; Commissioner Susan Palmer, and Commissioner TerryLynn Stewart

Staff: Stephen Norman, Mark Abernathy, Connie Davis, John Eliason, Sean Heron, Megan Hyla, Nick Jackman, Trinh Nguyen, Jessica Olives, Beth Pearson, Jennifer Ramirez Robson, Mike Reilly, Simon Thorn, Craig Violante, Tim Walter, Dan Watson, Linda Weedman and Wen Xu

Excused: Commissioner Michael Brown and Commissioner Richard Mitchell

Guests: Lillie Clinton (Public), Susan Stead and Geoff Jolly (Representatives from Parker, Smith and Feek)

III. PUBLIC COMMENT

None.

IV. APPROVAL OF MINUTES

On motion by Commissioner Palmer, seconded by Commissioner Stewart, which motion duly carried by unanimous vote, the Board approved the minutes from the Board of Commissioner's meeting of June 16, 2014.

V. APPROVAL OF AGENDA

On motion by Commissioner Palmer, seconded by Commissioner Stewart, which motion duly carried by unanimous vote, the Board approved the July 21, 2014 Board of Commissioners' agenda.

VI. CONSENT AGENDA

A. Voucher Certification Report for May 2014 (General and Bond Properties)

GENERAL PROPERTIES		
Bank Wires/ACH Withdrawals		\$2,836,696.33
Accounts Payable	Checks# 241234-241872	\$4,097,839.95
Payroll Vouchers		
	Checks #83205-83245	\$33,587.08
	Direct Deposit	\$1,169,570.27
Section 8 Program Vouchers		
	Checks #604708-605147	\$255,082.52
	ACH #273332-276626	\$9,470,936.28
Purchase Card / ACH Withdrawal		\$199,837.05
	General Properties Total	\$18,063,549.48
BOND PROPERTIES		
	Bond Properties Total (30 different properties)	\$14,385.30

On motion by Commissioner Stewart, seconded by Commissioner Palmer, which motion was duly carried by unanimous vote, the Board approved the 2014 May Voucher Report.

B. Resolution No. 5474: Authorizing the Transfer of Windsor Heights Project to the Authority Through the Acquisition of the Leasehold Interest of KCHA-Seatac Limited Partnership And/Or the Acquisition of the Interests of the Limited Partner of the Partnership by the Authority, the Assignment and Assumption by the Authority of the Obligations of the Partnership with Respect to the Project and Bonds Issued to Finance the Project, and Determining Related Matters

On motion by Commissioner Stewart, seconded by Commissioner Palmer, which motion was duly carried by unanimous vote, the Board approved Resolution No. 5474.

C. Resolution No. 5475: Joint Interlocal Agreement for Research Services with Tacoma, Portland and Seattle Housing Authorities

On motion by Commissioner Stewart, seconded by Commissioner Palmer, which motion was duly carried by unanimous vote, the Board approved Resolution No. 5475.

VII. RESOLUTIONS FOR DISCUSSION AND POSSIBLE ACTION

A. Resolution No. 5476: Authorizing the Disposition of Greenbridge West Bulk Parcel 3 by Negotiated Sale to BDR Homes, LLC

John Eliason, Development Director HOPE VI Greenbridge, briefed the Board of Commissioners on Resolution No. 5475, which authorizes the Executive Director to execute a Purchase and Sales Agreement to sell the Greenbridge West Bulk Parcel 3 to BDR Homes, LLC for construction and sale of market rate attached and detached homes.

All questions raised by the Commissioners were satisfactorily addressed by staff.

On motion by Commissioner Palmer, seconded by Commissioner Stewart, which motion was duly carried by unanimous vote, the Board approved Resolution No. 5476.

B. Resolution No. 5477: Authorizing the Executive Director of the Housing Authority of the County of King to Approve, Execute and Deliver all Documents relating to the Vantage Point Rental Housing Project, including but not limited to Limited Liability Company Documents, Line of Credit Documents, Housing Authority Loan Documents and HUD Documents

Tim Walter, Senior Director of Acquisitions and Asset Management, briefed the Board of Commissioners on Resolution No. 5477, which authorizes the Executive Director to approve, execute and deliver all documents related to the project. Mr. Walter further explained the financing plan and assessment of the project related risks as well as planned mitigations. Mr. Walter also provided a financial analysis handout for Vantage Point.

On motion by Commissioner Palmer, seconded by Commissioner Stewart, which motion was duly carried by unanimous vote, the Board approved Resolution No. 5477.

VIII. BRIEFINGS & REPORTS

A. New Bank Accounts

Craig Violante, Director of Finance, announced that KCHA has opened three new bank accounts relating to the previously Board approved Gilman Square Acquisition.

B. Second Quarter Write-Offs

Connie Davis, Deputy Executive Director and Chief Administrative Officer, briefed the Board on the Second Quarter Summary Write-Offs for 2014.

C. Quarterly Procurement Report

Ms. Davis also briefed the Board on the Second Quarter Procurement Report for Calendar Year 2014.

D. Risk Management and Insurance Presentation

Mark Abernathy, Risk Manager, gave a presentation on Risk Management and Insurance Policy at KCHA. Mr. Abernathy and representatives from KCHA's insurance broker, Parker, Smith and Feek, provided an annual summary of KCHA's Risk Management Program. Mr. Abernathy explained the 2013-14 Program accomplishments, current Insurance Program and 2014-15 Insurance Renewal, along with the anticipated changes.

E. Executive Director's Report

Executive Director, Stephen Norman, introduced Jennifer Ramirez Robson as the new Director of Resident Services.

IX. COMMISSIONER COMMENTS

None.

RECESS FOR MOVING KING COUNTY FORWARD SPECIAL BOARD OF DIRECTORS' MEETING

Chair Barnes called for a recess for the Moving King County Forward Special Board meeting at 10:15 AM.

X. RECONVENE AT CONCLUSION OF MOVING KING COUNTY FORWARD BOARD MEETING

The meeting of the Board of Commissioners was reconvened at 10:25 AM by Chair Barnes.

XI. EXECUTIVE SESSION

Chair Barnes called for an Executive Session at 10:25 AM for approximately fifteen minutes as authorized by RCW 42.30.110(g) – "to review the performance of a public employee."

The meeting of the Board of Commissioners was reconvened at 10:45 by Chair Barnes.

No action was taken by the Board as a result of the Executive Session.

XII. TOUR OF BDR BUILDING SITE (803 SW 96TH PLACE, SEATTLE, WA 98106) AND WEST BULK PARCEL 3 (INTERSECTION OF 10TH AVE SW AND SW 97TH PLACE, SEATTLE, WA 98106)

Chair Barnes announced a recess at 10:45 AM in order for the Commissioners to conduct a tour of the BDR Building site and West Bulk Parcel 3.

The meeting of the Board of Commissioners was reconvened at 10:58 AM by Chair Barnes.

XIII. ADJOURNMENT

On motion by Commissioner Stewart, seconded by Commissioner Palmer, which motion was duly carried by unanimous vote, the Board adjourned the meeting at 11:20 AM.

**THE HOUSING AUTHORITY OF THE
COUNTY OF KING, WASHINGTON**

DOUGLAS J. BARNES, Chair
Board of Commissioners

STEPHEN J. NORMAN
Secretary

**KING COUNTY HOUSING AUTHORITY
INTEROFFICE MEMORANDUM**

TO: THE BOARD OF COMMISSIONERS, HOUSING AUTHORITY OF
THE COUNTY OF KING, WASHINGTON

FROM: LINDA RILEY

SUBJECT: VOUCHER CERTIFICATION FOR JUNE 2014

I, Linda Riley, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, and that the claims represented by the vouchers listed below were just obligations of the Housing Authority of the County of King, and that I am authorized to authenticate and certify said claims.



Linda Riley
Controller
July 28, 2014

Bank Wires / ACH Withdrawals	1,302,458.35
<i>Subtotal</i>	<u>1,302,458.35</u>
Accounts Payable Vouchers	
Checks - #241873-#242484	4,257,801.95
<i>Subtotal</i>	<u>4,257,801.95</u>
Payroll Vouchers	
Checks - #83246-#83295	55,858.59
Direct Deposit	1,170,420.09
<i>Subtotal</i>	<u>1,226,278.68</u>
Section 8 Program Vouchers	
Checks - #605148-#605540	256,774.44
ACH - #276627-#279808	9,318,006.50
<i>Subtotal</i>	<u>9,574,780.94</u>
Purchase Card / ACH Withdrawal	246,521.27
<i>Subtotal</i>	<u>246,521.27</u>
GRAND TOTAL	<u>16,607,841.19</u>

TO: THE BOARD OF COMMISSIONERS, HOUSING AUTHORITY OF
THE COUNTY OF KING, WASHINGTON

FROM: Wen Xu

SUBJECT: VOUCHER CERTIFICATION FOR JUNE 2014

I, Wen Xu, do hereby certify under penalty of perjury that the claims represented by the transactions below were just, due, and unpaid obligations against the Housing Authority, and that I, and my designees, are authorized to authenticate and certify said claims.


Wen Xu
Director, Managed Assets
July 24, 2014

Property	Withdrawals per Bank Statement		Funds Requested for Operations		Balance
Jun-14	Date	\$	\$	Details	\$
Bellepark East	6/6/2014	\$ 3,060.85	\$ 3,060.86	A/P	\$ (0.01)
	6/12/2014	\$ 12,037.36	\$ 12,037.36	A/P & Payroll	\$ -
	6/26/2014	\$ 15,791.25	\$ 15,791.25	A/P & Payroll	\$ -
Colonial Gardens	6/5/2014	\$ 5,334.89	\$ 5,334.89	A/P	\$ -
	6/12/2014	\$ 8,679.43	\$ 8,679.43	A/P & Payroll	\$ -
	6/19/2014	\$ 6,255.12	\$ 6,255.12	A/P	\$ -
	6/26/2014	\$ 9,394.48	\$ 9,394.48	A/P & Payroll	\$ -
Cottonwood	6/5/2014	\$ 4,209.26	\$ 4,209.26	A/P	\$ -
	6/12/2014	\$ 14,018.52	\$ 14,018.52	A/P & Payroll	\$ -
	6/19/2014	\$ 7,491.46	\$ 7,491.46	A/P	\$ -
	6/26/2014	\$ 17,672.14	\$ 17,672.14	A/P & Payroll	\$ -
Cove East	6/5/2014	\$ 13,308.59	\$ 13,308.59	A/P	\$ -
	6/12/2014	\$ 30,308.85	\$ 30,308.85	A/P & Payroll	\$ -
	6/19/2014	\$ 23,935.75	\$ 23,935.75	A/P	\$ -
	6/26/2014	\$ 24,810.46	\$ 24,810.46	A/P & Payroll	\$ -
Landmark	6/5/2014	\$ 14,872.55	\$ 14,872.55	A/P	\$ -
	6/5/2014	\$ 2,666.84	\$ 2,666.84	Debt Service	\$ -
	6/12/2014	\$ 18,274.23	\$ 18,274.23	A/P & Payroll	\$ -
	6/19/2014	\$ 13,173.28	\$ 13,173.28	A/P	\$ -
	6/26/2014	\$ 31,482.19	\$ 31,482.19	A/P & Payroll	\$ -
Timberwood	6/5/2014	\$ 4,253.70	\$ 4,253.70	A/P	\$ -
	6/12/2014	\$ 23,223.34	\$ 23,223.34	A/P & Payroll	\$ -
	6/19/2014	\$ 27,986.49	\$ 27,986.49	A/P	\$ -
	6/26/2014	\$ 28,152.87	\$ 28,152.87	A/P & Payroll	\$ -
Woodland North	6/5/2014	\$ 3,695.89	\$ 3,695.89	A/P	\$ -
	6/12/2014	\$ 20,162.60	\$ 20,162.60	A/P & Payroll	\$ -
	6/19/2014	\$ 7,442.45	\$ 7,442.45	A/P	\$ -
	6/26/2014	\$ 14,793.32	\$ 14,793.32	A/P & Payroll	\$ -
Woodside East	6/5/2014	\$ 6,113.47	\$ 6,113.47	A/P	\$ -
	6/12/2014	\$ 47,105.50	\$ 47,105.50	A/P & Payroll	\$ -
	6/19/2014	\$ 25,284.57	\$ 25,284.57	A/P	\$ -
	6/26/2014	\$ 45,205.74	\$ 45,205.74	A/P & Payroll	\$ -
Alpine Ridge	6/5/2014	\$ 2,653.87	\$ 2,653.87	Payroll	\$ -
	6/12/2014	\$ 1,414.35	\$ 1,414.35	A/P	\$ -
	6/19/2014	\$ 2,840.02	\$ 2,840.02	Payroll	\$ -
	6/24/2014	\$ 1,961.00	\$ 1,961.00	Deposit Correction	\$ -
	6/26/2014	\$ 28,873.28	\$ 28,873.28	A/P	\$ -
Aspen Ridge	6/5/2014	\$ 4,129.05	\$ 4,129.05	Payroll	\$ -
	6/12/2014	\$ 5,618.57	\$ 5,618.57	A/P	\$ -
	6/19/2014	\$ 3,964.94	\$ 3,964.94	Payroll	\$ -
	6/26/2014	\$ 6,195.19	\$ 6,195.19	A/P	\$ -
Auburn Square	6/3/2014	\$ 115,185.00	\$ 115,185.00	A/P Hot Check	\$ -
	6/5/2014	\$ 7,881.68	\$ 7,881.68	Payroll	\$ -
	6/12/2014	\$ 17,784.17	\$ 17,784.17	A/P	\$ -
	6/19/2014	\$ 7,949.57	\$ 7,949.57	Payroll	\$ -
	6/26/2014	\$ 65,456.34	\$ 65,456.34	A/P	\$ -
Carriage House	6/5/2014	\$ 10,395.24	\$ 10,395.24	Payroll	\$ -
	6/12/2014	\$ 12,666.59	\$ 12,666.59	A/P	\$ -
	6/19/2014	\$ 10,542.24	\$ 10,542.24	Payroll	\$ -
	6/26/2014	\$ 14,724.36	\$ 14,724.36	A/P	\$ -
Cascadian	6/5/2014	\$ 10,968.00	\$ 10,968.00	Payroll	\$ -
	6/12/2014	\$ 19,694.22	\$ 19,694.22	A/P	\$ -
	6/19/2014	\$ 11,436.81	\$ 11,436.81	Payroll	\$ -
	6/26/2014	\$ 13,400.47	\$ 13,400.47	A/P	\$ -
Fairwood	6/5/2014	\$ 8,362.39	\$ 8,362.39	Payroll	\$ -
	6/12/2014	\$ 15,935.62	\$ 15,935.62	A/P	\$ -
	6/19/2014	\$ 9,496.21	\$ 9,496.21	Payroll	\$ -
	6/26/2014	\$ 16,119.73	\$ 16,119.73	A/P	\$ -
Heritage Park	6/5/2014	\$ 4,920.07	\$ 4,920.07	Payroll	\$ -
	6/12/2014	\$ 13,696.40	\$ 13,696.40	A/P	\$ -
	6/19/2014	\$ 5,173.30	\$ 5,173.30	Payroll	\$ -
	6/24/2014	\$ 1,961.00	\$ 1,961.00	Deposit Correction	\$ -
	6/26/2014	\$ 10,970.24	\$ 10,970.24	A/P	\$ -
Laurelwood	6/5/2014	\$ 4,630.68	\$ 4,630.68	Payroll	\$ -
	6/12/2014	\$ 11,213.52	\$ 11,213.52	A/P	\$ -
	6/19/2014	\$ 5,434.78	\$ 5,434.78	Payroll	\$ -
	6/26/2014	\$ 12,856.15	\$ 12,856.15	A/P	\$ -

Meadows	6/5/2014	\$ 16,180.06	\$ 16,180.06	Payroll	\$ -
	6/12/2014	\$ 4,993.34	\$ 4,993.34	A/P	\$ -
	6/19/2014	\$ 5,431.20	\$ 5,431.20	Payroll	\$ -
	6/26/2014	\$ 9,647.37	\$ 9,647.37	A/P	\$ -
Newporter	6/5/2014	\$ 7,865.73	\$ 7,865.73	Payroll	\$ -
	6/12/2014	\$ 30,135.45	\$ 30,135.45	A/P	\$ -
	6/19/2014	\$ 7,902.87	\$ 7,902.87	Payroll	\$ -
	6/26/2014	\$ 8,055.19	\$ 8,055.19	A/P	\$ -
Parkwood	6/5/2014	\$ 5,226.57	\$ 5,226.57	Payroll	\$ -
	6/12/2014	\$ 20,284.18	\$ 20,284.18	A/P	\$ -
	6/19/2014	\$ 4,499.77	\$ 4,499.77	Payroll	\$ -
	6/26/2014	\$ 5,834.59	\$ 5,834.59	A/P	\$ -
Walnut Park	6/5/2014	\$ 4,572.09	\$ 4,572.09	Payroll	\$ -
	6/12/2014	\$ 13,812.85	\$ 13,812.85	A/P	\$ -
	6/19/2014	\$ 5,206.92	\$ 5,206.92	Payroll	\$ -
	6/26/2014	\$ 5,914.56	\$ 5,914.56	A/P	\$ -
Woodridge Park	6/5/2014	\$ 14,571.07	\$ 14,571.07	Payroll & A/P Hot Check	\$ -
	6/12/2014	\$ 37,062.96	\$ 37,062.96	A/P	\$ -
	6/19/2014	\$ 11,683.35	\$ 11,683.35	Payroll	\$ -
	6/26/2014	\$ 31,282.15	\$ 31,282.15	A/P	\$ -
Bellevue Manor	6/5/2014	\$ 20,029.51	\$ 20,029.51	A/P	\$ -
	6/19/2014	\$ 14,510.33	\$ 14,510.33	A/P	\$ -
Charter House	6/5/2014	\$ 3,183.55	\$ 3,183.55	A/P	\$ -
	6/19/2014	\$ 10,495.43	\$ 10,495.43	A/P	\$ -
Northwood Square	6/5/2014	\$ 4,929.68	\$ 4,929.68	A/P	\$ -
	6/19/2014	\$ 6,021.97	\$ 6,021.97	A/P	\$ -
Patricia Manor	6/5/2014	\$ 9,862.08	\$ 9,862.08	A/P	\$ -
	6/19/2014	\$ 19,194.39	\$ 19,194.39	A/P	\$ -
Vashon Terrace	6/5/2014	\$ 1,128.85	\$ 1,128.85	A/P	\$ -
	6/19/2014	\$ 4,543.91	\$ 4,543.91	A/P	\$ -
Rainier View I	6/12/2014	\$ 17,177.64	\$ 17,177.64	A/P	\$ -
	6/24/2014	\$ 7,737.57	\$ 7,737.57	A/P	\$ -
Rainier View II	6/12/2014	\$ 14,606.98	\$ 14,606.98	A/P	\$ -
	6/24/2014	\$ 3,270.00	\$ 3,270.00	A/P	\$ -
Si View	6/12/2014	\$ 5,549.26	\$ 5,549.26	A/P	\$ -
	6/24/2014	\$ 6,783.08	\$ 6,783.08	A/P	\$ -
Meadowbrook	6/5/2014	\$ 27,767.92	\$ 27,767.92	A/P	\$ -
	6/19/2014	\$ 61,305.28	\$ 61,305.28	A/P	\$ -
Portfolio Totals:		\$ 1,514,942.19	\$ 1,514,942.20		\$ (0.01)

Withdrawals Per Bank	\$1,514,942.19
Funds Requested for Operations	\$1,514,942.20
Balance	-\$0.01

.01 discrepancy in Belleparks 6/6/2014 funding due to CashPro issues resulting from outdated PC requirements. PC requirements have since been updated.



To: Board of Commissioners

From: Connie Davis, Deputy Executive Director

Date: August 13, 2014

Re: Resolution No. 5478: Authorizing the Executive Director of the Housing Authority of the County of King to enter into an Interlocal Agreement with the Housing Authority of the City of Yakima for Financial Consulting Services

Resolution No. 5478 authorizes the Executive Director to enter into an Intergovernmental Cooperative Purchasing Agreement with the Yakima Housing Authority (YHA). This will allow YHA to “piggyback” on procurement for financial consulting services, with J.H. Brawner.

In February 2012, KCHA conducted a procurement which conformed to HUD’s 24 Part 85.36 as well as its own Board approved procurement policy. Mr. Brawner was selected to perform financial consulting services, primarily for KCHA’s HOPE VI projects. The contract expires in March 2015.

Chapter 39.34 RCW, The Interlocal Cooperation Act, permits public agencies to cooperate and exercise joint powers in carrying out their public purposes, including the purchase of goods and services. Execution of an Interlocal agreement in the form attached to Resolution 5478 will permit YHA to procure the services of J.H. Brawner for financial consulting services.

Yakima’s Board of Commissioners adopted Resolution 14-798 on July 23, 2014 to allow for them to enter into this Interlocal Agreement.

Passage of the resolution is recommended.

THE HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION No. 5478

**AUTHORIZING THE EXECUTIVE DIRECTOR OF THE HOUSING AUTHORITY OF
THE COUNTY OF KING TO ENTER INTO AN INTERLOCAL AGREEMENT WITH
THE HOUSING AUTHORITY OF THE CITY OF YAKIMA FOR FINANCIAL
CONSULTING SERVICES**

WHEREAS, the Housing Authority of the City of Yakima seeks to secure a consultant to assist in financial consulting services; and,

WHEREAS, the Housing Authority of the County of King has followed the United States Department of Housing and Urban Development procurement process 24 CFR 85.36 and the Housing Authority of the County of King Procurement Policy in procuring financial consultation services with J.H. Brawner in February 2012; and,

WHEREAS, the Housing Authority of the City of Yakima wishes to use the services of J.H. Brawner for financial consulting services; and,

WHEREAS, RCW Chapter 39.34 (The Interlocal Cooperation Act) permits public agencies to cooperate and exercise joint powers in carrying out their public purposes, including the purchase of goods and services, and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING, THAT:

The Executive Director is hereby authorized to enter into an Interlocal Cooperative Purchasing Agreement with the Housing Authority of the City of Yakima substantially in the form attached.

ADOPTED AT A SPECIAL MEETING OF THE BOARD OF THE COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING THIS 18TH DAY OF AUGUST 2014.

**THE HOUSING AUTHORITY OF THE
COUNTY OF KING, WASHINGTON**

DOUGLAS J. BARNES, Chair

STEPHEN NORMAN

Secretary

RESOLUTION 14-798
A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR OF THE
HOUSING AUTHORITY OF THE CITY OF YAKIMA TO ENTER INTO AN
INTERLOCAL AGREEMENT WITH THE HOUSING AUTHORITY OF THE
COUNTY OF KING FOR FINANCIAL CONSULTING SERVICES

WHEREAS, The Housing Authority of the City of Yakima (YHA) seeks to secure a consultant to provide assistance with the development of future projects, and;

WHEREAS, The Housing Authority of the County of King has followed the HUD procurement process 24 CFR 85.36 and procurement policy in procuring financial consultation services with J.H. Brawner in February 2012, and;

WHEREAS, YHA wishes to use the services of J.H. Brawner for consultation for future project development, and;

WHEREAS, RCW Chapter 39.34, the Interlocal Cooperation Act, permits public agencies to cooperate and exercise joint powers in carrying out public purposes, including the purchase of goods and services.

NOW THEREFORE, be it resolved that the Board of Commissioners of the Housing Authority of the City of Yakima, in a regular meeting, a quorum being present, does hereby approve and authorize the Executive Director to enter into an Interlocal Cooperative Purchasing Agreement with the Housing Authority of the County of King substantially in the form attached.

PASSED AND ADOPTED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF YAKIMA THIS 23RD DAY OF JULY, 2014.

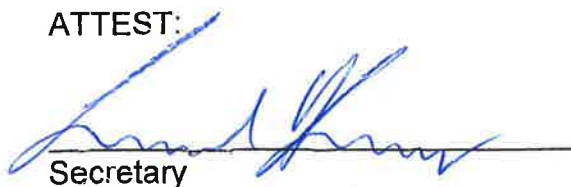


Chairman, Board of Commissioners

7/23/14

Date

ATTEST:


Secretary

INTERLOCAL COOPERATIVE PURCHASING AGREEMENT

Pursuant to Chapter 39.34 of the Revised Code of Washington State, the King County Housing Authority (KCHA) and the Housing Authority of the City of Yakima (YHA) hereby agree to the terms of this Interlocal Cooperative Purchasing Agreement for the use of the solicitation process in obtaining consulting services with J.H. Brawner and Company. The following terms and conditions are applicable to this Agreement:

1. Each party has agreed that KCHA has followed the HUD procurement process 24 CFR 85.36 and KCHA's Procurement Policy in obtaining consulting services with J.H. Brawner and Company.
2. Each party has agreed that KCHA's decision to contract with J.H. Brawner and Company is without prejudice and meets applicable laws and policies.
3. Each party has agreed to enter into separate contracts with J.H. Brawner and Company, with each contract having specific terms and agreements.
4. A party to this Agreement shall not accept responsibility for the performance of consulting services contracted for by the other party as a result of this Agreement.
5. A party to this Agreement shall not be responsible for the payment of any item(s) or service(s) contracted for by the other party as a result of this Agreement.
6. This Agreement shall continue in force until cancelled in writing by either party.

IN WITNESS WHEREOF, the parties hereto have executed this Interlocal Cooperative Purchasing Agreement by having their representatives affix their signatures below.

King County Housing Authority
600 Andover Park West
Tukwila, WA 98188

Housing Authority of the City of Yakima
810 N. 6th Avenue
Yakima, WA 98902

Signature

Date

Stephen J. Norman
Executive Director



Signature



Date

Lowel J. Krueger
Executive Director



To: Board of Commissioners

From: Mark Abernathy, Risk Manager

Date: August 13, 2014

Re: Resolution No. 5479: Adoption of a Revised Risk Management Policy

Resolution No. 5479 authorizes the adoption of a revised Risk Management Policy, a copy of which is attached as Exhibit A. The revised Risk Management Policy, which reflects procedural changes within KCHA and current best practices and requirements of our partner insurers, would replace the current policy adopted by the Board of Commissioners in 2003.

The Risk Management Division administers the KCHA loss control, risk and insurance programs. Risk Management's mission is to provide loss prevention and control programs and direction, insurance, environmental and casualty claims management services to various KCHA departments to reduce or eliminate losses and protect KCHA's assets.

Risk Management's primary activities are:

- Risk identification and mitigation
- Insurance procurement and broker selection
- Co-administration and monitoring of third party administrators' adjusting of workers' compensation claims
- Coordination of the casualty and property claims and lawsuits
- Safety training, reporting, and compliance
- Loss prevention and control programs
- Environmental investigation, remediation, and reporting
- Contractual indemnification and insurance requirement language drafting and review

In September 2003, the KCHA Board of Commissioners adopted a Risk Management Policy (Resolution No. 4016) for the King County Housing Authority. In the intervening years, the Authority has grown both in terms of size and complexity with more employees and assets to protect. As a result, the Policy requires updating on a periodic basis.

In late 2003, KCHA hired a full-time Risk Manager, and has since added a Risk Management Specialist and Safety Officer to the Risk Management Division which operates within the Administrative Services Department. The revised Policy establishes the roles and authority of the Risk Manager position, as well as clarifying the responsibility of the KCHA directors, managers, supervisors, and employees to participate in the Risk Management accident and loss prevention programs.

The revised Policy also memorializes the Accident and Illness Prevention Program and Emergency Preparation Program, both important pieces of KCHA's focus on the wellbeing of its employees.

Furthermore, the revised Policy establishes a Risk Management Committee comprised of the KCHA Departments most active in the KCHA insurance programs. The Risk Management Committee will assist with the oversight of the insurance broker selection, insurance and loss prevention programs, and accident/incident review.

Following adoption of the revised Policy, under the direction of the Risk Management Committee, the Risk Management Division will implement a formal Accident and Illness Prevention Program aimed at reducing or eliminating worker injuries. The Risk Manager will also establish guidelines for the insurance and indemnification language in all KCHA contracts, leases, and third-party agreements.

One of KCHA's insurers, the Housing Authority Risk Retention Group (HARRG) offers a loss control dividend for members who evidence a strong loss control ethic through adoption and utilization of certain policies and procedures. With passage of this resolution, KCHA anticipates a higher score on their dividend metric which staff estimates will increase the dividend roughly \$1,500 per year.

Passage of the resolution is recommended.

THE HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5479

REVISIONS TO THE RISK MANAGEMENT POLICY OF THE AUTHORITY

WHEREAS, risk is defined as the exposure to adverse events that will have a financial impact on organizational resources; and,

WHEREAS, during the normal course of conducting the business of the Authority, its physical, human and fiscal resources are routinely exposed to various risks that can result in losses to the Authority; and,

WHEREAS, in each and every program of the Authority, the physical, human and fiscal resources of the Authority should be managed in a manner that will reasonably eliminate and/or control risk; and,

WHEREAS, a written risk management policy can be used to communicate the importance of risk management to all staff; to establish risk management goals and objectives; and, to define the relationship that risk management personnel have with other personnel within the Authority; and,

WHEREAS, in September 2003 the Board of Commissioner, through Resolution 4016 adopted a Risk Management Policy which because of changes in best practices, and expansion of the Authority's roles and perils, should now be revised and expanded;

NOW, THEREFORE, BE IT RESOLVED, BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING, THAT:

SECTION 1: The Board of Commissioners of the Housing Authority of the County of King hereby authorizes and approves a revised Risk Management Policy which is attached hereto as Exhibit A and made a part hereof as though fully set forth herein.

ADOPTED AT A SPECIAL MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING THIS 18TH DAY OF AUGUST, 2014.

**THE HOUSING AUTHORITY OF THE
COUNTY OF KING, WASHINGTON**

DOUGLAS J. BARNES, Chair
Board of Commissioners

STEPHEN J. NORMAN
Secretary-Treasurer

DRAFT August 13, 2014**KING COUNTY HOUSING AUTHORITY****RISK MANAGEMENT POLICY****PURPOSE**

It shall be the policy of the King County Housing Authority (KCHA) to manage the conditions that lead to accidental losses of all types. KCHA will endeavor to prevent employee injuries and property damage, and to protect the safety of its employees, tenants and the general public.

Where KCHA cannot eliminate its exposure to risk, KCHA shall minimize the organizational exposures through a combination of risk mitigation, insurance and risk transfer programs.

The purpose of this policy is to establish risk management procedures; provide for the purchase of insurance; improve conditions relating to employee, tenant and public safety; and provide procedures for dealing with claims and lawsuits for alleged tortious conduct involving KCHA.

This policy establishes the KCHA Risk Management Division as a division within the Administrative Services Department. The purpose of the Risk Management Division is to manage the KCHA property, liability, safety, and insurance programs. The Division also provides consultation and guidance to all departments in risk analysis and loss prevention strategies, especially in the areas related to employee safety; property loss and liability exposures; property insurance, excess liability insurance, crime insurance, and bond requirements; insurance and language requirements in contracts and procurement documents; and other risk management related issues.

DEFINITIONS

“Board” means the King County Housing Authority Board of Commissioners;

“Claim” means (1) any claim for, at least in part, monetary damages against KCHA, or agents or employees of KCHA, within the agents’ or employees’ scope of employment; and (2) any direct damages or loss to KCHA property;

“Executive Director” means the KCHA Executive Director or his or her designee;

“Lawsuit” means any lawsuit naming KCHA or an agent or employee of KCHA acting within his or her scope of employment, as a defendant or third-party defendant, which lawsuit alleges a cause of action and seeks, at least in part, money damages;

“Risk Management” means a coordinated and continuous management process to identify and analyze and mitigate potential loss exposures.

“Risk Manager” means the person so designated by the Executive Director to oversee and be responsible for the Risk Management Program;

“Risk Management Committee” means a committee composed of representatives of departments that are most active in the insurance program.

SECTION 1 – Risk Management Division; Duties of the Risk Manager

1. Duties of the Risk Manager:

- a. The Risk Manager may negotiate with and recommend the selection of qualified insurance brokers for any type of liability and/or casualty insurance and/or official bonds as deemed necessary by the Executive Director. All such recommendations will be reviewed by Risk Management Committee prior to submittal to the Executive Director.
- b. The Risk Manager shall be responsible for recommending to the Risk Management Committee the design of insurance programs, including the amount of services to be established, and the appropriate retention levels.
- c. The Risk Manager shall recommend to all KCHA departments, divisions, and other programs of the Authority methods to reduce hazards to the employees, tenants and the public.
- d. The Risk Manager shall maintain histories of all claims and lawsuits, whether insured or funded through self-insurance, loss histories and investigations of claims and incident reports.
- e. The Risk Manager shall make tenders of potentially insured claims to insurance carriers.
- f. The Risk Manager shall prepare such policies and guidelines as are necessary to inform KCHA employees of their responsibilities in relation to accident reporting and risk management policy. These policies and guidelines shall be reviewed by the Risk Management Committee. The Risk Manager shall be responsible for the dissemination of such policies and guidelines.
- g. The Risk Manager may investigate any incidents or conditions, for the purpose of possible litigation and/or preventing future incidents.

SECTION 2 –Risk Management Committee

The KCHA Risk Management Committee is made up of the Risk Manager and KCHA Departmental Managers/Directors active in the insurance program and is tasked with the assignment to review accidents/incidents involving KCHA property and/or employees in an effort to identify risks that may have contributed to the accident/incident. The Committee shall be represented by, at a minimum, the following KCHA departments:

- Administrative Services
- Housing Management
- Human Resources
- Asset Management

1. Incident/Accident Review. The following type of accidents and or incidents will be reviewed by the Risk Management Committee on at least a quarterly basis:
 - a. Death;
 - b. Recordable Workers' Compensation Claims;
 - c. Claims, damages, lawsuits or property losses in excess of \$10,000;
 - d. Substantial loss related to KCHA policies, procedures, or management practices, particularly where it appears there is a risk the event may recur; and
 - e. Substantial loss related to litigation or defense practices.
2. Committee Meetings. The committee shall meet to conduct its business at least quarterly. Special meetings to address critical issues can be called by the Risk Manager or Chairperson with 24 hours of notice to the members.
3. Chairperson. The Risk Management Committee shall elect a chairperson and a vice-chairperson of the committee. The Risk Manager shall serve as secretary of the committee.
4. Powers and Duties of Committee. The Risk Management Committee will review quarterly reports of the Risk Manager. Each member will provide input from their department regarding the policies of loss control. The Committee may make recommendations to the Executive Director or the KCHA Board regarding policies and policy changes. Each member will communicate loss control policies and changes to their respective departments.
5. Additional Duties. In addition to the functions set out above, upon request of the Board or the Executive Director, the Risk Management Committee may examine insurance requirements that may be generated by agreements of all kinds entered into by the Authority and report thereon to the Board. The Committee, in conjunction with the Risk Manager, shall serve as a body to disseminate and communicate information to various department directors and to the board in the furtherance of the loss control program.

SECTION 3 – Accident and Illness Prevention Program

It is the policy of the King County Housing Authority to provide and maintain a safe and healthful work environment and to establish operating practices that will safeguard the welfare of its employees, tenants, and the public (Accident and Illness Prevention Program).

Implementation and integration of the Accident and Illness Prevention Program is dependent on all levels of management. Identification and correction of potentially hazardous operations will be given prompt and positive action by management.

The Risk Manager is delegated responsibility for developing an effective and an ongoing Accident and Illness Prevention Program. Staff direction, training, and management of the plan will be accomplished by the Risk Management Division staff.

Each employee and volunteer will be responsible for implementing the provisions of the Accident and Illness Prevention Program. The responsibilities listed below are MINIMUM and they shall in no way be construed to limit individual initiative to implement more comprehensive procedures to curb risks.

1. Division and Department Directors. Division/Department Directors will be responsible and accountable for preventable accidents and for compliance with the provisions of these policies within his/her Division/Department. The Division/Department Head shall ensure:
 - a. The Department and Division maintain compliance with the KCHA Accident and Illness Prevention Program requirements.
 - b. All hazardous tasks are performed in a manner consistent with specific published work policies to minimize the potential for injury and property damage.
 - c. All personnel are briefed and fully understand safe work procedures.
 - d. All personnel are instructed and understand the proper use, storage, and maintenance of personal protective equipment for hazardous tasks.
 - e. KCHA safety equipment, devices and protective equipment for each task are available and properly used.
 - f. Maintenance and property management personnel attend monthly safety meetings to review accidents, analyze their causes, provide safety training, and promote free discussion of hazardous work problems and possible solutions.
 - g. Personnel are encouraged to submit safety suggestions and comments.
 - h. All recordable accidents are promptly reported and thoroughly investigated by Risk Management.
 - i. Risk Management is contacted when assistance is needed in implementing the Accident and Illness Prevention Program.
 - j. Personnel are scheduled for necessary safety training.
 - k. Toxic and hazardous materials are identified, handled, and stored properly.

2. Managerial and Supervisory Personnel. Each Manager and Supervisor has responsibility for maintenance of a safe workplace and compliance with the Accident and Illness Prevention Program. The Manager or Supervisor has authority to enforce the provisions of this Program to keep accident and incidents to an absolute minimum. Each Manager and Supervisor shall:
 - a. Assume responsibility for a safe and healthful working environment on behalf of his/her personnel.
 - b. Be held accountable for preventable injuries, accidents, and liabilities caused by the employees.
 - c. Ensure that all provisions of the Accident and Illness Prevention Program are understood and implemented.
 - d. Be firm in enforcement of work policies and procedures including being impartial in taking disciplinary action against those who fail to conform, and by being prompt in giving recognition to those who perform well.
 - e. Ensure that employees regularly attend safety meetings and training classes.
 - f. Ensure that employees only operate equipment for which they are trained and qualified.
 - g. Instruct all employees that all accidents must be reported immediately.
 - h. Maintain a continuous program of on-the-job training and supervise all unusually hazardous activities.
 - i. Verify with Human Resources that all employees are physically qualified to perform their work.
 - j. Mark all areas prescribed as dangerous with warnings of the hazard involved.
 - k. Ensure that only authorized persons are permitted to enter hazardous work areas.
 - l. Properly identify, label, handle and store toxic/hazardous materials.
3. Employee Responsibilities. Employees are required, as a condition of continued employment, to exercise due care in the course of their work to prevent injuries or damages to themselves, their fellow workers, tenants, and the public. Every KCHA employee shall:
 - a. Report all reportable incidents accidents, and unsafe conditions and acts immediately to their Supervisors.
 - b. Be individually responsible for maintaining a safe working environment.
 - c. Keep work areas and vehicles neat and orderly at all times.
 - d. Follow KCHA policies and procedures.
 - e. Be certain that instructions are completely understood before starting work.
 - f. Lift and handle materials properly.
 - g. Avoid engaging in horseplay and/or distracting others in the work environment.
 - h. Attend safety meetings and review the safety educational material posted on bulletin boards or distributed to their work area.
 - i. Not damage or destroy any warning or safety device, or interfere in any way with another employee's use of them.
 - j. Only operate equipment for which they are trained and qualified.

- k. Properly use, handle, and store hazardous materials.
4. Risk Manager. The Risk Manager is delegated the responsibility by the KCHA Executive Director to provide advice, guidance and any aid needed by management to prevent accidents, including, but not limited to the following:
- a. Provide technical guidance and direction to KCHA personnel at all levels of management in the implementation of the Accident and Illness Prevention Program.
 - b. Assist each Department and Division, identify and deliver necessary training programs.
 - c. Consult with various departments on the use and selection of equipment to ensure compliance with applicable rules and regulations.
 - d. Assist with the audits, inspection, and evaluations of KCHA equipment facilities to detect existing or potential hazards and recommend corrective or preventive measures.
 - e. Participate in the investigation of reportable accidents and injuries.
 - f. Provide management with statistical studies of incident data for use in promoting accident and loss prevention programs. This data will be coordinated with the Risk Management Committee.
 - g. Aid in establishing and monitoring safety related committees.
 - h. Coordinate all safety inspections and audits.
 - i. Assist Human Resources in the management of Workers' Compensation claims and job placement of employees able to return to work after on the job injuries.
 - j. Maintain the Accident and Illness Prevention Program Policies.

SECTION 4 – Emergency Preparedness Program (EPREP)

KCHA departments must provide for the safety of persons, property and KCHA facilities in case of an emergency. Department directors are responsible for ensuring that employees are trained and prepared to respond to an emergency or a threatening incident.

1. Emergency Preparedness Plans. Each department is required to develop and maintain an Emergency Preparedness Plan. At a minimum, the Plan is to have the following components:
- a. Emergency Evacuation Plan, which contains a list of department employees,
 - b. Designated escape routes and assigned monitors that will confirm all employees and visitors are evacuated and directed to an identified assembly area.
 - c. Emergency reporting (e.g. calling 911, contacting supervisor or department director).
 - d. Bomb threat procedures.
 - e. Fire response procedures.
 - f. Earthquake response procedures.
 - g. Medical emergency procedures.
 - h. Intra-and inter-departmental communications during an emergency.

2. Plan Development Assistance. The Risk Manager, EPREP Committee, and Administrative Services Division will assist departments in developing, testing, and evaluating an Emergency Preparedness Plan and in designing training drills. Departments storing and/or using hazardous materials should coordinate with the local Health and Fire Departments.
3. Evacuation Drills. An evacuation drill should be conducted at each KCHA facility annually.

SECTION 5 – Contract Guidelines for Insurance/Indemnification Language

All contracts, leases, and third-party agreements, and bid documents developed by KCHA, should comply with the minimum insurance and hold harmless/indemnification requirements recommended by the KCHA Risk Manager. Departments may discuss with the Risk Manager the waiving or lessening of these requirements on a case-by-case basis. After consultation with the Deputy Executive Director, the Risk Manager will notify the department whether the requirements may be waived or lessened.

Short form contracts, generic contracts, professional agreements and leases should be discussed on an individual basis with the Risk Manager, as should all new contracts and bid documents, to ensure that appropriate requirements are included.

Each department is responsible for obtaining proof of insurance (such as certificates and policy endorsements) documenting that all required kinds and amounts of insurance coverage has been obtained by the contractors before any work begins.

SECTION 6 – Loss Control/Prevention Programs

KCHA recognizes that a well-conceived, comprehensive risk management and loss control program requires a significant commitment of time and resources at all levels including management, supervisors and employees. By evaluating the specific property, general liability, employment and automobile exposures associated with KCHA's operations and implementing appropriate loss control measures to prevent claims and losses, the cost of this commitment is mitigated by the following benefits:

- Reductions in misuse and/or losses to equipment and property
- Reductions in the frequency and severity of accidents
- Reductions in the expenditures for insurance claims
- Provision of a safe environment for employees, tenants, and the general public
- Provision of a defense against claims of negligence when employees or third parties are performing assigned tasks in the scope of employment.

Reducing the cost of risk is the primary objective of KCHA's loss control program. The cost of risk for a specified loss is the total value of all related costs and resources, both direct and indirect. The total cost of risk is the sum of the following:

- The replacement value of all equipment and property damaged or lost
- Total claims expenditures, including legal expenditures
- The costs of loss prevention and control measures
- The costs of insurance premiums
- Administrative and overhead costs

The Risk Manager shall, in concert with the Risk Management Committee, implement and maintain a workable Safety and Loss Prevention Program with the cooperation of all KCHA department directors. The purpose of this Program is to reduce accidents and incidents that result in injuries and/or property damage to KCHA, employees, tenants, contractors, and the public and which in turn reduces the frequency and severity of all property and liability losses.

The Safety and Loss Prevention Program will consist of periodic inspections of facilities, investigating the causes of accidents and losses, developing training programs for employees and communicating safety literature to all departments. Department Directors will then be expected to hold safety meetings and distribute all literature and have such literature posted. The Risk Manager shall make maximum use of any expert services of insurers, and whenever possible, utilize outside sources to develop a more effective Program...

Since reduction of the cost of risk is the primary objective of the loss control program, specific goals that support this primary objective are to:

1. Mitigate exposures to financial losses
2. Protect real property and other physical assets
3. Provide a safe environment and minimize the interruption of services for employees, tenants, contractors, and the public.

SECTION 7 – Casualty and Property Insurance

KCHA uses a combination of loss control, retention, and insurance programs to protect the Authority's assets. Risk Management, in conjunction with its brokers, analyzes the potential perils and hazards that KCHA faces and recommends insurance programs to mitigate losses where other loss prevention strategies are not feasible.

1. KCHA Insurance Program. KCHA shall maintain an insurance program specifically designed to meet the needs of the Housing Authority on the following basis:
 - a. All Department or Division directors shall make recommendations as to which coverage will best protect their particular operation in consultation with the Risk Manager.

- b. Operations within the KCHA departments may be reviewed by the Risk Manager in order to ensure insurance programs remain current with changing requirements.
 - c. The Risk Manager will consult with the Risk Management Committee for their recommendations concerning the insurance programs.
 - d. The Risk Manager will make recommendations to the Risk Management Committee as to proper and adequate insurance coverage.
 - e. After approval by the Risk Management Committee, insurance coverage will be bound by the Risk Manager for all KCHA operations.
- 2. Insurance Costs. Costs that are applicable to a particular KCHA department or project shall be paid through the budgeted funds of that department unless otherwise directed by the Deputy Executive Director.
- 3. Property Inventory. Risk Management shall maintain an inventory of current locations, descriptions and values of all real property owned and leased by KCHA and all information relative to insurance coverage, including original policies.
- 4. Insurance Coverage. The Risk Manager shall, at a minimum, maintain the following insurance coverage:
 - a. Fire Insurance - Building and Contents. KCHA will insure fire losses on all buildings and contents with outside insurance carriers, with an agreed amount subject to a deductible.
 - b. Public Liability and Property Damage Insurance on Motor Vehicles. Public liability and property damage insurance on motor vehicles should only be carried to the extent that it is not practical or feasible for the KCHA to self-retain the risk or as required by law.
 - c. Comprehensive General Liability. Where practical or feasible, KCHA shall insure all general liability exposures for bodily injury and property damage, including personal injury, directors and officers, and professional liability.
 - d. Other Insurance. Other insurance such as crime, fidelity, bonding, Workers' Compensation, health or any other type of coverage deemed necessary by KCHA shall be procured with outside carriers only to the extent that is not practical or feasible for the KCHA to self-retain the exposure.

SECTION 8 – Procedures for Handling and Investigating Claims/Lawsuits

KCHA is committed to resolving those claims in which the Authority has an obligation to pay. Property and casualty claims submitted to KCHA shall be evaluated by the Risk Manager regarding tender to the appropriate insurer and/or legal counsel.

1. Incident Reports:

- a. Any accident that results in property damage or bodily injury shall be reported immediately to the Risk Manager.
- b. Any incident that may give rise to a liability claim against KCHA shall be reported to the Risk Manager on forms provided by the Risk Manager. This shall include claims for bodily injury, personal injury (libel, slander, false arrest or unlawful imprisonment), professional liability or errors and omissions.
- c. A telephone report shall be made immediately to the Risk Management Office for any accident or incident involving bodily injury or property damage in excess of \$1,000. A written report shall be made within 24 hours for all accidents or incidents.

2. Claims Handling:

- a. All claims shall be logged by the Risk Manager, using a uniform coding system.
- b. Investigation of property damage, bodily injury, personal injury and professional liability claims by third parties against KCHA will be investigated on a contractual basis by an independent claims service retained by KCHA or its insurance carriers.
- c. All litigation involving third party liability claims against KCHA will be handled by contract counsel retained by KCHA or its insurance carriers.
- d. Investigation and processing of property damage claims not covered by insurance or under \$25,000 will be directed by the Risk Manager.
- e. Property damage claims in excess of \$25,000 or covered by insurance will be investigated by an adjuster retained by KCHA or its insurance carriers.
- f. Direct damage claims for damage to KCHA property will be referred to the appropriate insurance carrier if commercial insurance is involved. If the damages are self-insured or under the insuring deductible, the claim will be processed by the affected department.

SECTION 9 – Defense and Indemnification of KCHA Officers and Employees

KCHA will defend and pay all settlements, judgments, and associated costs for its past and present officers, commissioners, agents, and employees, and their marital communities, who are named as defendants in lawsuits as a result of acts or omissions made in the good-faith performance of KCHA's lawful business while in the KCHA's employ or required by a legal contract with KCHA. KCHA will also provide defense for its past and present professional employees who, as a result of their good faith performance of KCHA business or activities, are made the subjects of complaints to or investigations by professional oversight entities and will pay any resulting monetary sanctions imposed. Provision of defense by KCHA is also contingent upon full cooperation of the employee or officer in his/her defense.

1. Application for Defense. After receipt of summons and complaint or notice of a claim, complaint, or investigation by an entity overseeing regulated professions, a past or present KCHA officer, commissioner, agent, or employee who desires that KCHA provide defense, shall immediately make an application for defense to the KCHA Risk Management Committee.
2. Determination of scope and status. Upon receipt of an application for defense, the Risk Management Committee shall review the application at its earliest opportunity. If the Committee determines that a lawsuit, complaint, or regulatory investigation was the result of a good faith performance of KCHA's lawful business, then the KCHA Risk Manager shall advise the appropriate insurance carrier, and if necessary, assign counsel in accordance with applicable laws. The Risk Management Committee shall not recommend the denial of an application for defense without seeking prior advice from legal counsel.
3. Establishment of Good Faith. If the Risk Management Committee cannot determine if the suit, complaint or investigation relates to a good faith performance of KCHA's lawful business, KCHA may provide a defense and/or pay a judgment, sanction or settlement provisionally. A determination by a court that the employee was not acting in good faith within the scope of the KCHA's lawful business may result in withdrawal of insurance coverage and any defense and indemnification that was provided to the employee by the KCHA.

SECTION 10 – Recovery of Losses

Allocation of recovery. Any moneys recovered (excluding costs of recovery) by the Risk Manager for losses to KCHA shall be paid to the budget unit or department which has expended funds and/or materials as a result of the loss. Any moneys in excess of those so expended shall be transferred to the Central Office Cost Center.



To: Board of Commissioners

From: Dan Landes, Senior Development Manager
Tim Walter, Senior Director of Acquisitions & Asset Management

Date: August 13, 2014

Re: Resolution No. 5480: Authorizing the Executive Director to approve, execute and deliver all documents relating to a Bridge Loan in the amount of up to \$20,500,000 from the Authority to the Vantage Point Apartments LLC, to be funded in whole or in part from the proceeds of a taxable line of credit to the Authority from Bank of America and/or funds of the Authority

The purpose of Resolution No. 5480 is to authorize KCHA to use either its funds and/or proceeds from a line of credit to provide the bridge financing for the Vantage Point development.

At the July 21, 2014 meeting, the Board of Commissioners authorized KCHA to make a bridge loan to Vantage Point Apartments LLC in the amount of \$20,500,000 to enable the development of Vantage Point Apartments to move forward. It was anticipated that the funds for this bridge loan would come from the proceeds of a line of credit provided to KCHA by Bank of America. Resolution No. 5480 further authorizes KCHA to also use KCHA funds as a source for a portion of this bridge loan.

KCHA is currently developing the Vantage Point Apartments, a 77 unit new construction senior/disabled public housing apartment community located at 17901 105th Avenue Pl SE in Renton. The permanent financing for this project includes over \$15 million in proceeds from the sale of Low Income Housing Tax Credits, \$2 million from King County, and funds committed by KCHA. In addition, KCHA will be pursuing a future commitment of financing from the Washington State Housing Trust Fund.

It was originally anticipated that all of the bridge loan proceeds would be funded from the line of credit provided by Bank of America. However, subsequent to the July 2014 Board meeting KCHA received the line of credit proposal from Bank of America. The terms of the line of credit proposed a slightly higher than budgeted interest rate formula as well as a 25 basis point "unused commitment fee" which would be charged on any of undrawn portion of the line of credit throughout its

term. Using the terms proposed by Bank of America, the cost of financing the project will increase by an estimated \$150,000.

Given the higher than projected financing cost coupled with the increased cost of construction, KCHA explored the possibility of using KCHA reserve funds to provide this bridge financing as a way to reduce overall development cost. Currently, KCHA on an overall blended basis, earns approximately .35% - .50% in interest between its monies in the local government investment pool and investments in government securities. The pro forma for Vantage Point projected the borrowing cost to be an average of 1.75% over the 30 month term of the loan. If KCHA provides the bridge loan with its own funds and charges the project a rate closer to what it would otherwise earn from these other short-term investments, the net savings to KCHA is estimated to be between \$350,000 - \$450,000.

The resolution provides KCHA the ability to fund the Vantage Point LLC's equity bridge loan with lower cost funds while preserving the flexibility that a third party line of credit might provide.

Passage of the resolution is recommended.

HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5480

A RESOLUTION of the Housing Authority of the County of King authorizing the Executive Director to approve, execute and deliver all documents relating to a bridge loan in the amount of up to \$20,500,000 from the Authority to the Vantage Point Apartments LLC, to be funded in whole or in part from the proceeds of a taxable line of credit to the Authority from Bank of America and/or funds of the Authority.

HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5480

A RESOLUTION of the Housing Authority of the County of King authorizing the Executive Director to approve, execute and deliver all documents relating to a bridge loan in the amount of up to \$20,500,000 from the Authority to the Vantage Point Apartments LLC, to be funded in whole or in part from the proceeds of a taxable line of credit to the Authority from Bank of America and/or funds of the Authority.

WHEREAS, the Housing Authority of the County of King (the “Authority”) is the fee owner of certain real property located at 17901 105th Avenue Pl SE, Renton, Washington (the “Property”), upon which the Authority desires to develop Vantage Point Apartments, a 77-unit new construction senior/disabled public housing apartment community (the “Project”); and

WHEREAS, in furtherance of the Project and pursuant to Resolution No. 5477 adopted by the Board of Commissioners of the Authority on July 21, 2014, the Authority authorized the making of a bridge loan to Vantage Point Apartments LLC (the “Company”) in an amount up to \$20,500,000 (the “Bridge Loan”); and

WHEREAS, the Authority anticipated that the Bridge Loan would be funded in full from the proceeds of a taxable line of credit (the “Line of Credit”) provided the Authority by Bank of America or an affiliate thereof; and

WHEREAS, the Authority may now fund the Bridge Loan in whole or in part from the proceeds of the Line of Credit and/or general funds of the Authority.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING as follows:

Section 1. Bridge Loan. The Executive Director is authorized, empowered and directed, on behalf of the Authority to fund the Bridge Loan authorized by Resolution No. 5477 in whole or in part from the proceeds of the Line of Credit and/or funds of the Authority.

Section 2. Acting Officers Authorized. Any action required by this resolution to be taken by the Executive Director of the Authority may in his absence be taken by a duly authorized acting Deputy Executive Director of the Authority.

Section 3. Prior Resolutions. Except to the extent amended herein, all provisions of Resolution 5477 remain in full force and effect.

Section 4. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

ADOPTED by the Board of Commissioners of the Housing Authority of the County of King at an open public meeting this 18th day of August, 2014.

HOUSING AUTHORITY OF THE COUNTY OF
KING

By: _____
Chair

ATTEST:

Executive Director

CERTIFICATE

I, the undersigned, the duly chosen, qualified and acting Secretary and Executive Director of the Housing Authority of the County of King (the "Authority") and keeper of the records of the Authority, CERTIFY:

1. That the attached Resolution No. 5480 (the "Resolution") is a full, true and correct copy of the resolution of the Board of Commissioners (the "Board") of the Authority, as adopted at a special meeting of the Authority held on August 18th, 2014, and duly recorded in the minute books of the Authority;

2. That written notice specifying the time and place of the special meeting and noting the business to be transacted was given to all members of the Board of Commissioners by mail, fax, electronic mail or personal delivery at least 24 hours prior to the special meeting, a true and complete copy of which notice is attached hereto as Appendix I;

3. That the written notice described above was also posted on the Authority's website and prominently displayed at the main entrance of the Authority's office at 600 Andover Park W., Tukwila, Washington 98188 and at the meeting site, if different, at least 24 hours prior to the special meeting;

4. That the written notice described above was given to each local radio or television station and to each newspaper of general circulation that has on file with the Authority a written request to be notified of special meetings and to any others to which such notices are customarily given by the Authority; and

5. That such meeting was duly convened and held in all respects in accordance with law, and, to the extent required by law, due and proper notice of such meeting was given; that a quorum was present throughout the meeting and a majority of the members of the Board of Commissioners of the Authority present at the meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 18th day of August, 2014.

Executive Director of the Authority



SPECIAL MEETING OF THE BOARD OF COMMISSIONERS

August 18, 2014, 8:30 am
Wonderland Estates
14645 SE Renton Maple Valley Road
Renton, WA 98058

A G E N D A

- I. Call to Order**
- II. Roll Call**
- III. Welcome to Wonderland Estates**
- IV. Public Comment**
- V. Approval of Minutes** - Board Meeting Minutes from July 21, 2014 **1**
- VI. Approval of Agenda**
- VII. Consent Agenda**
 - A. Voucher Certification Report for June 2014 (General and Bond Properties) **2**
 - B. Resolution No. 5478: Authorization for the Executive Director of the Housing Authority of King to enter into an Interlocal Agreement with the Housing Authority of the City of Yakima for Financial Consulting Services **3**
- VIII. Resolutions for Discussion & Possible Action**
 - A. Resolution No. 5479: Authorizing the Adoption of a Revised Risk Management Policy **4**
 - B. Resolution No. 5480: Authorizing the Executive Director to approve, execute and deliver all documents relating to a Bridge Loan in the amount of up to \$20,500,000 from the Authority to the Vantage Point Apartments LLC, to be funded in whole or in part from the proceeds of a taxable line of credit to the Authority from Bank of America and/or funds of the Authority **5**

IX. Briefings & Reports

A. New Bank Accounts	6
B. Second Quarter Financial Report	7
C. Resource Conservation Briefing	8
D. Education Briefing	9
E. Executive Dashboard Report, Second Quarter 2014	10
F. Capital Fund Progress Report	11
G. Executive Director's Report	

X. Executive Session

- A. To review the performance of a public employee per RCW 42.30.110 (1) (g)

XI. Commissioner Comments

XII. Recess for Moving King County Forward (MKCRF) Board Meeting

XIII. Reconvene at Conclusion of Moving King County Forward Board Meeting

XIV. Tour of Wonderland Estates

XV. Adjournment

Members of the public who are disabled and require special accommodations or assistance at the meeting are requested to notify the Board Coordinator, Jessica Olives, in writing at 600 Andover Park West, Seattle, WA 98188 or by calling 206-574-1194 prior to the meeting date.

Next Regular Board Meeting Date:
Monday, September 15, 2014



To: Board of Commissioners

From: Craig Violante, Director of Finance

Date: August 13, 2014

Re: New Bank Accounts

Since the last Board meeting KCHA has opened 4 new bank accounts, as follows:

- **Nia LLC Security Deposit Account**
- **Salmon Creek Housing Security Deposit Account**
- **Seola Crossing LLC Security Deposit Account (1)**
- **Seola Crossing LLC Security Deposit Account (2)**

Bank: Bank of America

Purpose: Bank of America held the original security deposit accounts for Nia, Salmon Creek, and Seola Crossing. The management company that opened the accounts is interested in using remote deposits (check scanning). In order to do this, the previous accounts were closed, as they did not have access to the software used for remote deposits. The new accounts will have full access to Bank of America online programs that allow check scanning and remote deposits.

These new checking accounts will be used to hold tenant security deposits. Transactions will include and be limited to deposits from the depository account and transfers to the operating account for tenant refunds. KCHA policy requires tenant security deposits and the practice is to hold security deposits in separate bank accounts.



To: Board of Commissioners

From: Craig Violante, Director of Finance

Date: August 13, 2014

Re: Second Quarter 2014 Financial Statements

EXECUTIVE SUMMARY

Operations for the first six months have met or exceeded budget projections, with 99.6% of expected revenues received and 97.3% of expenditures remitted.

Public Housing Operating Fund subsidy continues to be received at an 89% prorate vs. the budgeted 82%. If this funding level holds for the remainder of the year, Public Housing will receive \$620,000 above initial forecasts. Final funding numbers won't be available until later in the year.

HUD continues to be slow releasing cash for block grant funding. Although KCHA's 2014 block grant funding is \$101.2 million, only \$48.5 million was made available during the first six months, compared to budgeted \$50.2 million. Confidence is high that the remainder will become available and will be drawn during the third and fourth quarters.

The Gilman Square purchase closed at the end of June. This 124 unit complex, located in the heart of Issaquah, consists of mostly 2 bedroom units.

Midyear budget adjustments adopted at the June Board meeting have been incorporated into all attached budget vs. actual reports.

During the second quarter, total working capital increased by \$1.8 million:

SECOND QUARTER SUMMARY OF KEY WORKING CAPITAL ACTIVITY
(In millions of dollars)

Change to KCHA-Wide Working Capital		<i>An increase of \$1.8 million</i>
Description	Fund Group	Amount
Working capital generated from locally-owned properties	Local (KCHA)	\$3.4 (1)
Use of COCC funds for capital and lending purposes	COCC	(\$1.7)
Net of all other sources/(uses)	All others	\$0.1

1) Higher than anticipated as some rehab projects have not yet been started

CASH AND INVESTMENT SUMMARIES

Overall cash balances declined by \$2.5 million during the quarter, driven primarily by the \$2.8 million Birch Creek debt service payment. For a complete report on cash, please see page 9.

Cash Summaries (in millions)

<i>Restriction Type</i>	6/30/2014	3/31/2014	Change
Unrestricted	\$29.4	\$30.8	(\$1.4)
Restricted to Program Uses	14.7	12.5	2.1
Designated/Committed for Specific Uses	35.6	36.8	(1.2)
Externally Restricted	42.9	41.8	1.1
Externally Restricted to pay for short-term liabilities	3.1	6.3	(3.2)
Total	<u>\$125.7</u>	<u>\$128.2</u>	<u>(\$2.5)</u>

Using the weighted average approach, the overall Return on Investment (ROI) on KCHA investments was 0.37% this quarter, up from 0.34% one year ago and 0.35% last quarter. The Washington State Treasurer's Local Government Investment Pool (LGIP) average interest rate for June was 0.09%, while the projected rate as of July 31st was 0.08%.

Investment Summaries (in millions)

	Amount	Yield
Invested in the Local Government Investment Pool	\$47.6	0.10%
Invested by KCHA	45.9	0.83%
Cash held by trustees	17.5	0.10%
Cash held in checking and savings accounts	14.6	0.10%
Total	<u>\$125.7</u>	<u>0.37%</u>

*Estimate

Second Quarter 2014 Financial Statement
August 18, 2014 Board Meeting
Page 3 of 8

Using the weighted average approach, the quarterly ROI on KCHA's internal pool was 0.83%. However, using the Total Rate of Return approach, ROI was actually 0.88% as some investments were sold for a profit and reinvested at equal or higher rates.

Balances and quarterly activity for MTW and COCC cash reserves are:

MTW Reserve Balances
(in millions of dollars)

MTW Cash, Beginning of Quarter	\$28.2
--------------------------------	--------

Quarterly change:

Block grant subsidy payments from HUD in excess of direct expenses	3.0
Reimbursement from MKCRF	0.9
Transfer of Westminster NRA	0.1
Capital construction projects	(4.9)
Direct social service expenses	(0.7)
Other net changes	0.3

MTW Cash, End of Quarter	\$26.9
--------------------------	--------

Less Reserves:

Restricted Reserve-Green River Collateral	(9.5)
Construction Reserve-fully utilized as of June	0.0
HAP Reserve (also used as FHLB collateral)	(6.6)
Additional investments pledged as collateral with the FHLB	(3.0)
Supportive Housing Reserve	(0.7)
Technology Reserve	(2.3)
PERS Reserve	(0.4)

MTW Working Capital Cash, End of Quarter	\$4.3
--	-------

COCC Reserve Balances
(in millions of dollars)

COCC Cash, Beginning of Quarter	\$34.9
---------------------------------	--------

Quarterly change:

Used for capital and lending purposes	(1.7)
Other net change	0.2

COCC Cash, End of Quarter	\$33.4
---------------------------	--------

Less Reserves:

Investments pledged as collateral with the FHLB	(11.4)
Liquidity Reserves for King County credit enhancement	(9.0)
PERS Reserve	(0.2)

COCC Working Capital Cash, End of Quarter	\$12.8
---	--------

CAPITAL INVESTMENTS (Including tax credit partnerships)

The following schedule shows the budget versus actual costs of both KCHA-owned properties and KCHA-managed tax credit partnerships' capital projects through the second quarter.

**King County Housing Authority
Capital Activity Report
By Responsible Department
2014 Adopted Budget**

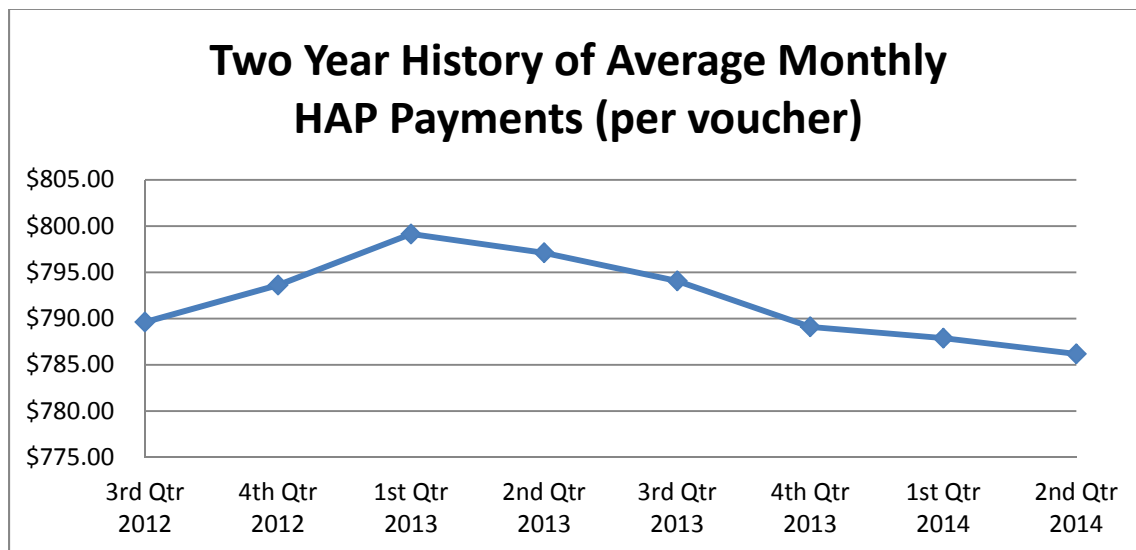
	Actuals Thru 6/30/2014	Budget Thru 6/30/2014	Percent of Annual Budget	2014 Annual Budget
CONSTRUCTION ACTIVITIES				
<i>Managed by Capital Construction Department</i>				
Public Housing	\$3,182,570	\$3,259,146	53.6%	\$5,932,341
509 Properties	2,975,260	3,081,273	46.9%	6,344,241
Other Properties	425,537	746,424	19.3%	2,208,469
Community Buildings	30,782	88,701	34.7%	88,701
	6,614,148	7,175,544	45.4%	14,573,752
<i>Managed by Housing Management Department</i>				
Unit Upgrade Program	2,568,406	2,651,627	48.4%	5,311,631
Other Projects	15,637	103,009	4.7%	332,604
	2,584,043	2,754,636	45.8%	5,644,235
<i>Managed by Asset Management Department</i>				
Bond Properties	2,530,691	5,096,738	22.4%	11,279,589 (1)
Other Properties	187,234	220,800	42.7%	438,800
	2,717,925	5,317,538	23.2%	11,718,389
Subtotal Construction Activities	11,916,116	15,247,718	37.3%	31,936,376
DEVELOPMENT ACTIVITY				
<i>Managed by Hope VI Department</i>				
Seola Gardens	520,248	592,557	55.9%	930,786
Greenbridge	182,445	433,052	19.7%	927,648
Salmon Creek/Nia	263,680	229,000	61.6%	428,157
	966,373	1,254,609	42.3%	2,286,591
<i>Managed by Development Department</i>				
Vantage Point	819,858	3,048,849	9.9%	8,306,155
Green River Homes	-	-	N/A	-
Birch Creek	-	-	N/A	-
Notch	81,058	270,993	19.9%	407,184
	900,915	3,319,842	10.3%	8,713,339
Subtotal Development Activity	1,867,289	4,574,451	17.0%	10,999,930
TOTAL CONSTRUCTION & DEVELOPMENT	\$13,783,404	\$19,822,169	32.1%	\$42,936,306
PROPERTY ACQUISITIONS & OTHER ASSETS				
Acquisitions	27,423,302			
Other Assets	570,561			
TOTAL PER WORKING CAPITAL REPORT	\$41,777,267			

1) Capital expenditures at the bond properties are under budget due to a combination of seasonal delays, deferred projects and costs coming in under budget. The department expects to complete all budgeted projects by the end of the year.

PROGRAM ACTIVITIES

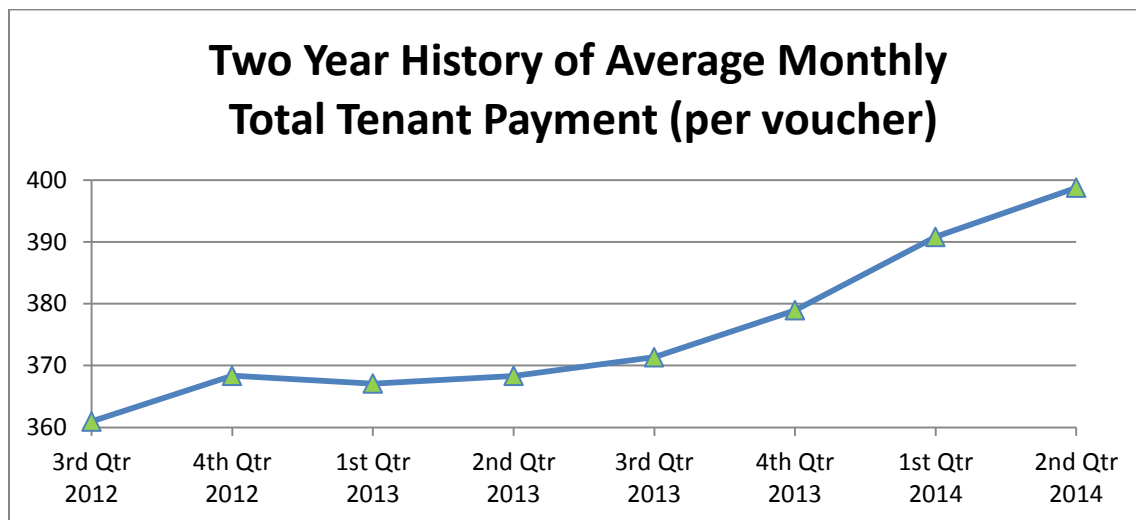
HOUSING CHOICE VOUCHERS

The average quarterly HAP payment to landlords for all HCV vouchers was \$786.17, compared to \$787.88 last quarter and \$797.11 one year ago.



The downward trend in KCHA's average HAP costs could be explained by a number of factors. One factor may be the higher number of senior and disabled vouchers in our portfolio compared to last year as KCHA has received incremental vouchers for VASH, and Section 8 opt-outs such as Burien Park, Northwood, Westminster, and Bellevue Manor. A significant number of the households leasing up over the past year have been VASH and HASP voucher holders, which are primarily single adult disabled households with access to benefit income. These households tend to need lower HAP support. There is also data showing higher incomes. For example, over the last 11 months incomes for seniors have increased 2% while incomes for families have increased by 10% over the same time period. Applying 28.3% to the increase in tenant income appears to account for \$33.18 of the change in TTP versus June 2013.

Households are shouldering a higher Total Tenant Payment (TTP). The TTP is the tenant's monthly contribution towards rent and utilities and should be 28.3% of adjusted income unless the tenant opts to rent a more expensive unit. Average TTP during the quarter was \$405.55, up from \$398.75 the previous quarter and \$371.35 one year ago.



The most likely explanations for increasing TTPs include rising tenant income and the current payment standard, which is the maximum amount KCHA is willing to pay for units of various sizes and types. As rents rise, tenants “max out” the payment standard, and any rent increases become the family’s responsibility. The payment standard has not been revised since 2009. In response to sequestration, the Authority deferred any change in the payment standard last year. With the better-than-expected 2014 prorate in the Section 8 program KCHA is committed to reviewing the existing standards; increases, if any, would begin to take effect later in the year.

The data below shows how the number of families who are paying more than 30%, 40% and 50% has changed over the past year:

Families Paying More Than 30%		Families Paying More Than 40%		Families Paying More Than 50%	
Jun-13	Jun-14	Jun-13	Jun-14	Jun-13	Jun-14
2,834	2,971	1,032	1,188	1,041	1,181

MTW PROGRAM

In the *MOVING TO WORK (MTW) FUND*, KCHA combines HUD Public Housing Asset Repositioning Fee (ARF) revenues with HCV Block Grant funding. Out of these aggregated revenues, there are five distinct uses:

- ***Transfers to the Section 8 program to pay for Housing Assistance Payments to landlords and administrative expenses***

Although overall HCV block grant funding for 2014 is \$101.2 million, HUD does not make this available evenly throughout the year. Subsequently, funding for the first six months is below budgeted levels.

Second Quarter 2014 Financial Statement
August 18, 2014 Board Meeting
Page 7 of 8

<i>(In thousands of dollars)</i>	Actual	Budget	Variance	% Var	
HCV Block Grant Revenue	\$48,478.9	\$50,165.8	(\$1,686.9)	(3.4%)	(1)
Funding of HAP Payments to Landlords	(39,342.3)	(39,793.2)	(451.0)	1.1%	
Funding of Section 8 Administrative Costs	(3,999.4)	(4,012.3)	(12.8)	0.3%	
Excess of HCV Block Grant Funding over Expenses	<u>\$5,137.2</u>	<u>\$6,360.2</u>	<u>(\$1,223.1)</u>	<u>(19.2%)</u>	

- 1) KCHA has drawn all available funds for the first six months; HUD will make more funds available in the 3rd and 4th quarters and by year end actuals will equal budget

- ***Payments to Public Housing sites to subsidize the difference between operating costs and tenant revenue***

Through the first six months, there was no need to transfer additional funds beyond the Public Housing Asset Repositioning Fee (ARF) revenue from MTW to Public Housing properties.

<i>(In thousands of dollars)</i>	Actual	Budget	Variance	% Var	
Public Housing Asset Repositioning Fees (ARF)	\$660.2	\$655.3	\$4.9	0.8%	(1)
Additional Transfers (to) from PH AMPs Based on Need	0.0	(430.1)	430.1	(100.0%)	(2)
Net Flow of Cash(from)/to MTW from/(to) PH	<u>\$660.2</u>	<u>\$225.2</u>	<u>\$435.0</u>	<u>193.1%</u>	

- 1) ARF is not allocated to public housing properties but is instead coded directly to the MTW fund
2) No additional transfers have yet been made. This will occur in the third quarter

- ***Expenditures for special MTW programs***

Two of the initiatives currently being funded out of MTW working capital are Supportive Housing and certain Resident Services programs (such as the Resident Opportunities Plan and the Educational Initiative). Following are year-to-date uses and budget:

<i>(In thousands of dollars)</i>	Actual	Budget	Variance	% Var	
Supportive Housing	\$656.1	\$928.3	(\$272.2)	(29.3%)	(1)
Resident-based Initiatives	452.7	449.0	\$3.7	0.8%	
Use of MTW Funds for Special Programs	<u>\$1,108.8</u>	<u>\$1,377.3</u>	<u>(\$268.5)</u>	<u>(19.5%)</u>	

- 1) Variance is due to slower than expected housing placement in the private rental market for the Rapid Rehousing program. In addition, invoicing from homeless program partners has not been timely

- ***Other uses of MTW funds***

MTW working capital is used for a variety of other purposes. Year-to-date expenditures include:

<i>(In thousands of dollars)</i>	Actual	Budget	Variance	% Var
Construction Activity & Management Fees	\$7,099.35	\$7,629.77	(\$530.4)	(7.5%)
Misc. Other Uses	194.5	188.1	6.5	3.3%
	<u>\$7,293.9</u>	<u>\$7,817.8</u>	<u>(\$523.9)</u>	<u>(7.2%)</u>

• ***Costs to administer the MTW program***

Administrative costs are primarily salaries and benefits of those who manage MTW-funded programs, with year-to-date expenses of \$443,000 or 0.90% of program gross revenues. Expenses are slightly below the budget of \$448,000.

AGENCY OVERHEAD

The Central Office Cost Center (COCC) aggregates overhead costs for the Authority. The COCC is supported by fees charged to both Federal and non-Federal programs and housing properties, and by transfers of excess cash from non-Federal housing programs. KCHA continues to administer its programs in a fiscally-prudent manner and within HUD guidelines. Of note during the quarter is the payoff of debt on the 700 building using proceeds from the new 2013 pool. Since the long-term debt on the building has been extinguished, the COCC fund groups reflects a large increase in working capital. The chart below reflects a summary of COCC activity, excluding Regional Maintenance crews.

(In thousands of dollars)

	YTD Actual	YTD Budget	Variance	% Var	
<i>Revenues</i>					
Management fees	\$4,272.1	\$3,896.2	\$375.9	8.8%	(1)
Cash transferred-in from local properties	0.0	0.0	\$0.0	0.0%	
Transfers-in for other reasons	6,363.6	0.0	6,363.6	100.0%	(2)
Investment income	685.2	642.7	42.6	6.2%	
Other income	1,806.3	1,992.6	(186.3)	(10.3%)	(3)
	<u>\$13,127.2</u>	<u>\$6,531.5</u>	<u>\$6,595.8</u>	<u>50.2%</u>	
<i>Expenses</i>					
Salaries & Benefits	\$4,258.0	\$4,348.2	(\$90.2)	(2.1%)	
Administrative Expenses	772.2	1,356.8	(584.6)	(75.7%)	(4)
Occupancy Expenses	129.0	157.6	(28.5)	(22.1%)	
Other Expenses	356.5	356.5	0.1	0.0%	
	<u>\$5,515.7</u>	<u>\$6,218.9</u>	<u>(\$703.3)</u>	<u>(12.8%)</u>	
Net Change in Available COCC Resources	<u>\$7,611.6</u>	<u>\$312.5</u>	<u>\$7,299.0</u>		

- 1) CFP management fee of \$325K budgeted for the 3rd quarter received in the 2nd quarter.
- 2) Transfer-in of funds to payoff the 700 building debt with proceeds from the new 2013 pool.
- 3) Timing; much of the misc. revenue will be received later in year.
- 4) Various administrative contracts and professional services are under budget but are expected to increase activity in subsequent quarters.

REPORTS TABLE OF CONTENT

Summary Reports

Cash Report	9
Statements of Financial Position	10
Working Capital Summary, by Fund Group	11

Budget vs. Actual Reports

Combined	12
Public Housing Properties, KCHA-owned	13
Public Housing Properties, Other Ownership	14
Other Federally-supported Housing Properties, KCHA-owned	15
Other Federally-supported Housing Properties, Other Ownership	16
Section 8 Program	17
MTW Program	18
Non-federal Housing Properties, KCHA-owned	19
Non-federal Housing Properties, Other Ownership	20
Tax Credit Partnership General Partner Activity	21
Development	22
Other Funds	23
Central Office Cost Center	24

King County Housing Authority
Consolidated Cash Report
As of 6/30/2014

	KCHA-Owned Cash				Total Cash 3/31/2014	Cash of Other Entities 6/30/2014
	Oper Cash & State Pool 6/30/2014	Outside Investments 6/30/2014	Other Cash Accounts 6/30/2014	Total Cash 6/30/2014		
Cash-Unrestricted						
COCC	8,562,029	4,233,507	50	12,795,586	14,276,800	0
Other Funds	9,548,922	1,001,751	6,036,959	16,587,632	16,475,358	1,570,556
Total Cash-Unrestricted	18,110,951	5,235,258	6,037,009	29,383,218	30,752,158	1,570,556
Cash for Use Within Specific Programs						
MTW	3,700,896	1,007,169	12,603	4,720,668	4,878,682	0
Public Housing	3,912,722	0	50	3,912,772	4,080,888	400,638
Section 8	971,123	0	1,280,061	2,251,183	1,293,988	0
Other Funds	3,824,286	0	100	3,824,386	2,286,089	0
Total Cash for Use Within Specific Programs	12,409,025	1,007,169	1,292,813	14,709,008	12,539,646	400,638
Cash Set-aside to Pay Short-term Debt (P & I Reserves)						
Other Funds	2,247,758	239,763	603,560	3,091,081	6,287,899	0
Total Cash Set-aside to Pay Short-term Debt	2,247,758	239,763	603,560	3,091,081	6,287,899	0
Cash Dedicated for Specific Purposes						
MTW	3,643,597	0	0	3,643,597	4,818,801	0
COCC	2,171,486	7,006,732	0	9,178,218	9,198,509	0
Other Funds	7,407,616	11,736,574	3,615,000	22,759,189	22,771,661	8,827,924
Total Cash Dedicated for Specific Purposes	13,222,699	18,743,306	3,615,000	35,581,005	36,788,971	8,827,924
Cash Restricted by Outside Entities						
MTW	0	9,003,898	9,500,000	18,503,898	18,507,576	0
Public Housing	269,556	0	0	269,556	259,271	8,901
Section 8	636,431	0	0	636,431	581,365	0
COCC	0	11,406,590	6,800	11,413,390	11,413,390	0
Other Funds	699,999	277,325	11,102,836	12,080,160	11,036,286	2,596,490
Total Cash Restricted by Outside Entities	1,605,986	20,687,814	20,609,636	42,903,436	41,797,888	2,605,391
TOTAL CASH BALANCES	47,596,419	45,913,310	32,158,019	125,667,748	128,166,563	13,404,509
Detail of Cash Dedicated for Specific Purposes						
Rehab Reserves				0	893,534	0
Project Reserves				3,615,000	3,615,000	0
Exit Tax Designation-Reserves				6,052,827	6,052,827	0
Revenue				400,000	400,000	0
PERS Designation Reserves				600,192	671,209	0
Replacement Reserves				10,691,363	10,703,834	153,529
Operations Reserves				0	0	6,000
Technology Reserves				2,324,734	2,448,765	0
Liquidity Reserves				9,006,732	9,006,732	0
HAP Reserves				600,000	0	0
Supportive Housing Reserves				736,745	997,070	0
Development				2,000,000	2,000,000	0
Total Cash-Dedicated for Specific Purposes				36,027,592	36,788,971	159,529
Detail of Restricted Cash						
Excess Cash Reserves				2,287,419	2,053,244	0
Project Reserves				50	103,168	0
Endowment Reserves				631,949	764,459	0
Replacement Reserves				5,542,936	5,261,435	1,830,687
Operations Reserves				416,394	93,832	206,227
Bond Reserves-1 Yr Payment				433,488	768,705	0
Bond Reserves P & I				0	0	0
Residual Receipt Reserves				550,992	550,937	0
FSS-Reserves				716,527	652,473	0
Collateral Reserves				23,910,489	23,910,489	0
Technology Reserves					0	0
Liquidity					0	0
HAP Reserves Used as Collateral				6,000,000	6,003,677	0
Security Deposits & Escrow Accounts				2,413,192	1,635,470	438,100
Total Restricted Cash				42,903,436	41,797,888	2,475,013

KING COUNTY HOUSING AUTHORITY
Statements of Financial Position
(In \$1,000's; excludes non-KCHA-managed
component units)
For the Period Ended June 30, 2014

ASSETS	FEDERALLY-SUPPORTED PROGRAMS (managed by KCHA)						LOCAL PROGRAMS						Memo: KCHA COMBINED
	Public Housing		Other Housing		Other Programs		KCHA	Outside	Tax Credit	Develop	Other	COCC	
	KCHA	Outside	KCHA	Outside	Section 8	MTW	Owned	Owned	Gen Prtnr				
	Owned	Owned	Owned	Owned	Program	Program	Housing	Housing	Activity				
Working Capital Assets													
Cash-Unrestricted	\$(4.5)	\$667.4	\$3,138.3	\$2,525.1	\$45.8	\$(2,560.7)	\$8,081.9	\$2,369.7	\$972.1	\$(833.4)	\$756.8	\$12,795.6	\$27,954.0
Cash-Restricted Within Program	3,917.3	400.6	.0	.0	2,205.4	7,281.3	.0	.0	.0	4,039.6	(215.2)	.0	17,629.0
Cash-Restricted for WC Purposes	.0	.0	.0	2,487.5	.0	.0	535.6	.0	67.9	.0	.0	.0	3,091.1
Accounts Receivables	1.9	10,118.7 (1)	2.6	3,230.0	235.7	.0	152.4	604.6	5,296.7	1,384.9	374.9	1,404.6	22,806.9
Prepaid Assets & Inventory	30.7	36.3	15.3	30.9	19.2	.6	527.9	8.2	(3.0)	32.0	8.1	97.8	803.8
Total Working Capital Assets	3,945.4	11,223.0	3,156.3	8,273.5	2,506.1	4,721.3	9,297.8	2,982.5	6,333.7	4,623.0	924.5	14,297.9	72,284.8
Liabilities Offsetting Working Capital Assets													
Accounts Payable	(536.7)	(190.9)	(251.6)	(2,023.3)	(2.3)	(15.2)	(403.0)	(55.0)	(1.9)	(2.5)	(286.2)	(74.3)	(3,842.9)
Payroll Liabilities	(256.7)	(174.7)	(65.8)	(240.5)	(573.0)	(43.2)	(36.3)	(35.6)	.0	(11.8)	(464.9)	(1,285.3)	(3,187.8)
Accrued Liabilities	(125.2)	(377.1)	(12.9)	(542.7)	(44.8)	(531.7)	(281.1)	(216.1)	(903.6)	(251.3)	(38.2)	.0	(3,324.9)
Deferrals	.0	(.4)	.0	(359.8)	(1,561.3)	.0	(134.4)	.0	(1,040.4)	.0	(6.5)	.0	(3,102.8)
Current Portion of Long-term debt	(173.5)	(11,053.1) (1)	(67.8)	(4,828.1)	.0	.0	(3,957.1) (2)	(7,789.2) (4)	(4,601.2)	(11,680.5) (5)	.0	(1,078.4)	(45,228.9)
Total Offsetting Liabilities	(1,092.0)	(11,796.2)	(398.2)	(7,994.3)	(2,181.4)	(590.1)	(4,811.9)	(8,096.0)	(6,547.2)	(11,946.1)	(795.9)	(2,438.0)	(58,687.2)
Working Capital	2,853.4	(573.2)	2,758.1	279.1	324.7	4,131.2	4,486.0	(5,113.4) (4)	(213.6)	(7,323.1)	128.6	11,859.9	13,597.6
Other Assets													
Cash-Designated	.0	3,031.7	2,217.7	11,880.6	.0	3,643.6	11,799.6	202.9	.0	2,000.0	400.0	9,178.2	44,354.3
Cash-Restricted	269.6	1,013.8	1,341.7	762.7	636.4	18,503.9	6,700.8	790.1	2,564.7	1,391.9	.0	11,413.4	45,389.1
Receivables	.0	110,890.6	.0	79,152.8	.0	16,001.0	3.8	30,659.1	52,571.5	351.6	209.6	21,538.8	311,378.9
Capital Assets	64,077.2	89,833.9	23,631.8	156,848.2	(.1)	.0	151,317.9	12,448.9	.0	3,257.3	.0	14,163.3	515,578.4
Work-in-Process	21,662.7	129.7	3,477.8	8,781.1	.0	179.9	332.0	.9	.0	61,243.1	.0	320.2	96,127.5
Suspense	.5	.6	.0	.2	(.0)	.0	(1.2)	.0	.0	16.9	.0	25.6	42.6
Other Assets	.0	1,997.9	172.5	933.7	.0	.0	(3,361.9) (3)	254.0	2,050.8	49.7	.0	.0	2,096.6
Total Other Assets	86,009.9	206,898.2	30,841.5	258,359.3	636.3	38,328.5	166,791.2	44,355.9	57,187.1	68,310.5	609.6	56,639.5	1,014,967.3
TOTAL ASSETS (net of WC offsets)	\$88,863.3	\$206,325.0	\$33,599.5	\$258,638.4	\$961.0	\$42,459.6	\$171,277.1	\$39,242.5	\$56,973.5	\$60,987.4	\$738.2	\$68,499.4	\$1,028,564.9
Equity													
Equity	88,042.2	118,500.6	19,215.0	122,843.5	324.5	42,459.6	13,891.1	28,545.2	11,066.5	44,753.8	738.2	51,979.2	542,359.6
	88,042.2	118,500.6	19,215.0	122,843.5	324.5	42,459.6	13,891.1	28,545.2	11,066.5	44,753.8	738.2	51,979.2	542,359.6
TOTAL LIAB & EQ (net of curr liab)	\$88,863.3	\$206,325.0	\$33,599.5	\$258,638.4	\$961.0	\$42,459.6	\$171,277.1	\$39,242.5	\$56,973.5	\$60,987.4	\$738.2	\$68,499.4	\$1,028,564.9

1) Fairwind financing lease; source of payment will be investor equity pay-in

2) Current portion of bond payments; source of funding will be P & I reserves

3) Fair market value of derivatives at year end 2013 was \$3.4 million-required by Generally Accepted Accounting Principles (GAAP)

4) \$7.7 million ST LOC related to Wonderland NMTC was refinanced in November 2013 but remains short-term as it now matures in November 2014.

5) Short-term Fairwind Line of Credit of \$13.6 million; source of repayment will be 2014 equity pay-in from investor; cash then flows to KCHA in payment of financing lease-see note (1)

KING COUNTY HOUSING AUTHORITY

Working Capital Statements

(In \$1,000's; excludes non-KCHA-managed component units)

For the Period Ended June 30, 2014

For the Period Ended June 30, 2014	FEDERALLY-SUPPORTED PROGRAMS (managed by KCHA)						LOCAL PROGRAMS						Memo: KCHA COMBINED
	Public Housing		Other Housing		Other Programs		KCHA	Outside	Tax Credit	Develop	Other	COCC	
	KCHA Owned	Outside Owned	KCHA Owned	Outside Owned	Section 8 Program	MTW Program	Owned Housing	Owned Housing	Gen Ptnr Activity				
Revenues													
Tenant Revenue	\$2,019.2	\$851.6	\$2,512.4	\$5,423.6	\$94.0	\$0	\$18,831.4	\$698.6	\$0	\$0	\$0	\$0	\$30,430.9
Operating Fund Subsidy from HUD	2,095.7	2,122.5	.0	.0	.0	660.2	.0	.0	.0	.0	.0	.0	4,878.4
Section 8 Subsidy from HUD	.0	.0	177.2	.0	48,733.5	5,137.2	.0	.0	.0	.0	.0	.0	54,047.9
Other Operating Revenue	11.5	21.2	250.1	976.3	13,884.6	.0	218.7	83.3	356.0	789.9	1,393.4	6,313.4	24,298.3
Non-operating Revenue	694.8	2,140.4	11.1	817.1	.1	48.7	805.3	395.4	1,393.5	16.7	.0	686.7	7,009.7
Total Revenues	4,821.3	5,135.7	2,950.8	7,217.1	62,712.3	5,846.1	19,855.3	1,177.2	1,749.5	806.5	1,393.4	7,000.1	120,665.2
Expenses													
Salaries & Benefits	989.2	514.3	340.4	725.2	2,717.7	334.6	1,646.1	206.2	1.0	69.3	504.1	4,703.4	12,751.7
Routine Maintenance, Utilities, Taxes & Insurance	1,903.5	930.2	755.9	1,386.9	134.0	.0	4,441.5	223.3	9.6	.3	4.6	864.3	10,654.1
Direct Social Service Salaries & Benefits	228.6	169.9	73.5	127.1	176.0	120.0	19.1	18.0	1.9	14.5	60.9	.0	1,009.4
Other Social Service Support Expenses & HAP	347.8	1,394.4	33.3	206.5	57,633.1	988.8	51.8	59.5	.0	112.8	948.2	.0	61,776.4
Administrative Support Expenses	1,485.2	447.6	295.4	603.5	1,785.1	88.1	1,957.5	111.7	262.8	27.6	47.5	899.5	8,011.4
Non-operating Expenses	20.2	1,350.4	88.8	2,787.1	(6.0)	51.7	2,404.7	308.6	715.8	6.2	.0	394.9	8,122.5
Total Expenses	4,974.5	4,806.9	1,587.3	5,836.3	62,439.9	1,583.2	10,520.7	927.4	991.1	230.6	1,565.3	6,862.1	102,325.4
Net Income	(153.2)	328.9	1,363.5	1,380.7	272.4	4,262.8	9,334.7	249.9	758.4	575.9	(172.0)	137.9	18,339.9
Other Sources/(Uses) of Working Capital													
(Increase) in Restricted/Designated Cash	(21.5)	(90.0)	(23.1)	(122.2)	(123.2)	(600.0)	(1,238.0)	(32.2)	(474.5)	(750.0)	.0	(6.8)	(3,481.5)
Decrease in Restricted/Designated Cash	.0	.0	1.2	3,365.7	.0	3,231.5	179.1	.0	.0	1,165.5	.0	20.3	7,963.3
(Increase) in LT Receivables	.0	(1,206.7)	.0	(370.4)	.0	(4.0)	.0	(212.7)	(30.6)	.0	.0	(.0)	(1,824.4)
Decrease in LT Receivables	.0	195.9	.0	1,485.8	.0	493.9	.0	328.9	3,698.8	1,006.1	.0	308.8	7,518.3
Acquisition of Capital Assets	(4,711.0)	(543.3)	(350.5)	(3,531.1)	(.0)	(132.6)	(30,721.7)	(.9)	.0	(1,420.6)	.0	(365.6)	(41,777.3)
Disposition of Capital Assets	.0	.0	.0	.0	.0	.0	.0	.0	.0	372.3	.0	1.7	374.0
Change in Suspende	.1	(.6)	.0	(.1)	.0	.0	(33.3)	.3	.0	(16.9)	.0	(25.6)	(76.1)
Change in Other Assets	.0	40.9	(.0)	.0	.0	.0	(16.6)	(.0)	.0	.0	.0	.0	24.3
Change in Deferrals	21.8	1.1	(1.2)	2.7	123.2	.0	60.0	1.0	.0	2.6	.0	6.8	217.9
Increase in LT Debt	.0	.0	.0	.4	.0	.0	50,992.3	.0	.0	200.0	.0	.0	51,192.7
(Decrease) in LT Debt	(85.9)	(2.8)	(1,109.1)	(4,575.4)	.0	.0	(18,895.0)	(73.1)	(2,938.1)	(1,000.0)	.0	(6,679.3)	(35,358.7)
Change in Other Liabilities	(22.0)	591.6	(50.4)	170.4	.0	.0	(21.6)	(38.4)	(204.8)	(489.9)	.0	.0	(65.3)
Other Non-Working Capital Inc/Exp	266.4	.0	77.4	56.0	10.7	.0	.0	.0	.0	.0	.0	(435.8)	(25.4)
Non Income/Expense Change in Equity	(166.2)	(1)	.8	68.3	.0	119.2	464.6	(.8)	(580.0)	161.9	(22.1)	118.3	164.0
Total Other Sources/(Uses) of Working Capital	(4,718.4)	(1,014.0)	(1,455.0)	(3,450.0)	10.7	3,108.0	769.9	(27.8)	(529.1)	(769.1)	(22.1)	(7,057.3)	(15,154.1)
Transfer In from (Out to) Other Funds													
Net Transfer In/(Out)	4,318.7	(3,600.1)	(3)	841.3	1,764.0	(146.2)	(6,727.4)	(6,738.9)	.0	4,728.4	48.0	5,481.2	(30.9)
Net Change in Working Capital	(552.9)	(4,285.2)	(3)	749.9	(305.2)	(4)	3,365.6	222.1	229.3	4,535.2	(146.1)	(1,438.2)	3,154.8
Working Capital, 12/31/2012	3,406.3	3,712.0	2,008.2	584.3	187.8	3,487.7	1,120.3	(5,335.5)	(442.8)	(11,858.3)	274.7	13,298.1	10,442.8
Working Capital, 6/30/2014	\$2,853.4	\$(573.2)	\$2,758.1	\$279.1	\$324.7	\$4,131.2	\$4,486.0	\$(5,113.4)	\$(213.6)	\$(7,323.1)	\$128.6	\$11,859.9	\$13,597.6

1) Some remaining equity from former 509 properties was transferred to the current 509 funds

2) \$240k budgeted transfer from MTW as additional subsidy not yet made; also see note (1)

3) Transfer to development fund to make payment on Fairwind LOC plus an increase in LT receivable interest for tax credit partnerships. Also see note (5)

4) Reduction driven by reclassification of Green River debt from long-term to short-term

5) Transfer from outside-owned public housing to make payment on Fairwind LOC. Also see note (3)

6) Due to transfers-out to fund certain capital projects

KCHA Combined
Working Capital Budget vs. Actual Report
For the Period Ended 6/30/2014

	Quarter Ended June 30, 2014				Year-to-Date				2014 Annual Budget	Remainder to Receive/ Spend	(n/m= not meaningful) Percent of Annual Budget
<i>Revenues</i>	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var			
Tenant Revenue	\$15,335,964	\$15,020,027	\$315,937	2.1%	\$30,430,890	\$29,919,421	\$511,469	1.7%	\$61,106,807	\$30,675,917	49.8%
Operating Fund Subsidy from HUD	2,469,545	2,503,407	(33,862)	(1.4%)	4,878,431	5,006,762	(128,331)	(2.6%)	10,013,576	5,135,145	48.7%
Section 8 Subsidy from HUD	27,432,530	27,708,356	(275,826)	(1.0%)	54,047,915	55,356,632	(1,308,717)	(2.4%)	111,498,881	57,450,966	48.5%
Other Operating Revenue	12,228,263	12,382,376	(154,113)	(1.2%)	24,298,263	23,808,860	489,403	2.1%	48,299,072	24,000,809	50.3%
Non-operating Revenue	4,490,741	3,568,275	922,466	25.9%	7,009,745	7,057,384	(47,639)	(0.7%)	13,202,980	6,193,235	53.1%
Total Revenues	61,957,043	61,182,441	774,602	1.3%	120,665,243	121,149,059	(483,816)	(0.4%)	244,121,316	123,456,073	49.4%
<i>Expenses</i>											
Salaries & Benefits	6,071,500	6,259,108	(187,608)	(3.0%)	12,751,682	13,057,590	(305,908)	(2.3%)	26,458,156	13,706,474	48.2%
Routine Maintenance, Utilities, Taxes & Insurance	5,569,870	5,689,083	(119,213)	(2.1%)	10,654,064	11,165,955	(511,891)	(4.6%)	23,016,509	12,362,445	46.3%
Direct Social Service Salaries & Benefits	455,912	468,620	(12,708)	(2.7%)	1,009,447	1,020,981	(11,534)	(1.1%)	2,090,833	1,081,386	48.3%
Other Social Service Support Expenses & HAP	31,075,347	31,451,623	(376,276)	(1.2%)	61,776,359	62,499,257	(722,898)	(1.2%)	125,938,749	64,162,390	49.1%
Administrative Support Expenses	4,128,397	4,407,998	(279,601)	(6.3%)	8,011,357	9,036,418	(1,025,061)	(11.3%)	17,936,978	9,925,621	44.7%
Non-operating Expenses	4,371,624	3,961,122	410,502	10.4%	8,122,483	7,936,627	185,856	2.3%	16,048,756	7,926,273	50.6%
Total Expenses	51,672,649	52,237,554	(564,905)	(1.1%)	102,325,391	104,716,828	(2,391,437)	(2.3%)	211,489,981	109,164,590	48.4%
Net Income	10,284,394	8,944,887	1,339,507	15.0%	18,339,852	16,432,231	1,907,621	11.6%	32,631,335	14,291,483	56.2%
<i>Other Sources/(Uses) of Working Capital</i>											
(Increase) in Restricted/Designated Cash	(2,095,852)	(810,811)	(1,285,041)	158.5%	(3,481,478)	(1,440,819)	(2,040,659)	141.6%	(8,516,382)	(5,034,904)	40.9%
Decrease in Restricted/Designated Cash	3,915,227	3,676,096	239,131	6.5%	7,963,314	7,202,815	760,499	10.6%	32,556,350	24,593,036	24.5%
(Increase) in LT Receivables	(1,048,356)	(8,264,082)	7,215,726	(87.3%)	(1,824,408)	(9,032,334)	7,207,926	(79.8%)	(15,423,822)	(13,599,414)	11.8%
Decrease in LT Receivables	3,822,310	3,313,415	508,895	15.4%	7,518,298	4,322,518	3,195,780	73.9%	10,866,906	3,348,608	69.2%
Acquisition of Capital Assets	(27,876,372)	(30,932,281)	3,055,909	(9.9%)	(36,472,208)	(40,515,705)	4,043,497	(10.0%)	(55,318,600)	(18,846,392)	65.9%
Maintenance Projects	(2,820,537)	(5,047,838)	2,227,301	(44.1%)	(5,305,059)	(8,072,174)	2,767,115	(34.3%)	(17,412,624)	(12,107,565)	30.5%
Acquisition of Capital Assets	(30,696,910)	(35,980,119)	5,283,209	(14.7%)	(41,777,267)	(48,587,879)	6,810,612	(14.0%)	(72,731,224)	(30,953,957)	57.4%
Disposition of Capital Assets	373,962	358,248	15,714	4.4%	373,962	718,996	(345,034)	(48.0%)	4,545,704	4,171,742	8.2%
Change in Suspense	(31,382)	0	(31,382)	n/m	(76,097)	0	(76,097)	n/m	0	76,097	n/m
Change in Other Assets	4,357	0	4,357	n/m	24,254	0	24,254	n/m	(500,000)	(524,254)	n/m
Change in Other Deferrals	68,743	0	68,743	n/m	217,930	0	217,930	n/m	0	(217,930)	n/m
Increase in LT Debt	40,855,506	22,249,246	18,606,260	83.6%	51,192,670	31,269,659	19,923,011	63.7%	57,538,798	6,346,128	89.0%
(Decrease) in LT Debt	(23,488,187)	(23,477,109)	(11,078)	0.0%	(35,358,650)	(28,839,593)	(6,519,057)	22.6%	(32,776,132)	2,582,518	107.9%
Change in Other Liabilities	(415,011)	73,457	(488,468)	n/m	(65,266)	191,326	(256,592)	n/m	377,042	442,308	n/m
Other Non-Working Capital Income/Expense Items	31,180	0	31,180	n/m	(25,378)	0	(25,378)	n/m	0	25,378	n/m
Non Income/Expense Change in Equity	164,000	0	164,000	n/m	164,000	0	164,000	n/m	0	(164,000)	n/m
Total Other Sources/(Uses) of Working Capital	(8,540,414)	(38,861,659)	30,321,245	(78.0%)	(15,154,117)	(44,195,311)	29,041,194	(65.7%)	(24,062,760)	(8,908,643)	63.0%
<i>Transfer In from (Out to) Other Funds</i>											
Transfers In from Other Funds	8,527,792	8,960,607	(432,815)	(4.8%)	39,306,497	17,374,057	21,932,440	126.2%	47,260,322	7,953,825	83.2%
Transfers Out to Other Funds	(8,507,207)	(8,960,604)	453,397	(5.1%)	(39,337,434)	(17,374,063)	(21,963,371)	126.4%	(47,260,322)	(7,922,888)	83.2%
Net Transfer In/(Out)	20,585	3	20,582	686071.0%	(30,937)	(6)	(30,931)	515517.7%	0	30,937	n/m
Net Change in Working Capital	\$1,764,565	(\$29,916,769)	\$31,681,334	n/m	\$3,154,798	(\$27,763,086)	\$30,917,884	n/m	\$8,568,575	\$5,413,777	36.8%
Working Capital, Beginning of Period	11,833,030				10,442,798						
Working Capital, 6/30/2014	\$13,597,595				\$13,597,595						

- 1) Administrative costs generally under budget for the first six months; Birch Creek projects such as landscaping and playground upgrade were budgeted as administrative expenses and have not yet occurred
- 2) Increased HAP reserve by \$600k; transferred \$750k into Gilman escrow account
- 3) Loans for Vantage Point development and Eastwood square refinance not yet made
- 4) Variance due to elimination of Rural Housing lease receivable of \$2.96 million due to acquisition by KCHA
- 5) Several asset-managed properties have not yet begun budgeted projects; Vantage Point developments costs will increase in the third quarter
- 6) Timing issue: new debt related to Gilman Village was inadvertently budgeted for the third quarter even though property was acquired in June
- 7) Payoff of 700 building debt
- 8) Technical, unbudgeted transfers related to 2013 pool refinancing

Public Housing (KCHA)
Working Capital Budget vs. Actual Report
For the Period Ended 6/30/2014

	Quarter Ended June 30, 2014				Year-to-Date				2014	Remainder	Percent of
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var	Annual Budget	to Receive/ Spend	Annual Budget
Revenues											
Tenant Revenue	\$1,021,316	\$979,464	\$41,852	4.3%	\$2,019,232	\$1,958,894	\$60,338	3.1%	\$3,917,822	\$1,898,590	51.5%
Operating Fund Subsidy from HUD	1,058,710	1,061,706	(2,996)	(0.3%)	2,095,703	2,123,378	(27,675)	(1.3%)	4,246,790	2,151,087	49.3%
Section 8 Subsidy from HUD	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Other Operating Revenue	4,492	5,685	(1,193)	(21.0%)	11,496	11,194	302	2.7%	22,564	11,068	50.9%
Non-operating Revenue	670,340	374,384	295,956	79.1%	694,839	397,397	297,442	74.8%	977,465	282,626	71.1%
Total Revenues	2,754,858	2,421,239	333,619	13.8%	4,821,270	4,490,863	330,407	7.4%	9,164,641	4,343,371	52.6%
Expenses											
Salaries & Benefits	460,408	501,396	(40,988)	(8.2%)	989,223	1,053,725	(64,502)	(6.1%)	2,105,821	1,116,598	47.0%
Routine Maintenance, Utilities, Taxes & Insurance	1,028,135	1,068,851	(40,716)	(3.8%)	1,903,451	1,979,922	(76,471)	(3.9%)	4,122,273	2,218,822	46.2%
Direct Social Service Salaries & Benefits	104,599	107,630	(3,031)	(2.8%)	228,560	236,057	(7,497)	(3.2%)	476,301	247,741	48.0%
Other Social Service Support Expenses & HAP	183,325	209,656	(26,331)	(12.6%)	347,847	419,150	(71,303)	(17.0%)	850,654	502,807	40.9%
Administrative Support Expenses	908,404	637,151	271,253	42.6%	1,485,238	1,283,522	201,716	15.7%	2,933,388	1,448,150	50.6%
Non-operating Expenses	11,934	7,497	4,437	59.2%	20,196	14,994	5,202	34.7%	29,988	9,792	67.3%
Total Expenses	2,696,805	2,532,181	164,624	6.5%	4,974,515	4,987,370	(12,855)	(0.3%)	10,518,425	5,543,910	47.3%
Net Income	58,052	(110,942)	168,994	n/m	(153,245)	(496,507)	343,262	(69.1%)	(1,353,784)	(1,200,539)	11.3%
Other Sources/(Uses) of Working Capital											
(Increase) in Restricted/Designated Cash	(10,285)	(18)	(10,267)	57041.3%	(21,535)	(36)	(21,499)	59720.4%	(72)	21,463	29910.2%
Decrease in Restricted/Designated Cash	0	0	0	n/m	0	0	0	n/m	0	0	n/m
(Increase) in LT Receivables	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Decrease in LT Receivables	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Acquisition of Capital Assets	(2,543,380)	(2,793,034)	249,654	(8.9%)	(4,710,997)	(5,104,026)	393,029	(7.7%)	(9,614,187)	(4,903,190)	49.0%
Disposition of Capital Assets	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Change in Suspense	(336)	0	(336)	n/m	90	0	90	n/m	0	(90)	n/m
Change in Other Assets	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Change in Deferrals	10,275	0	10,275	n/m	21,751	0	21,751	n/m	0	(21,751)	n/m
Increase in LT Debt	0	0	0	n/m	0	0	0	n/m	0	0	n/m
(Decrease) in LT Debt	(43,152)	(45,084)	1,932	(4.3%)	(85,887)	(90,168)	4,281	(4.7%)	(180,336)	(94,449)	47.6%
Change in Other Liabilities	(4,713)	(4,926)	213	(4.3%)	(22,026)	(9,852)	(12,174)	123.6%	(19,704)	2,322	111.8%
Other Non-Working Capital Income/Expense Items	1	0	1	n/m	266,386	0	266,386	n/m	0	(266,386)	n/m
Non Income/Expense Change in Equity	0	0	0	n/m	(166,159)	0	(166,159)	n/m	0	166,159	n/m
Total Other Sources/(Uses) of Working Capital	(2,591,591)	(2,843,062)	251,471	(8.8%)	(4,718,377)	(5,204,082)	485,705	(9.3%)	(9,814,299)	(5,095,922)	48.1%
Transfer In from (Out to) Other Funds											
Transfers In from Other Funds	2,287,108	2,612,727	(325,619)	(12.5%)	4,546,072	5,149,904	(603,832)	(11.7%)	11,438,617	6,892,545	39.7%
Transfers Out to Other Funds	0	0	0	n/m	(227,371)	0	(227,371)	n/m	0	227,371	n/m
Net Transfer In/(Out)	2,287,108	2,612,727	(325,619)	(12.5%)	4,318,701	5,149,904	(831,203)	(16.1%)	11,438,617	7,119,916	37.8%
Net Change in Working Capital	(\$246,430)	(\$341,277)	\$94,847	(27.8%)	(\$552,921)	(\$550,685)	(\$2,236)	0.4%	\$270,534	\$823,455	n/m
Working Capital, Beginning of Period	3,099,798				3,406,289						
Working Capital, 6/30/2014	\$2,853,367				\$2,853,367						

1) CFP grant for Valli Kee Sewer Line replacement budgeted in the 3rd quarter, but drawn in 2nd quarter.

2) General relocation expense at public housing properties less than anticipated.

3) 10% CFP management fee budgeted in the 3rd quarter, but drawn in 2nd quarter.

4) Unbudgeted increase in FSS reserves

5) Variance due to unit upgrade expenditures being less than anticipated for first and second quarters, resulting in less management fees charged and lower MTW transfers

6) Variance due to transfer of vehicles to Central Vehicle Fund.

7) Transfer of some remaining equity from former 509 property funds to current 509 properties fund.

Public Housing (Other)
Working Capital Budget vs. Actual Report
For the Period Ended 6/30/2014

	Quarter Ended June 30, 2014				Year-to-Date				2014 Annual Budget	Remainder to Receive/ Spend	Percent of Annual Budget
Revenues	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var			
Tenant Revenue	\$424,185	\$416,595	\$7,590	1.8%	\$851,625	\$833,184	\$18,441	2.2%	\$1,666,374	\$814,749	51.1%
Operating Fund Subsidy from HUD	1,111,638	1,114,059	(2,421)	(0.2%)	2,122,508	2,228,096	(105,588)	(4.7%)	4,456,214	2,333,706	47.6%
Section 8 Subsidy from HUD	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Other Operating Revenue	337	27,018	(26,681)	(98.8%)	21,178	44,125	(22,947)	(52.0%)	84,671	63,493	25.0%
Non-operating Revenue	1,291,011	997,382	293,629	29.4%	2,140,417	1,994,691	145,726	7.3%	3,976,232	1,835,815	53.8%
Total Revenues	2,827,171	2,555,054	272,117	10.7%	5,135,728	5,100,096	35,632	0.7%	10,183,491	5,047,763	50.4%
Expenses											
Salaries & Benefits	244,773	238,888	5,885	2.5%	514,319	504,755	9,564	1.9%	1,009,472	495,153	50.9%
Routine Maintenance, Utilities, Taxes & Insurance	484,411	463,556	20,855	4.5%	930,221	891,261	38,960	4.4%	1,844,983	914,762	50.4%
Direct Social Service Salaries & Benefits	82,120	77,972	4,147	5.3%	169,878	168,935	943	0.6%	337,861	167,983	50.3%
Other Social Service Support Expenses & HAP	699,422	684,246	15,176	2.2%	1,394,425	1,368,497	25,928	1.9%	2,737,224	1,342,799	50.9%
Administrative Support Expenses	226,571	208,662	17,909	8.6%	447,581	416,418	31,163	7.5%	853,023	405,442	52.5%
Non-operating Expenses	801,163	654,384	146,779	22.4%	1,350,449	1,304,594	45,855	3.5%	2,613,362	1,262,913	51.7%
Total Expenses	2,538,458	2,327,708	210,750	9.1%	4,806,874	4,654,460	152,414	3.3%	9,395,925	4,589,051	51.2%
Net Income	288,713	227,346	61,367	27.0%	328,854	445,636	(116,782)	(26.2%)	787,566	458,712	41.8%
Other Sources/(Uses) of Working Capital											
(Increase) in Restricted/Designated Cash	(46,885)	(41,419)	(5,466)	13.2%	(90,014)	(82,834)	(7,180)	8.7%	(165,681)	(75,667)	54.3%
Decrease in Restricted/Designated Cash	0	0	0	n/m	0	0	0	n/m	0	0	n/m
(Increase) in LT Receivables	(644,145)	(556,308)	(87,837)	15.8%	(1,206,711)	(1,116,790)	(89,921)	8.1%	(2,229,406)	(1,022,695)	54.1%
Decrease in LT Receivables	173,993	195,875	(21,882)	(11.2%)	195,875	195,875	0	0.0%	395,875	200,000	49.5%
Acquisition of Capital Assets	(212,068)	(268,640)	56,572	(21.1%)	(543,282)	(538,465)	(4,817)	0.9%	(981,560)	(438,278)	55.3%
Disposition of Capital Assets	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Change in Suspense	(572)	0	(572)	n/m	(572)	0	(572)	n/m	0	572	n/m
Change in Other Assets	20,437	0	20,437	n/m	40,874	0	40,874	n/m	0	(40,874)	n/m
Change in Deferrals	436	0	436	n/m	1,121	0	1,121	n/m	0	(1,121)	n/m
Increase in LT Debt	0	0	0	n/m	0	0	0	n/m	0	0	n/m
(Decrease) in LT Debt	(1,427)	(1,491)	64	(4.3%)	(2,839)	(2,982)	143	(4.8%)	(205,964)	(203,125)	1.4%
Change in Other Liabilities	355,826	239,277	116,549	48.7%	591,575	478,554	113,021	23.6%	957,108	365,533	61.8%
Other Non-Working Capital Income/Expense Items	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Non Income/Expense Change in Equity	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Total Other Sources/(Uses) of Working Capital	(354,404)	(432,706)	78,302	(18.1%)	(1,013,972)	(1,066,642)	52,670	(4.9%)	(2,229,628)	(1,215,656)	45.5%
Transfer In from (Out to) Other Funds											
Transfers In from Other Funds	63,437	303,150	(239,713)	(79.1%)	246,531	419,650	(173,119)	(41.3%)	1,712,378	1,465,847	14.4%
Transfers Out to Other Funds	(196,629)	0	(196,629)	n/m	(3,846,629)	(3,700,544)	(146,085)	3.9%	(14,783,884)	(10,937,255)	26.0%
Net Transfer In/(Out)	(133,192)	303,150	(436,342)	n/m	(3,600,098)	(3,280,894)	(319,204)	9.7%	(13,071,506)	(9,471,408)	27.5%
Net Change in Working Capital	(\$198,884)	\$97,790	(\$296,674)	n/m	(\$4,285,217)	(\$3,901,900)	(\$383,317)	9.8%	(\$14,513,568)	(\$10,228,351)	29.5%
Working Capital, Beginning of Period	(374,344)				3,711,988						
Working Capital, 6/30/2014	(\$573,228)				(\$573,228)						

- 1) Timing; certain management fees not yet booked
- 2) Variance due to budgeting error on Fairwind finance lease interest and Hope VI loan interest.
- 3) The budgeted operating subsidies from MTW to tax credits not booked to accounting system yet.

Other Federally-supported (KCHA)
Working Capital Budget vs. Actual Report
For the Period Ended 6/30/2014

	Quarter Ended June 30, 2014				Year-to-Date				2014 Annual Budget	Remainder to Receive/ Spend	(n/m= not meaningful) Percent of Annual Budget
<i>Revenues</i>	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var			
Tenant Revenue	\$1,248,232	\$1,251,405	(\$3,173)	(0.3%)	\$2,512,438	\$2,502,804	\$9,634	0.4%	\$5,005,614	\$2,493,176	50.2%
Operating Fund Subsidy from HUD	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Section 8 Subsidy from HUD	83,889	95,751	(11,862)	(12.4%)	177,233	191,498	(14,265)	(7.4%)	383,000	205,767	46.3%
Other Operating Revenue	124,679	123,753	926	0.7%	250,076	247,519	2,557	1.0%	453,205	203,129	55.2%
Non-operating Revenue	5,528	5,194	334	6.4%	11,092	10,389	703	6.8%	20,792	9,700	53.3%
Total Revenues	1,462,329	1,476,103	(13,774)	(0.9%)	2,950,839	2,952,210	(1,371)	(0.0%)	5,862,611	2,911,772	50.3%
<i>Expenses</i>											
Salaries & Benefits	159,655	177,297	(17,642)	(10.0%)	340,413	372,274	(31,861)	(8.6%)	745,027	404,614	45.7%
Routine Maintenance, Utilities, Taxes & Insurance	411,255	388,305	22,950	5.9%	755,883	761,461	(5,578)	(0.7%)	1,551,296	795,413	48.7%
Direct Social Service Salaries & Benefits	36,389	33,536	2,853	8.5%	73,477	72,658	819	1.1%	145,311	71,834	50.6%
Other Social Service Support Expenses & HAP	12,857	21,441	(8,584)	(40.0%)	33,287	42,898	(9,611)	(22.4%)	85,772	52,485	38.8%
Administrative Support Expenses	140,095	171,919	(31,824)	(18.5%)	295,431	306,120	(10,689)	(3.5%)	627,082	331,651	47.1%
Non-operating Expenses	53,678	43,083	10,595	24.6%	88,842	88,200	642	0.7%	163,173	74,331	54.4%
Total Expenses	813,929	835,581	(21,652)	(2.6%)	1,587,332	1,643,611	(56,279)	(3.4%)	3,317,661	1,730,329	47.8%
Net Income	648,400	640,522	7,878	1.2%	1,363,507	1,308,599	54,908	4.2%	2,544,950	1,181,443	53.6%
<i>Other Sources/(Uses) of Working Capital</i>											
(Increase) in Restricted/Designated Cash	(18,423)	(21,529)	3,106	(14.4%)	(23,055)	(43,055)	20,000	(46.5%)	(86,128)	(63,073)	26.8%
Decrease in Restricted/Designated Cash	(177)	0	(177)	n/m	1,238	0	1,238	n/m	0	(1,238)	n/m
(Increase) in LT Receivables	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Decrease in LT Receivables	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Acquisition of Capital Assets	(171,198)	(554,690)	383,492	(69.1%)	(350,535)	(785,812)	435,277	(55.4%)	(2,197,494)	(1,846,959)	16.0% (1)
Disposition of Capital Assets	0	0	0	n/m	0	0	0	n/m	1,851,980	1,851,980	0.0%
Change in Suspense	(1)	0	(1)	n/m	0	0	0	n/m	0	0	n/m
Change in Other Assets	(0)	0	(0)	n/m	(0)	0	(0)	n/m	0	0	n/m
Change in Deferrals	(1,990)	0	(1,990)	n/m	(1,233)	0	(1,233)	n/m	0	1,233	n/m
Increase in LT Debt	0	0	0	n/m	0	0	0	n/m	0	0	n/m
(Decrease) in LT Debt	(602,398)	(596,076)	(6,322)	1.1%	(1,109,078)	(610,053)	(499,025)	81.8%	(653,118)	455,960	169.8% (2)
Change in Other Liabilities	(16,950)	(16,950)	0	(0.0%)	(50,444)	(33,900)	(16,544)	48.8%	(67,800)	(17,356)	74.4%
Other Non-Working Capital Income/Expense Items	0	0	0	n/m	77,383	0	77,383	n/m	0	(77,383)	n/m
Non Income/Expense Change in Equity	773	0	773	n/m	773	0	773	n/m	0	(773)	n/m
Total Other Sources/(Uses) of Working Capital	(810,362)	(1,189,245)	378,883	(31.9%)	(1,454,950)	(1,472,820)	17,870	(1.2%)	(1,152,560)	302,390	126.2%
<i>Transfer In from (Out to) Other Funds</i>											
Transfers In from Other Funds	256,161	491,368	(235,207)	(47.9%)	918,852	851,629	67,223	7.9%	1,657,819	738,967	55.4%
Transfers Out to Other Funds	(160)	0	(160)	n/m	(77,544)	(300,841)	223,297	(74.2%)	(431,572)	(354,028)	18.0% (3)
Net Transfer In/(Out)	256,000	491,368	(235,368)	(47.9%)	841,308	550,788	290,520	52.7%	1,226,247	384,939	68.6%
Net Change in Working Capital	\$94,038	(\$57,355)	\$151,393	n/m	\$749,865	\$386,567	\$363,298	94.0%	\$2,618,637	\$1,868,772	28.6%
Working Capital, Beginning of Period	2,664,039				2,008,212						
Working Capital, 6/30/2014	\$2,758,077				\$2,758,077						

1) Difference due to unit upgrade cost being less than anticipated at Hidden Village, Northlake House, Newport, Burien Park and Northwood apartments.

2) Difference due to reallocation of Hidden Village 2013 Pool debt.

3) The budgeted Capital Construction transfer of \$300K from Spiritwood not booked yet.

Other Federally-supported (Other)
Working Capital Budget vs. Actual Report
For the Period Ended 6/30/2014

	Quarter Ended June 30, 2014				Year-to-Date				2014 Annual Budget	Remainder to Receive/ Spend	(n/m= not meaningful) Percent of Annual Budget
Revenues	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var			
Tenant Revenue	\$2,782,411	\$2,743,056	\$39,355	1.4%	\$5,423,585	\$5,485,918	(\$62,333)	(1.1%)	\$10,972,123	\$5,548,538	49.4%
Operating Fund Subsidy from HUD	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Section 8 Subsidy from HUD	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Other Operating Revenue	587,544	600,567	(13,023)	(2.2%)	976,330	1,069,027	(92,697)	(8.7%)	1,850,959	874,629	52.7%
Non-operating Revenue	460,210	330,705	129,505	39.2%	817,147	663,918	153,229	23.1%	1,327,624	510,477	61.5%
Total Revenues	3,830,164	3,674,328	155,836	4.2%	7,217,062	7,218,863	(1,801)	(0.0%)	14,150,706	6,933,644	51.0%
Expenses											
Salaries & Benefits	344,930	349,609	(4,679)	(1.3%)	725,167	735,651	(10,484)	(1.4%)	1,470,534	745,367	49.3%
Routine Maintenance, Utilities, Taxes & Insurance	728,371	813,390	(85,019)	(10.5%)	1,386,895	1,536,280	(149,385)	(9.7%)	3,228,638	1,841,743	43.0%
Direct Social Service Salaries & Benefits	50,586	66,501	(15,915)	(23.9%)	127,129	146,932	(19,803)	(13.5%)	293,673	166,544	43.3%
Other Social Service Support Expenses & HAP	104,443	113,524	(9,081)	(8.0%)	206,533	227,107	(20,574)	(9.1%)	458,328	251,795	45.1%
Administrative Support Expenses	293,837	411,547	(117,710)	(28.6%)	603,486	1,121,004	(517,518)	(46.2%)	1,814,573	1,211,087	33.3%
Non-operating Expenses	1,409,286	1,429,309	(20,023)	(1.4%)	2,787,105	2,863,043	(75,938)	(2.7%)	5,716,496	2,929,391	48.8%
Total Expenses	2,931,455	3,183,880	(252,425)	(7.9%)	5,836,315	6,630,017	(793,702)	(12.0%)	12,982,242	7,145,927	45.0%
Net Income	898,709	490,448	408,261	83.2%	1,380,747	588,846	791,901	134.5%	1,168,464	(212,283)	118.2%
Other Sources/(Uses) of Working Capital											
(Increase) in Restricted/Designated Cash	(62,289)	(57,825)	(4,464)	7.7%	(122,232)	(115,600)	(6,632)	5.7%	(231,293)	(109,061)	52.8%
Decrease in Restricted/Designated Cash	1,804,668	1,756,619	48,049	2.7%	3,365,746	3,318,619	47,127	1.4%	7,906,241	4,540,495	42.6%
(Increase) in LT Receivables	(285,191)	(1,915,194)	1,630,003	(85.1%)	(370,383)	(2,000,388)	1,630,005	(81.5%)	(5,777,271)	(5,406,888)	6.4%
Decrease in LT Receivables	1,186,465	1,519,497	(333,032)	(21.9%)	1,485,805	1,519,497	(33,692)	(2.2%)	1,519,497	33,692	97.8%
Acquisition of Capital Assets	(1,519,449)	(1,549,710)	30,261	(2.0%)	(3,531,055)	(3,560,094)	29,039	(0.8%)	(7,268,280)	(3,737,225)	48.6%
Disposition of Capital Assets	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Change in Suspense	(244)	0	(244)	n/m	(84)	0	(84)	n/m	0	84	n/m
Change in Other Assets	0	0	0	n/m	0	0	0	n/m	0	(0)	n/m
Change in Deferrals	1,156	0	1,156	n/m	2,666	0	2,666	n/m	0	(2,666)	n/m
Increase in LT Debt	182	180	2	1.1%	362	360	2	0.6%	1,573,320	1,572,958	0.0%
(Decrease) in LT Debt	(4,178,047)	(3,648,369)	(529,678)	14.5%	(4,575,445)	(3,770,238)	(805,207)	21.4%	(4,013,982)	561,463	114.0%
Change in Other Liabilities	105,569	85,194	20,375	23.9%	170,383	170,388	(5)	(0.0%)	340,776	170,393	50.0%
Other Non-Working Capital Income/Expense Items	(25,378)	0	(25,378)	n/m	56,003	0	56,003	n/m	0	(56,003)	n/m
Non Income/Expense Change in Equity	0	0	0	n/m	68,281	0	68,281	n/m	0	(68,281)	n/m
Total Other Sources/(Uses) of Working Capital	(2,972,560)	(3,809,608)	837,048	(22.0%)	(3,449,954)	(4,437,456)	987,502	(22.3%)	(5,950,992)	(2,501,038)	58.0%
Transfer In from (Out to) Other Funds											
Transfers In from Other Funds	2,982,180	3,081,917	(99,737)	(3.2%)	3,231,022	3,317,129	(86,107)	(2.6%)	8,005,204	4,774,182	40.4%
Transfers Out to Other Funds	(1,097,756)	(210,372)	(887,384)	421.8%	(1,466,995)	(420,756)	(1,046,239)	248.7%	(841,500)	625,495	174.3%
Net Transfer In/(Out)	1,884,424	2,871,545	(987,121)	(34.4%)	1,764,028	2,896,373	(1,132,345)	(39.1%)	7,163,704	5,399,676	24.6%
Net Change in Working Capital	(\$189,427)	(\$447,615)	\$258,188	(57.7%)	(\$305,179)	(\$952,237)	\$647,058	(68.0%)	\$2,381,176	\$2,686,355	n/m
Working Capital, Beginning of Period	468,565				584,317						
Working Capital, 6/30/2014	\$279,138				\$279,138						

- 1) Drew on RHF grant to fund Green River interest payment in the second quarter, funding was switched to MTW in midyear budget. Adjustment to books will be made in third quarter
- 2) The budgeted \$379k in Birch Creek landscaping and playground project expenses have not yet been incurred, \$92k related to MKCRF audit and real estate expenses not yet incurred
- 3) The budgeted \$1.63M loan to Vantage Point not yet made.
- 4) Reclassified minimum Green River principal payment of \$863k due at year to short-term; unbudgeted.
- 5) \$853k transferred from MKCRF back to MTW to reimburse for expenses originally paid by MTW-unbudgeted. \$120k unbudgeted transfer of vehicles to central vehicle fund.

Section 8
Working Capital Budget vs. Actual Report
For the Period Ended 6/30/2014

	Quarter Ended June 30, 2014				Year-to-Date				2014 Annual Budget	Remainder to Receive/ Spend	(n/m= not meaningful) Percent of Annual Budget	
<i>Revenues</i>	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var				
Tenant Revenue	\$36,239	\$30,000	\$6,239	20.8%	\$94,029	\$60,000	\$34,029	56.7%	\$120,000	\$25,971	78.4%	(1)
Operating Fund Subsidy from HUD	0	0	0	n/m	0	0	0	n/m	0	0	n/m	
Section 8 Subsidy from HUD	24,354,124	24,355,630	(1,506)	(0.0%)	48,733,531	48,804,897	(71,366)	(0.1%)	98,170,764	49,437,233	49.6%	
Other Operating Revenue	7,030,422	6,896,960	133,462	1.9%	13,884,606	13,736,773	147,833	1.1%	27,703,097	13,818,491	50.1%	
Non-operating Revenue	201	924	(723)	(78.2%)	127	1,847	(1,720)	(93.1%)	3,695	3,568	3.4%	
Total Revenues	31,420,986	31,283,514	137,472	0.4%	62,712,294	62,603,517	108,777	0.2%	125,997,556	63,285,262	49.8%	
<i>Expenses</i>												
Salaries & Benefits	1,274,397	1,276,722	(2,325)	(0.2%)	2,717,703	2,724,427	(6,724)	(0.2%)	5,536,184	2,818,481	49.1%	
Routine Maintenance, Utilities, Taxes & Insurance	64,449	60,483	3,966	6.6%	133,987	121,938	12,049	9.9%	243,412	109,425	55.0%	
Direct Social Service Salaries & Benefits	70,887	79,887	(9,000)	(11.3%)	176,039	173,087	2,952	1.7%	349,417	173,378	50.4%	
Other Social Service Support Expenses & HAP	28,879,440	28,809,864	69,576	0.2%	57,633,149	57,626,678	6,471	0.0%	116,059,997	58,426,848	49.7%	
Administrative Support Expenses	839,136	987,938	(148,802)	(15.1%)	1,785,057	1,974,822	(189,765)	(9.6%)	3,973,154	2,188,097	44.9%	
Non-operating Expenses	(5,995)	0	(5,995)	n/m	(5,995)	0	(5,995)	n/m	0	5,995	n/m	
Total Expenses	31,122,314	31,214,894	(92,580)	(0.3%)	62,439,940	62,620,952	(181,012)	(0.3%)	126,162,164	63,722,224	49.5%	
Net Income	298,672	68,620	230,052	335.3%	272,354	(17,435)	289,789	n/m	(164,608)	(436,962)	n/m	
<i>Other Sources/(Uses) of Working Capital</i>												
(Increase) in Restricted/Designated Cash	(55,066)	0	(55,066)	n/m	(123,189)	0	(123,189)	n/m	0	123,189	n/m	(2)
Decrease in Restricted/Designated Cash	0	0	0	n/m	0	0	0	n/m	0	0	n/m	
(Increase) in LT Receivables	0	0	0	n/m	0	0	0	n/m	0	0	n/m	
Decrease in LT Receivables	0	0	0	n/m	0	0	0	n/m	0	0	n/m	
Acquisition of Capital Assets	(0)	0	(0)	n/m	(0)	0	(0)	n/m	0	0	n/m	
Maintenance Projects	0	(390)	390	(100.0%)	0	(783)	783	(100.0%)	(1,563)	(1,563)	0.0%	
Acquisition of Capital Assets	(0)	(390)	390	(100.0%)	(0)	(783)	783	(100.0%)	(1,563)	(1,563)	0.0%	(2)
Disposition of Capital Assets	0	0	0	n/m	0	0	0	n/m	0	0	n/m	
Change in Suspense	4,469	0	4,469	n/m	5	0	5	n/m	0	(5)	n/m	
Change in Other Assets	0	0	0	n/m	0	0	0	n/m	0	0	n/m	
Change in Deferrals	55,066	0	55,066	n/m	123,189	0	123,189	n/m	0	(123,189)	n/m	(2)
Increase in LT Debt	0	0	0	n/m	0	0	0	n/m	0	0	n/m	
(Decrease) in LT Debt	0	0	0	n/m	0	0	0	n/m	0	0	n/m	
Change in Other Liabilities	0	0	0	n/m	0	0	0	n/m	0	0	n/m	
Other Non-Working Capital Income/Expense Items	0	0	0	n/m	10,673	0	10,673	n/m	0	(10,673)	n/m	
Non Income/Expense Change in Equity	0	0	0	n/m	0	0	0	n/m	0	0	n/m	
Total Other Sources/(Uses) of Working Capital	4,469	(390)	4,859	n/m	10,678	(783)	11,461	n/m	(1,563)	(12,241)	n/m	
<i>Transfer In from (Out to) Other Funds</i>												
Net Transfer In/(Out)	(135,493)	(135,000)	(493)	0.4%	(146,166)	(135,000)	(11,166)	8.3%	(990,000)	(843,834)	14.8%	
Net Change in Working Capital	\$167,648	(\$66,770)	\$234,418	n/m	\$136,866	(\$153,218)	\$290,084	n/m	(\$1,156,171)	(\$1,293,037)	n/m	
Working Capital, Beginning of Period	157,016				187,798							
Working Capital, 6/30/2014	\$324,664				\$324,664							

- 1) Tenant collections applicable to ports were higher than anticipated in the budget
2) Variance due to unbudgeted change in FSS reserve accounts.

MTW
Working Capital Budget vs. Actual Report
For the Period Ended 6/30/2014

	Quarter Ended June 30, 2014				Year-to-Date				2014 Annual Budget	Remainder to Receive/ Spend	(n/m= not meaningful) Percent of Annual Budget
<i>Revenues</i>	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var			
Tenant Revenue	\$0	\$0	\$0	n/m	\$0	\$0	\$0	n/m	\$0	\$0	n/m
Operating Fund Subsidy from HUD	299,197	327,642	(28,445)	(8.7%)	660,220	655,288	4,932	0.8%	1,310,572	650,352	50.4%
Section 8 Subsidy from HUD	2,994,517	3,256,975	(262,458)	(8.1%)	5,137,150	6,360,237	(1,223,087)	(19.2%)	12,945,117	7,807,967	39.7%
Other Operating Revenue	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Non-operating Revenue	24,491	21,258	3,233	15.2%	48,683	43,208	5,475	12.7%	188,651	139,968	25.8%
Total Revenues	3,318,205	3,605,875	(287,670)	(8.0%)	5,846,053	7,058,733	(1,212,680)	(17.2%)	14,444,340	8,598,287	40.5%
<i>Expenses</i>											
Salaries & Benefits	131,478	175,626	(44,148)	(25.1%)	334,640	375,417	(40,777)	(10.9%)	770,325	435,685	43.4%
Routine Maintenance, Utilities, Taxes & Insurance	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Direct Social Service Salaries & Benefits	56,481	53,792	2,689	5.0%	120,032	116,549	3,483	3.0%	274,756	154,724	43.7%
Other Social Service Support Expenses & HAP	621,766	627,531	(5,765)	(0.9%)	988,776	1,260,781	(272,005)	(21.6%)	2,332,986	1,344,210	42.4%
Administrative Support Expenses	52,719	42,991	9,728	22.6%	88,099	88,976	(877)	(1.0%)	166,961	78,862	52.8%
Non-operating Expenses	51,683	0	51,683	n/m	51,683	0	51,683	n/m	0	(51,683)	n/m
Total Expenses	914,126	899,940	14,186	1.6%	1,583,230	1,841,723	(258,493)	(14.0%)	3,545,028	1,961,798	44.7%
Net Income	2,404,079	2,705,935	(301,856)	(11.2%)	4,262,823	5,217,010	(954,187)	(18.3%)	10,899,312	6,636,489	39.1%
<i>Other Sources/(Uses) of Working Capital</i>											
(Increase) in Restricted/Designated Cash	(600,000)	0	(600,000)	n/m	(600,000)	0	(600,000)	n/m	(600,000)	0	100.0%
Decrease in Restricted/Designated Cash	1,778,881	1,232,258	546,623	44.4%	3,231,532	2,954,848	276,684	9.4%	9,649,297	6,417,765	33.5%
(Increase) in LT Receivables	0	(5,670,000)	5,670,000	(100.0%)	(4,000)	(5,670,000)	5,666,000	(99.9%)	(5,986,211)	(5,982,211)	0.1%
Decrease in LT Receivables	493,949	358,248	135,701	37.9%	493,949	718,996	(225,047)	(31.3%)	1,694,744	1,200,795	29.1%
Acquisition of Capital Assets	(123,251)	(142,450)	19,199	(13.5%)	(132,635)	(150,097)	17,462	(11.6%)	(805,590)	(672,955)	16.5%
Disposition of Capital Assets	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Change in Suspense	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Change in Other Assets	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Change in Deferrals	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Increase in LT Debt	0	0	0	n/m	0	0	0	n/m	0	0	n/m
(Decrease) in LT Debt	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Change in Other Liabilities	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Other Non-Working Capital Income/Expense Items	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Non Income/Expense Change in Equity	21,325	0	21,325	n/m	119,204	0	119,204	n/m	0	(119,204)	n/m
Total Other Sources/(Uses) of Working Capital	1,570,905	(4,221,944)	5,792,849	n/m	3,108,050	(2,146,253)	5,254,303	n/m	3,952,240	844,190	78.6%
<i>Transfer In from (Out to) Other Funds</i>											
Transfers In from Other Funds	988,870	135,000	853,870	632.5%	988,870	135,000	853,870	632.5%	990,000	1,130	99.9%
Transfers Out to Other Funds	(5,221,460)	(5,970,210)	748,750	(12.5%)	(7,716,245)	(8,707,123)	990,878	(11.4%)	(19,015,543)	(11,299,298)	40.6%
Net Transfer In/(Out)	(4,232,590)	(5,835,210)	1,602,620	(27.5%)	(6,727,375)	(8,572,123)	1,844,748	(21.5%)	(18,025,543)	(11,298,168)	37.3%
Net Change in Working Capital	(\$257,606)	(\$7,351,219)	\$7,093,613	(96.5%)	\$643,498	(\$5,501,366)	\$6,144,864	n/m	(\$3,173,991)	(\$3,817,489)	n/m
Working Capital, Beginning of Period	4,388,775				3,487,670						
Working Capital, 6/30/2014	\$4,131,169				\$4,131,169						

- Standard monthly block grant payments from HUD are based on prior years leasing levels. Additional months are requested by KCHA as HUD receives specific funding authority. Consequently the monthly cash receipts vary.
- Variance is due to slower than expected housing placement in the private rental market for the Rapid Rehousing program. In addition, invoicing from homeless program partners and some resident service providers has not been timely.
- HAP Reserve was increased by \$600k in June, but was budgeted for August
- MTW Loans to Eastwood Square and Vantage Point were budgeted in June, but will not occur until later in the year
- Proceeds from lot sales that were budgeted in January and February were actually received and applied to MTW loan receivable in Dec 2014
- Transfer of equity related to former 509 property funds which have been closed
- MKCRF reimbursement of \$853K for rehabilitation projects initially funded by MTW. Unbudgeted.

Local Properties (KCHA)
Working Capital Budget vs. Actual Report
For the Period Ended 6/30/2014

	Quarter Ended June 30, 2014				Year-to-Date				2014 Annual Budget	Remainder to Receive/ Spend	(n/m= not meaningful) Percent of Annual Budget
<i>Revenues</i>	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var			
Tenant Revenue	\$9,465,162	\$9,256,789	\$208,373	2.3%	\$18,831,417	\$18,393,197	\$438,220	2.4%	\$38,054,014	\$19,222,597	49.5%
Operating Fund Subsidy from HUD	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Section 8 Subsidy from HUD	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Other Operating Revenue	158,656	105,318	53,338	50.6%	218,655	226,650	(7,995)	(3.5%)	454,410	235,755	48.1%
Non-operating Revenue	790,549	617,321	173,228	28.1%	805,270	1,499,583	(694,313)	(46.3%)	1,824,865	1,019,595	44.1%
Total Revenues	10,414,367	9,979,428	434,939	4.4%	19,855,341	20,119,430	(264,089)	(1.3%)	40,333,289	20,477,948	49.2%
<i>Expenses</i>											
Salaries & Benefits	909,608	881,902	27,706	3.1%	1,646,132	1,742,265	(96,133)	(5.5%)	3,549,529	1,903,397	46.4%
Routine Maintenance, Utilities, Taxes & Insurance	2,330,311	2,353,042	(22,731)	(1.0%)	4,441,503	4,739,595	(298,092)	(6.3%)	9,737,475	5,295,972	45.6%
Direct Social Service Salaries & Benefits	10,980	6,662	4,318	64.8%	19,064	14,426	4,638	32.1%	28,840	9,776	66.1%
Other Social Service Support Expenses & HAP	27,936	29,545	(1,609)	(5.4%)	51,763	58,759	(6,996)	(11.9%)	118,014	66,251	43.9%
Administrative Support Expenses	970,852	930,703	40,149	4.3%	1,957,452	1,912,868	44,584	2.3%	3,857,374	1,899,922	50.7%
Non-operating Expenses	1,356,612	1,184,345	172,267	14.5%	2,404,737	2,380,792	23,945	1.0%	5,068,543	2,663,806	47.4%
Total Expenses	5,606,299	5,386,199	220,100	4.1%	10,520,651	10,848,705	(328,054)	(3.0%)	22,359,775	11,839,124	47.1%
Net Income	4,808,068	4,593,229	214,839	4.7%	9,334,690	9,270,725	63,965	0.7%	17,973,514	8,638,824	51.9%
<i>Other Sources/(Uses) of Working Capital</i>											
(Increase) in Restricted/Designated Cash	(304,309)	(598,842)	294,533	(49.2%)	(1,237,972)	(1,016,806)	(221,166)	21.8%	(1,568,750)	(330,778)	78.9%
Decrease in Restricted/Designated Cash	179,050	592,600	(413,550)	(69.8%)	179,050	760,400	(581,350)	(76.5%)	2,022,400	1,843,350	8.9%
(Increase) in LT Receivables	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Decrease in LT Receivables	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Acquisition of Capital Assets	(24,937,756)	(26,931,339)	1,993,583	(7.4%)	(30,721,720)	(33,893,865)	3,172,145	(9.4%)	(40,848,977)	(10,127,257)	75.2%
Disposition of Capital Assets	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Change in Suspense	(33,734)	0	(33,734)	n/m	(33,295)	0	(33,295)	n/m	0	33,295	n/m
Change in Other Assets	(16,080)	0	(16,080)	n/m	(16,620)	0	(16,620)	n/m	0	16,620	n/m
Change in Deferrals	2,366	0	2,366	n/m	60,036	0	60,036	n/m	0	(60,036)	n/m
Increase in LT Debt	40,655,324	18,789,066	21,866,258	116.4%	50,992,308	23,422,892	27,569,416	117.7%	46,423,714	(4,568,594)	109.8%
(Decrease) in LT Debt	(17,880,000)	(18,460,936)	580,936	(3.1%)	(18,895,000)	(19,353,160)	458,160	(2.4%)	(21,347,118)	(2,452,118)	88.5%
Change in Other Liabilities	(27)	0	(27)	n/m	(21,551)	58,810	(80,361)	n/m	58,810	80,361	n/m
Other Non-Working Capital Income/Expense Items	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Non Income/Expense Change in Equity	1,791	0	1,791	n/m	464,616	0	464,616	n/m	0	(464,616)	n/m
Total Other Sources/(Uses) of Working Capital	(2,333,374)	(26,609,451)	24,276,077	(91.2%)	769,851	(30,021,729)	30,791,580	n/m	(15,259,921)	(16,029,772)	n/m
<i>Transfer in from (Out to) Other Funds</i>											
Transfers In from Other Funds	331,482	238,982	92,500	38.7%	16,588,302	677,849	15,910,453	2347.2%	1,172,290	(15,416,012)	1415.0%
Transfers Out to Other Funds	(203,574)	(498,579)	295,005	(59.2%)	(23,327,210)	(793,564)	(22,533,646)	2839.5%	(1,383,574)	21,943,636	1686.0%
Net Transfer In/(Out)	127,908	(259,597)	387,505	n/m	(6,738,908)	(115,715)	(6,623,193)	5723.7%	(211,284)	6,527,624	3189.5%
Net Change in Working Capital	\$2,602,603	(\$22,275,819)	\$24,878,422	n/m	\$3,365,633	(\$20,866,719)	\$24,232,352	n/m	\$2,502,309	(\$863,324)	134.5%
Working Capital, Beginning of Period	1,883,353				1,120,322						
Working Capital, 6/30/2014	\$4,485,955				\$4,485,955						

- 1) \$698k grant from King County for Chausee properties rehab will be requested in the third and fourth quarters
- 2) The budgeted withdrawals from replacement reserve accounts for various maintenance projects at Charter House, Cascadian, Woodridge Park, Meadows at Lea Hill, Nike, Laurelwood & Rainier View have yet to be made
- 3) Multiple projects have yet to occur.
- 4) Variance due to unbudgeted \$6.3M reallocation of the 2013 Pool and the Gilman Square LOC draw of \$23M budgeted in July but occurring in June 2014
- 5) Retained Earnings adjustment for transferring the Rural Housing properties back to KCHA.
- 6) Variance due to unbudgeted \$6.3M reallocation of the 2013 Pool.

Local Properties (Other)
Working Capital Budget vs. Actual Report
For the Period Ended 6/30/2014

	Quarter Ended June 30, 2014				Year-to-Date				2014 Annual Budget	Remainder to Receive/ Spend	(n/m= not meaningful) Percent of Annual Budget
Revenues	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var			
Tenant Revenue	\$358,420	\$342,718	\$15,702	4.6%	\$698,564	\$685,424	\$13,140	1.9%	\$1,370,860	\$672,296	51.0%
Operating Fund Subsidy from HUD	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Section 8 Subsidy from HUD	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Other Operating Revenue	31,415	43,464	(12,049)	(27.7%)	83,319	86,924	(3,605)	(4.1%)	173,852	90,533	47.9%
Non-operating Revenue	196,461	198,771	(2,310)	(1.2%)	395,351	397,537	(2,186)	(0.5%)	795,079	399,728	49.7%
Total Revenues	586,295	584,953	1,342	0.2%	1,177,234	1,169,885	7,349	0.6%	2,339,791	1,162,557	50.3%
Expenses											
Salaries & Benefits	91,704	80,909	10,795	13.3%	206,205	171,938	34,267	19.9%	343,857	137,652	60.0% (1)
Routine Maintenance, Utilities, Taxes & Insurance	113,613	117,720	(4,107)	(3.5%)	223,266	230,766	(7,500)	(3.3%)	479,790	256,524	46.5%
Direct Social Service Salaries & Benefits	8,418	7,894	524	6.6%	18,047	17,103	944	5.5%	34,205	16,158	52.8%
Other Social Service Support Expenses & HAP	30,767	30,450	317	1.0%	59,548	60,902	(1,354)	(2.2%)	121,804	62,256	48.9%
Administrative Support Expenses	48,621	52,340	(3,719)	(7.1%)	111,694	103,764	7,930	7.6%	209,034	97,340	53.4%
Non-operating Expenses	196,463	111,540	84,923	76.1%	308,621	223,076	85,545	38.3%	446,156	137,535	69.2% (2)
Total Expenses	489,586	400,853	88,733	22.1%	927,381	807,549	119,832	14.8%	1,634,846	707,465	56.7%
Net Income	96,709	184,100	(87,391)	(47.5%)	249,853	362,336	(112,483)	(31.0%)	704,945	455,092	35.4%
Other Sources/(Uses) of Working Capital											
(Increase) in Restricted/Designated Cash	(14,417)	(15,129)	712	(4.7%)	(32,165)	(30,258)	(1,907)	6.3%	(60,516)	(28,351)	53.2%
Decrease in Restricted/Designated Cash	0	0	0	n/m	0	0	0	n/m	50,000	50,000	0.0%
(Increase) in LT Receivables	(106,663)	(107,466)	804	(0.7%)	(212,667)	(214,928)	2,261	(1.1%)	(429,860)	(217,193)	49.5%
Decrease in LT Receivables	290,706	289,144	1,562	0.5%	328,902	289,144	39,758	13.8%	479,825	150,923	68.5% (3)
Acquisition of Capital Assets	(0)	0	(0)	n/m	(884)	(1,784)	900	(50.4%)	(51,784)	(50,900)	1.7%
Disposition of Capital Assets	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Change in Suspense	84	0	84	n/m	303	0	303	n/m	0	(303)	n/m
Change in Other Assets	(0)	0	(0)	n/m	(0)	0	(0)	n/m	0	0	n/m
Change in Deferrals	(1,166)	0	(1,166)	n/m	1,000	0	1,000	n/m	0	(1,000)	n/m
Increase in LT Debt	0	0	0	n/m	0	0	0	n/m	0	0	n/m
(Decrease) in LT Debt	(73,054)	(73,054)	0	0.0%	(73,054)	(73,054)	0	0.0%	(73,054)	0	100.0%
Change in Other Liabilities	(148,510)	(104,550)	(43,960)	42.0%	(38,432)	6,986	(45,418)	n/m	230,066	268,498	n/m (3)
Other Non-Working Capital Income/Expense Items	41,594	0	41,594	n/m	0	0	0	n/m	0	0	n/m
Non Income/Expense Change in Equity	(800)	0	(800)	n/m	(800)	0	(800)	n/m	0	800	n/m
Total Other Sources/(Uses) of Working Capital	(12,225)	(11,055)	(1,170)	10.6%	(27,797)	(23,894)	(3,903)	16.3%	144,677	172,474	n/m
Transfer In from (Out to) Other Funds											
Net Transfer In/(Out)	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Net Change in Working Capital	\$84,484	\$173,045	(\$88,561)	(51.2%)	\$222,056	\$338,442	(\$116,386)	(34.4%)	\$849,622	\$627,566	26.1%
Working Capital, Beginning of Period	(5,197,896)				(5,335,467)						
Working Capital, 6/30/2014	(\$5,113,411)				(\$5,113,411)						

- 1) Error in midyear budget caused Valley Park to be underbudgeted for salaries and benefits
- 2) Unbudgeted interest payment on Wonderland Estate Key Bank LOC.
- 3) Lease interest payment exceeded budget due to higher than anticipated net cash flow distribution from Harrison House and Valley Park Partnerships.

Local Properties Tax Credit GP
Working Capital Budget vs. Actual Report
For the Period Ended 6/30/2014

	Quarter Ended June 30, 2014				Year-to-Date				2014	Remainder	(n/m= not meaningful) Percent of
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var	Annual Budget	to Receive/ Spend	Annual Budget
Revenues											
Tenant Revenue	\$0	\$0	\$0	n/m	\$0	\$0	\$0	n/m	\$0	\$0	n/m
Operating Fund Subsidy from HUD	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Section 8 Subsidy from HUD	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Other Operating Revenue	(1)	422,185	(422,186)	n/m	355,980	484,275	(128,295)	(26.5%)	608,451	252,471	58.5%
Non-operating Revenue	694,935	698,607	(3,672)	(0.5%)	1,393,506	1,401,224	(7,718)	(0.6%)	2,787,620	1,394,114	50.0%
Total Revenues	694,934	1,120,792	(425,858)	(38.0%)	1,749,486	1,885,499	(136,013)	(7.2%)	3,396,071	1,646,585	51.5%
Expenses											
Salaries & Benefits	846	0	846	n/m	985	0	985	n/m	0	(985)	n/m
Routine Maintenance, Utilities, Taxes & Insurance	9,553	5,681	3,872	68.2%	9,639	11,363	(1,724)	(15.2%)	22,724	13,085	42.4%
Direct Social Service Salaries & Benefits	1,565	0	1,565	n/m	1,879	0	1,879	n/m	0	(1,879)	n/m
Other Social Service Support Expenses & HAP	6	93	(87)	(93.6%)	6	189	(183)	(96.9%)	378	372	1.6%
Administrative Support Expenses	138,145	134,743	3,402	2.5%	262,757	263,994	(1,237)	(0.5%)	522,462	259,705	50.3%
Non-operating Expenses	361,344	355,512	5,832	1.6%	715,803	711,024	4,779	0.7%	1,309,230	593,427	54.7%
Total Expenses	511,459	496,029	15,430	3.1%	991,070	986,570	4,500	0.5%	1,854,794	863,724	53.4%
Net Income	183,475	624,763	(441,288)	(70.6%)	758,417	898,929	(140,512)	(15.6%)	1,541,277	782,860	49.2%
Other Sources/(Uses) of Working Capital											
(Increase) in Restricted/Designated Cash	(234,175)	(75,000)	(159,175)	212.2%	(474,509)	(150,000)	(324,509)	216.3%	(300,000)	174,509	158.2%
Decrease in Restricted/Designated Cash	0	0	0	n/m	0	0	0	n/m	1,460,808	1,460,808	0.0%
(Increase) in LT Receivables	(12,498)	(15,114)	2,616	(17.3%)	(30,620)	(30,228)	(392)	1.3%	(176,074)	(145,454)	17.4%
Decrease in LT Receivables	515,882	358,790	157,092	43.8%	3,698,831	377,287	3,321,544	880.4%	5,241,524	1,542,693	70.6%
Acquisition of Capital Assets	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Disposition of Capital Assets	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Change in Suspense	(3,425)	0	(3,425)	n/m	0	0	0	n/m	0	0	n/m
Change in Other Assets	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Change in Deferrals	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Increase in LT Debt	0	0	0	n/m	0	4,386,407	(4,386,407)	(100.0%)	477,522	477,522	0.0%
(Decrease) in LT Debt	(440,808)	(216,963)	(223,845)	103.2%	(2,938,052)	(4,232,666)	1,294,614	(30.6%)	(5,051,016)	(2,112,964)	58.2%
Change in Other Liabilities	(212,256)	233,660	(445,916)	n/m	(204,822)	239,336	(444,158)	n/m	254,066	458,888	n/m
Other Non-Working Capital Income/Expense Items	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Non Income/Expense Change in Equity	(117,536)	0	(117,536)	n/m	(579,971)	0	(579,971)	n/m	0	579,971	n/m
Total Other Sources/(Uses) of Working Capital	(504,816)	285,373	(790,189)	n/m	(529,143)	590,136	(1,119,279)	n/m	1,906,830	2,435,973	n/m
Transfer In from (Out to) Other Funds											
Transfers In from Other Funds	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Transfers Out to Other Funds	0	(299,997)	299,997	(100.0%)	0	(919,276)	919,276	(100.0%)	(2,663,270)	(2,663,270)	0.0%
Net Transfer In/(Out)	0	(299,997)	299,997	(100.0%)	0	(919,276)	919,276	(100.0%)	(2,663,270)	(2,663,270)	0.0%
Net Change in Working Capital	(\$321,340)	\$610,139	(\$931,479)	n/m	\$229,274	\$569,789	(\$340,515)	(59.8%)	\$784,837	\$555,563	29.2%
Working Capital, Beginning of Period	107,782				(442,832)						
Working Capital, 6/30/2014	(\$213,558)				(\$213,558)						

- 1) Cash flows related to tax credit partnership fees were less than originally anticipated.
- 2) As a result of the expired Overlake Swap contract, a larger portion of the monthly partnership contributions to the Overlake trustee account are being deposited to the excess cash reserve instead of being expensed
- 3) Variance due to elimination of Rural Housing lease receivable of \$2.96 million due to acquisition by KCHA and to higher than anticipated payment on Overlake 3rd mortgage from net cash flow
- 4) Refinancing of Eastwood Square's \$4 million bond was budgeted in the second quarter but now expected in the third quarter.
- 5) Unbudgeted transfer of Rural Housing partnership long term debt of \$2.4 million to KCHA. Also, refinancing of Eastwood Square \$4 million bond is now anticipated in the third quarter. Finally, higher than anticipated payment on Overlake 3rd mortgage from net cash flow.
- 6) Variance due to budgeting error on Overlake 4th mortgage interest payment from net cash flow
- 7) Transfer of Rural Housing equity from tax credit partnership fund group to local KCHA property fund group
- 8) The budgeted excess cash transfer from tax credit properties to COCC has yet to be made

Local-Development
Working Capital Budget vs. Actual Report
For the Period Ended 6/30/2014

	Quarter Ended June 30, 2014				Year-to-Date				2014 Annual Budget	Remainder to Receive/ Spend	(n/m= not meaningful) Percent of Annual Budget
Revenues	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var			
Tenant Revenue	\$0	\$0	\$0	n/m	\$0	\$0	\$0	n/m	\$0	\$0	n/m
Operating Fund Subsidy from HUD	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Section 8 Subsidy from HUD	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Other Operating Revenue	445,205	182,999	262,206	143.3%	789,850	291,010	498,840	171.4%	908,776	118,926	86.9%
Non-operating Revenue	14,440	2,135	12,305	576.3%	16,659	4,402	12,257	278.5%	8,286	(8,373)	201.1%
Total Revenues	459,645	185,134	274,511	148.3%	806,509	295,412	511,097	173.0%	917,062	110,553	87.9%
Expenses											
Salaries & Benefits	32,427	32,009	418	1.3%	69,311	68,519	792	1.2%	137,029	67,718	50.6%
Routine Maintenance, Utilities, Taxes & Insurance	(11,832)	51	(11,883)	n/m	267	98	169	172.9%	200	(67)	133.7%
Direct Social Service Salaries & Benefits	5,795	5,919	(124)	(2.1%)	14,487	12,825	1,662	13.0%	25,649	11,162	56.5%
Other Social Service Support Expenses & HAP	58,858	51,773	7,085	13.7%	112,830	103,546	9,284	9.0%	207,092	94,262	54.5%
Administrative Support Expenses	14,037	11,674	2,363	20.2%	27,563	23,334	4,229	18.1%	46,680	19,117	59.0%
Non-operating Expenses	(47,325)	0	(47,325)	n/m	6,162	0	6,162	n/m	0	(6,162)	n/m
Total Expenses	51,961	101,426	(49,465)	(48.8%)	230,621	208,322	22,299	10.7%	416,650	186,029	55.4%
Net Income	407,684	83,708	323,976	387.0%	575,889	87,090	488,799	561.3%	500,412	(75,477)	115.1%
Other Sources/(Uses) of Working Capital											
(Increase) in Restricted/Designated Cash	(750,004)	(1,049)	(748,955)	71397.0%	(750,006)	(2,230)	(747,776)	33532.6%	(3,942)	746,064	19026.0%
Decrease in Restricted/Designated Cash	132,514	74,328	58,186	78.3%	1,165,457	148,657	1,016,800	684.0%	2,297,313	1,131,856	50.7%
(Increase) in LT Receivables	169	0	169	n/m	0	0	0	n/m	0	0	n/m
Decrease in LT Receivables	1,006,125	435,000	571,125	131.3%	1,006,125	908,000	98,125	10.8%	908,000	(98,125)	110.8%
Acquisition of Capital Assets	(843,237)	(3,625,200)	2,781,963	(76.7%)	(1,420,560)	(4,345,451)	2,924,891	(67.3%)	(10,571,773)	(9,151,213)	13.4%
Maintenance Projects	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Acquisition of Capital Assets	(843,237)	(3,625,200)	2,781,963	(76.7%)	(1,420,560)	(4,345,451)	2,924,891	(67.3%)	(10,571,773)	(9,151,213)	13.4%
Disposition of Capital Assets	372,277	358,248	14,029	3.9%	372,277	718,996	(346,719)	(48.2%)	2,693,724	2,321,447	13.8%
Change in Suspense	9,812	0	9,812	n/m	(16,923)	0	(16,923)	n/m	0	16,923	n/m
Change in Other Assets	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Change in Deferrals	2,600	0	2,600	n/m	2,600	0	2,600	n/m	0	(2,600)	n/m
Increase in LT Debt	200,000	3,460,000	(3,260,000)	(94.2%)	200,000	3,460,000	(3,260,000)	(94.2%)	9,064,242	8,864,242	2.2%
(Decrease) in LT Debt	0	(163,000)	163,000	(100.0%)	(1,000,000)	(163,000)	(837,000)	513.5%	(163,000)	837,000	613.5%
Change in Other Liabilities	(493,949)	(358,248)	(135,701)	37.9%	(489,949)	(718,996)	229,047	(31.9%)	(1,376,280)	(886,331)	35.6%
Other Non-Working Capital Income/Expense Items	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Non Income/Expense Change in Equity	161,894	0	161,894	n/m	161,894	0	161,894	n/m	0	(161,894)	n/m
Total Other Sources/(Uses) of Working Capital	(201,800)	180,079	(381,879)	n/m	(769,086)	5,976	(775,062)	n/m	2,848,284	3,617,370	n/m
Transfer In from (Out to) Other Funds											
Transfers In from Other Funds	1,028,417	1,027,000	1,417	0.1%	4,728,417	4,777,544	(49,127)	(1.0%)	15,860,884	11,132,467	29.8%
Transfers Out to Other Funds	0	0	0	n/m	0	0	0	n/m	(3,531,642)	(3,531,642)	0.0%
Net Transfer In/(Out)	1,028,417	1,027,000	1,417	0.1%	4,728,417	4,777,544	(49,127)	(1.0%)	12,329,242	7,600,825	38.4%
Net Change in Working Capital	\$1,234,301	\$1,290,787	(\$56,486)	(4.4%)	\$4,535,220	\$4,870,610	(\$335,390)	(6.9%)	\$15,677,938	\$11,142,718	28.9%
Working Capital, Beginning of Period	(8,557,407)				(11,858,325)						
Working Capital, 6/30/2014	(\$7,323,106)				(\$7,323,106)						

- 1) Due to higher than projected price participation on lot sales
- 2) Increase in restriction due to transfer of \$750K for Gilman Square earnest money. Earnest money was released July 1st.
- 3) \$1 million of Chaussee earnest money was released from restriction. Unbudgeted.
- 4) Variance is due to reclassification of Home Site II loan receivable to short term.
- 5) Vantage Point development costs lower than anticipated through the second quarter but expected to increase as the year progresses
- 6) Proceeds from lot sales that were budgeted in first quarter were actually received in December 2013.
- 7) The budgeted Vantage Point Land acquisition and GP loans totaling \$3.26 million expected to close by year end.
- 8) Unbudgeted repayment of the Bank of America Letter of Credit related to Chaussee
- 9) Portion of the budgeted repayment of the MTW loan from the proceeds of the lot sales had taken place in December 2013. See note 6.

Local-Other Funds
Working Capital Budget vs. Actual Report
For the Period Ended 6/30/2014

	Quarter Ended June 30, 2014				Year-to-Date				2014 Annual Budget	Remainder to Receive/ Spend	(n/m= not meaningful) Percent of Annual Budget
Revenues	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var			
Tenant Revenue	\$0	\$0	\$0	n/m	\$0	\$0	\$0	n/m	\$0	\$0	n/m
Operating Fund Subsidy from HUD	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Section 8 Subsidy from HUD	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Other Operating Revenue	578,385	1,050,541	(472,156)	(44.9%)	1,393,364	1,752,081	(358,717)	(20.5%)	3,982,661	2,589,297	35.0% (1)
Non-operating Revenue	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Total Revenues	578,385	1,050,541	(472,156)	(44.9%)	1,393,364	1,752,081	(358,717)	(20.5%)	3,982,661	2,589,297	35.0%
Expenses											
Salaries & Benefits	238,101	236,716	1,385	0.6%	504,144	507,091	(2,947)	(0.6%)	1,014,163	510,019	49.7%
Routine Maintenance, Utilities, Taxes & Insurance	2,533	2,451	82	3.4%	4,603	5,006	(403)	(8.0%)	9,986	5,383	46.1%
Direct Social Service Salaries & Benefits	28,092	28,551	(459)	(1.6%)	60,855	61,861	(1,006)	(1.6%)	123,720	62,865	49.2%
Other Social Service Support Expenses & HAP	456,528	871,000	(414,472)	(47.6%)	948,195	1,325,750	(377,555)	(28.5%)	2,956,500	2,008,305	32.1% (1)
Administrative Support Expenses	26,556	29,846	(3,290)	(11.0%)	47,534	54,216	(6,682)	(12.3%)	135,951	88,417	35.0%
Non-operating Expenses	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Total Expenses	751,810	1,168,564	(416,754)	(35.7%)	1,565,331	1,953,924	(388,593)	(19.9%)	4,240,320	2,674,989	36.9%
Net Income	(173,425)	(118,023)	(55,402)	46.9%	(171,967)	(201,843)	29,876	(14.8%)	(257,659)	(85,692)	66.7%
Other Sources/(Uses) of Working Capital											
(Increase) in Restricted/Designated Cash	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Decrease in Restricted/Designated Cash	0	0	0	n/m	0	0	0	n/m	150,000	150,000	0.0%
(Increase) in LT Receivables	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Decrease in LT Receivables	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Acquisition of Capital Assets	0	(75)	75	(100.0%)	0	(148)	148	(100.0%)	(298)	(298)	0.0%
Disposition of Capital Assets	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Change in Suspense	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Change in Other Assets	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Change in Deferrals	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Increase in LT Debt	0	0	0	n/m	0	0	0	n/m	0	0	n/m
(Decrease) in LT Debt	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Change in Other Liabilities	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Other Non-Working Capital Income/Expense Items	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Non Income/Expense Change in Equity	(22,099)	0	(22,099)	n/m	(22,099)	0	(22,099)	n/m	0	22,099	n/m
Total Other Sources/(Uses) of Working Capital	(22,099)	(75)	(22,024)	29364.7%	(22,099)	(148)	(21,951)	14831.5%	149,702	171,801	n/m
Transfer In from (Out to) Other Funds											
Net Transfer In/(Out)	23,108	0	23,108	n/m	47,951	108,000	(60,049)	(55.6%)	108,000	60,049	44.4%
Net Change in Working Capital	(\$172,416)	(\$118,098)	(\$54,318)	46.0%	(\$146,114)	(\$93,991)	(\$52,123)	55.5%	\$43	\$146,157	n/m
Working Capital, Beginning of Period	301,017				274,716						
Working Capital, 6/30/2014	\$128,601				\$128,601						

1) Weatherization activity has been less than projected YTD due to lower than anticipated expenditures in the PSE contract. The funds from PSE contract are expected to be used starting August 2014.

COCC

Working Capital Budget vs. Actual Report
For the Period Ended 6/30/2014

	Quarter Ended June 30, 2014				Year-to-Date				2014 Annual Budget	Remainder to Receive/ Spend	(n/m= not meaningful) Percent of Annual Budget
Revenues	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var			
Tenant Revenue	\$0	\$0	\$0	n/m	\$0	\$0	\$0	n/m	\$0	\$0	n/m
Operating Fund Subsidy from HUD	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Section 8 Subsidy from HUD	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Other Operating Revenue	3,267,130	2,923,886	343,244	11.7%	6,313,409	5,859,282	454,127	7.8%	12,056,426	5,743,017	52.4%
Non-operating Revenue	342,574	321,594	20,980	6.5%	686,654	643,188	43,466	6.8%	1,292,671	606,017	53.1%
Total Revenues	3,609,704	3,245,480	364,224	11.2%	7,000,063	6,502,470	497,593	7.7%	13,349,097	6,349,034	52.4%
Expenses											
Salaries & Benefits	2,183,171	2,308,034	(124,863)	(5.4%)	4,703,440	4,801,528	(98,088)	(2.0%)	9,776,215	5,072,775	48.1%
Routine Maintenance, Utilities, Taxes & Insurance	409,070	415,553	(6,483)	(1.6%)	864,348	888,265	(23,917)	(2.7%)	1,775,732	911,384	48.7%
Direct Social Service Salaries & Benefits	0	276	(276)	(100.0%)	0	548	(548)	(100.0%)	1,100	1,100	0.0%
Other Social Service Support Expenses & HAP	0	2,500	(2,500)	(100.0%)	0	5,000	(5,000)	(100.0%)	10,000	10,000	0.0%
Administrative Support Expenses	469,424	788,484	(319,060)	(40.5%)	899,465	1,487,380	(587,915)	(39.5%)	2,797,296	1,897,831	32.2%
Non-operating Expenses	182,782	175,452	7,330	4.2%	394,881	350,904	43,977	12.5%	701,808	306,927	56.3%
Total Expenses	3,244,446	3,690,299	(445,853)	(12.1%)	6,862,133	7,533,625	(671,492)	(8.9%)	15,062,151	8,200,018	45.6%
Net Income	365,257	(444,819)	810,076	n/m	137,930	(1,031,155)	1,169,085	n/m	(1,713,054)	(1,850,984)	n/m
Other Sources/(Uses) of Working Capital											
(Increase) in Restricted/Designated Cash	(0)	0	(0)	n/m	(6,800)	0	(6,800)	n/m	(5,500,000)	(5,493,200)	0.1%
Decrease in Restricted/Designated Cash	20,291	20,291	0	0.0%	20,291	20,291	0	0.0%	9,020,291	9,000,000	0.2%
(Increase) in LT Receivables	(28)	0	(28)	n/m	(28)	0	(28)	n/m	(825,000)	(824,972)	0.0%
Decrease in LT Receivables	155,189	156,861	(1,672)	(1.1%)	308,810	313,719	(4,909)	(1.6%)	627,441	318,631	49.2%
Acquisition of Capital Assets	(345,655)	(113,409)	(232,246)	204.8%	(364,022)	(205,000)	(159,022)	77.6%	(385,000)	(20,978)	94.6%
Maintenance Projects	(916)	(1,182)	266	(22.5%)	(1,576)	(2,354)	778	(33.1%)	(4,718)	(3,142)	33.4%
Acquisition of Capital Assets	(346,571)	(114,591)	(231,980)	202.4%	(365,598)	(207,354)	(158,244)	76.3%	(389,718)	(24,120)	93.8%
Disposition of Capital Assets	1,685	0	1,685	n/m	1,685	0	1,685	n/m	0	(1,685)	n/m
Change in Suspense	(7,436)	0	(7,436)	n/m	(25,621)	0	(25,621)	n/m	0	25,621	n/m
Change in Other Assets	0	0	0	n/m	0	0	0	n/m	(500,000)	(500,000)	0.0%
Change in Deferrals	0	0	0	n/m	6,800	0	6,800	n/m	0	(6,800)	n/m
Increase in LT Debt	0	0	0	n/m	0	0	0	n/m	0	0	n/m
(Decrease) in LT Debt	(269,301)	(272,136)	2,835	(1.0%)	(6,679,295)	(544,272)	(6,135,023)	1127.2%	(1,088,544)	5,590,751	613.6%
Change in Other Liabilities	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Other Non-Working Capital Income/Expense Items	14,963	0	14,963	n/m	(435,823)	0	(435,823)	n/m	0	435,823	n/m
Non Income/Expense Change in Equity	118,651	0	118,651	n/m	118,261	0	118,261	n/m	0	(118,261)	n/m
Total Other Sources/(Uses) of Working Capital	(312,558)	(209,575)	(102,983)	49.1%	(7,057,317)	(417,616)	(6,639,701)	1589.9%	1,344,470	8,401,787	n/m
Transfer In from (Out to) Other Funds											
Transfers In from Other Funds	335,808	829,824	(494,016)	(59.5%)	7,523,735	1,456,074	6,067,661	416.7%	5,352,574	(2,171,161)	140.6%
Transfers Out to Other Funds	(1,420,913)	(1,605,807)	184,894	(11.5%)	(2,042,529)	(1,915,681)	(126,848)	6.6%	(2,656,781)	(614,252)	76.9%
Net Transfer In/(Out)	(1,085,105)	(775,983)	(309,122)	39.8%	5,481,206	(459,607)	5,940,813	n/m	2,695,793	(2,785,413)	203.3%
Net Change in Working Capital	(\$1,032,405)	(\$1,430,377)	\$397,972	(27.8%)	(\$1,438,182)	(\$1,908,378)	\$470,196	(24.6%)	\$2,327,209	\$3,765,391	n/m
Working Capital, Beginning of Period	12,892,333				13,298,110						
Working Capital, 6/30/2014	\$11,859,928				\$11,859,928						

1) 10% construction management fee on CFP grant drawn earlier than projected

2) Administrative contracts, professional services, and publication expenses were less than anticipated in the budget for the first and second quarters

3) The annual budget includes \$360K for vehicle replacements in 2014. During the second quarter, 12 vehicles with total cost of \$284K were acquired.

4) 700 Building debt of \$6.3M paid off with proceeds from 2013 Pool.

5) Net book value of vehicles transferred to Central Vehicle Fund



To: Board of Commissioners

From: Jenna Higgins, Resource Conservation Specialist

Date: August 13, 2014

Re: 2011-2016 Resource Management Plan: Dashboard Report

Background:

2013 marks the third year of KCHA's Resource Management Plan (RMP), a six-year strategy to reduce Authority's impact on the natural environment and reduce or avoid utility costs. Adopted by the Board of Commissioners in August of 2011, the RMP uses consumption data from 2010 to establish a baseline and measures annual progress in the following six areas:

- Common area energy use at KCHA-managed sites (KCHA-paid utilities)
- Portfolio-wide energy use (KCHA and resident-paid utilities)
- Solar energy production capacity
- Avoided utility costs at KCHA-managed sites (water and all energy)
- Waste diversion at KCHA-managed sites (recycling rate)
- Water use at KCHA-managed sites

Summary of Resource Conservation Efforts in 2013:

Water conservation and waste diversion targets were met or exceeded at KCHA-managed sites. Water use at KCHA-managed sites slightly decreased from the previous year, keeping on track with projections for 2013. In 2013, the waste diversion target was exceeded and is one of the highlights of the year, as the number of properties with yard waste recycling increased and door-to-door resident recycling education was conducted at five properties. Through 2013, the resource conservation program has reduced garbage costs by \$95,000 annually as a result of improving or adding recycling at housing sites.

Four areas were below 2013 targets, but still made sizeable efforts towards goals: common area energy savings, portfolio-wide energy use, solar production capacity, and avoided utility costs.

Common area energy savings is at 87% of the 2013 target. Building commissioning - the process of verifying that all building systems are operating as designed - is currently underway at the Kent Family Center, Birch Creek Recreation Center, and 600 Andover building and is an important step in achieving the ultimate goal. Energy audits and the implementation of low-cost conservation measures at other community buildings and high energy consuming sites will play an important role in meeting this target.

The portfolio-wide energy savings goal to reduce energy use 5% by the end of 2016 was set before any data was obtained. Complete whole-building data is now being received, and the 2016 goal may be amended as the data are compared to national averages.

In 2014 we expect to get closer to our solar energy production goal as the 33kW solar array at the Village at Overlake comes online. The addition of this solar array will put KCHA at 78% of its goal for solar production capacity next year.

Avoided utility costs are lagging targets, partially due to high water use at Birch Creek and Green River Homes.

The Resource Management Plan includes an array of other initiatives besides what is reported on in the dashboard. In addition to the results detailed above, KCHA's 2013 resource conservation efforts were varied and exciting:

- We are now analyzing whole-building energy data for KCHA properties. We have obtained several years' worth of data from both Puget Sound Energy and Seattle City Light, allowing us to benchmark our properties against each other, and against multifamily properties in Seattle. In 2013, 70% of KCHA multifamily properties used more energy than the average multifamily property in Seattle (Seattle average = 32 kBtus/ft²). It is uncertain how much of this difference is attributable to differences in building typologies or in the methodologies used to develop the benchmarks. The current KCHA average is 39 kBtus/ft². High-consuming sites have been identified, and planning will take place later this year to identify possible measures to reduce energy use at these properties, including the possibility of using Capital and Weatherization funds.
- KCHA has 39 properties certified by the King County EnviroStars program, which recognizes organizations for outstanding management of hazardous waste. We seek to certify 10 properties each year, with all Public Housing portfolio office properties, and all Asset Managed properties, to be certified by the end of 2016.
- The 700 Andover building uses 28 kBtu/ft², one of the lowest energy-consuming office buildings in our region. This building is now listed on the federal register of EnergyStar buildings, with an outstanding EnergyStar

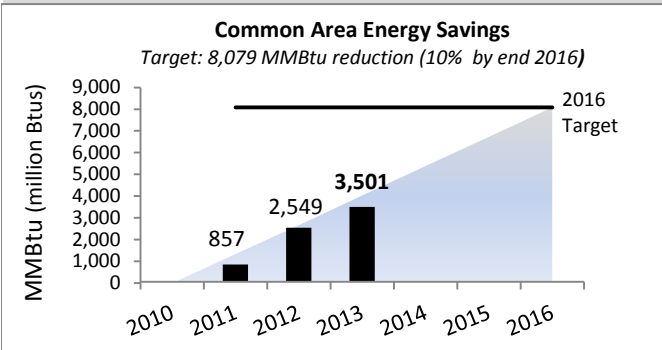
score of 98/100. To help ensure we maintain this score, we completed full commissioning of the building systems in January, and found it to be operating as intended.

- An electric car charging station was installed at the 700 building, the only electric vehicle charging station in Tukwila. It had 64 charges in 2013 (installed in June), with rapidly increasing usage.
- The Weatherization department completed energy conservation measures in 935 single-family, multi-family and mobile home units in 2013, reducing energy costs and improving indoor air quality for low-income residents. Weatherization funds also improved several KCHA properties in 2013, including Eastside Terrace, Campus Court, Shoreham, Victorian Woods, Cascadian Apartments, Ballinger Homes, Cedarwood, Valli Kee, Patricia Harris Manor, and Bellevue Manor. Total expenditures on KCHA properties were over 1.5 million dollars.
- 26 KCHA properties compost yard waste, and 7 properties offer food waste composting to residents and staff.

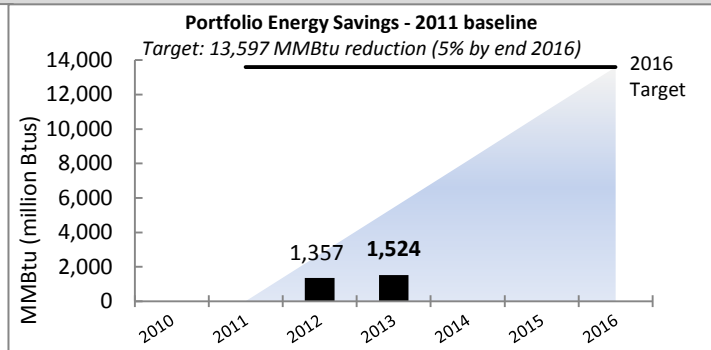
KCHA Resource Management Plan

2014 Dashboard Report

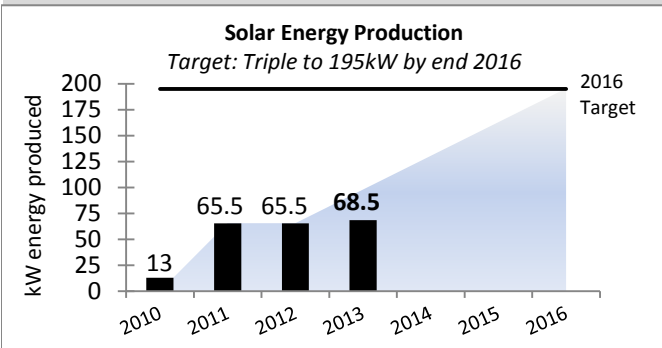
Common Area Energy Savings



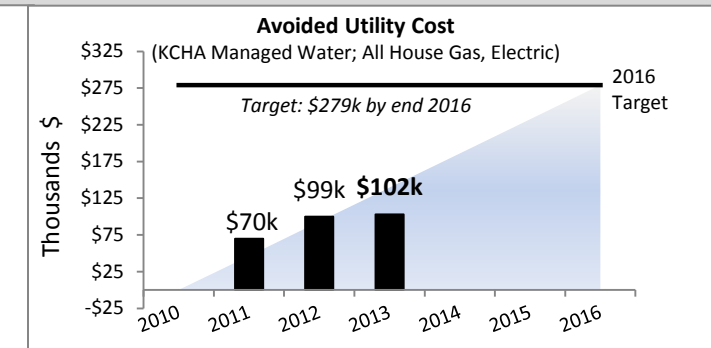
Portfolio Energy Savings



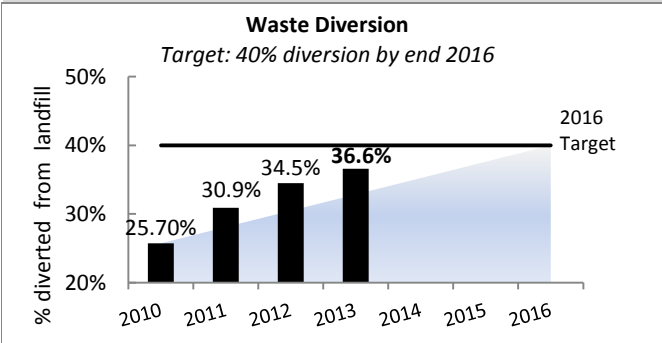
Solar Energy Production



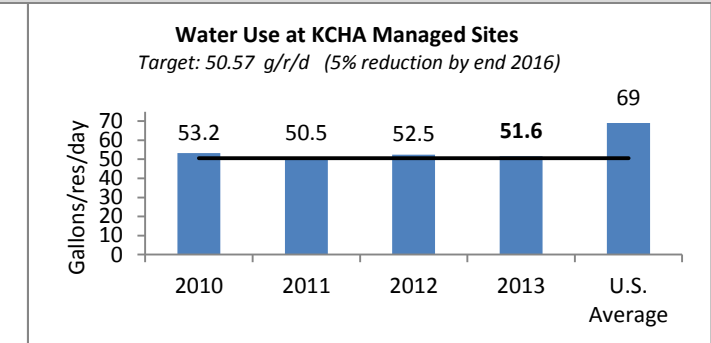
Avoided Utility Costs



Waste & Recycling



Water Use



Summary

Resource Management Plan Target Area	% of 2013 Projection Achieved
Common Area Energy	87%
Portfolio Energy [1]	28%
Solar Energy Production [2]	70%
Avoided Costs (KCHA-paid) [3]	74%
Waste Diversion	112%
KCHA Managed Water Use	100%

[1] Due to technical difficulties with PSE, 2011 data has been used as the baseline for this metric. 2010 data will be substituted when it is available.

[2] An additional 33kW is coming online at Village at Overlake in 2014.

[3] Excludes Public Housing sewer, Asset Management water/sewer



To: Board of Commissioners

From: Stephen Norman, Executive Director
Ted Dezember, Sr. Resident Services Manager, Educational Initiatives






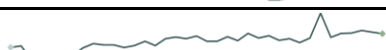



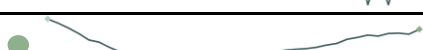



Date: August 13, 2014

Re: Briefing on KCHA's Education Initiatives

Stephen Norman and Ted Dezember will provide the Board of Commissioners with a briefing on KCHA's education initiatives. Mr. Norman will provide an overview of discussions at the national level to align the work of Public Housing Authorities and K-12 education systems. He will also provide an update on the status of various components of the Authority's initiatives. Mr. Dezember will provide an update of the KCHA's Place Based Educational Initiatives, including current outcome data, highlights of successes to date, and a brief overview of three new Gates Foundation funded projects with partner school districts.

King County Housing Authority Executive Dashboard

2nd Quarter Dashboard: April 1 - June 30, 2014

	actuals june 11 - june 14	june 2014	target	3-yr avg	3-yr high	3-yr low
Finance						
LGIP Rate		0.09%	0.08%	0.14%	0.24%	0.09%
Non-LGIP Investment Rate		0.83%	0.65%	0.91%	1.25%	0.67%
Revenue to Budget ¹ (Budgeted \$210.1m)		100%	100%	99%	102%	93%
Expenditures to Budget ¹ (Budgeted \$187.0m)		97%	100%	97%	99%	93%
Property Management						
Public Housing Occupancy Rate (3,047 units)		98.8%	98.0%	98.5%	99.1%	97.9%
Local Program Occupancy Rate (4,893 units)		98.8%	96.5%	98.3%	100.0%	97.3%
KCHA Units Owned Online		8,882	9,007 ²	8,591	8,882	8,380
Section 8 Operations						
Utilization Rate ³ (Vouchers Leased: 9,249)		102%	103%	102%	106%	96.2%
Shopping Success Rate (New vouchers issued 1st Q '14: 126)		90%	>85%	89%	100%	75%
Households Paying >40% Income to Rent (n = 2,414)		22%	<25%	20%	23%	18%
Exit Data						
Positive Exits		44%	>25%	32%	64%	21%
Negative Exits		23%	<20%	20%	31%	9%
Total Monthly Exits		43	–	62	113	39

● Denotes indicators of interest

¹ Not reflective of mid-year adjustments

² Projected total units by 12/31/14

³ Adjusted for 12-month incremental lease-up of new vouchers



To: Board of Commissioners

From: Dan Watson, Deputy Executive Director

Date: August 13, 2014

Re: 2014 Mid-Year Capital Fund Progress Report

The total amount budgeted for capital construction projects planned and managed by various KCHA departments in 2014 was originally \$38,027,641. This was revised during the mid-year budget process to \$33,027,641. The FY 2014 capital budget can be summarized as follows:

2014 Capital Construction Budget

<u>Dept.</u>	<u>Project Category</u>	<u>2014 Projects</u>	<u>2014 Budget</u>	<u>2014 Revised Budget</u>	<u>2014 Revised Projects</u>	<u>2014 Expend.To Date</u>	<u>% of Budget Expend</u>
Construction	Public Housing	21	\$8,011,203	\$5,932,341	24	\$3,467,904	58%
Construction	509 Properties	19	\$6,930,843	\$6,344,241	21	\$3,225,825	51%
Construction	Other Properties	8	\$2,933,007	\$2,124,969	17	\$537,200	25%
Construction	Com. Buildings	-	-	\$88,701	5	\$33,268	38%
Construction	Green River	-	-	\$500	1	\$28,919	5784%
	Subtotal	48	\$17,875,053	\$14,490,752	68	\$7,293,116	50%
Development	Vantage Point	1	\$6,300,000	\$5,000,000	1	\$0	0%
	Subtotal	1	\$6,300,000	\$5,000,000	1	\$0	0%
HOPE VI	Seola Gardens	1	\$450,214	\$500,214	1	\$285,484	57%
HOPE VI	Greenbridge land dev.	1	\$583,482	\$583,482	1	\$242,541	42%
HOPE VI	Retail TI	1	\$428,157	\$428,157	1	\$263,793	62%
	Subtotal	3	\$1,461,853	\$1,511,853	3	\$791,818	52%
Asset Mgmt.	Bond Properties	54	\$5,040,000	\$5,040,000	54	\$1,085,598	22%
Asset Mgmt.	Tax Credit Prop.	13	\$1,454,000	\$1,454,000	13	\$728,133	50%
Asset Mgmt.	Nike	3	\$91,500	\$91,500	3	\$0	0%
Asset Mgmt.	Homeownership	3	\$277,000	\$277,000	3	\$120,203	43%
	Subtotal	73	\$6,862,500	\$6,862,500	73	\$1,933,934	28%
Housing Mgmt.	Unit Upgrades	217	\$5,205,173	\$5,205,173	217	\$2,963,579	57%
Housing Mgmt.	Small repairs	48	\$323,062	\$373,062	49	\$35,602	10%
	Subtotal	265	\$5,528,235	\$5,528,235	266	\$2,999,271	54%
All Depts.	Total	390	\$38,027,641	\$33,393,340	411	\$13,018,139	39%

In addition to the budgeted expenditures above, in 2014 KCHA's Weatherization Program expects to contribute an additional \$1.65 million in funded weatherization improvements to KCHA's Public and Asset Managed housing portfolio. These projects are typically coordinated in connection with other planned work, including building envelope upgrades or ventilation projects. The contributions from KCHA's Weatherization Department are opportunistic and driven by the type of work being undertaken at the site and the weatherization funding available at the time the work takes place.

Budget Adjustments and Project Progress

KCHA undertakes a wide variety of repair, upgrade, and new construction projects using different design consultants, engineers, and contractors. As preconstruction work progresses for budgeted projects and more extensive inspection, engineering, design and permitting work is undertaken, the scope of work, its estimated cost, the start date and the completion date for projects can change from that planned in the KCHA annual budget, resulting in changes in the amount of planned expenditures in the current year's budget. Also, new priorities may emerge after the annual budget is adopted, causing planned projects to be deferred and replaced with new projects.

After the start of construction, a variety of events such as permitting and code inspection issues, inclement weather, contractor performance, unforeseen site or building conditions, and KCHA directed additions to the scope can delay or extend the completion date. In some instances, where projects span two calendar years, contractor progress can proceed faster than originally anticipated and, depending on the timing, can increase expenditures in one year but decrease projected expenditures in the following year. For example, progress occurred more quickly on the Wayland Arms Sewer and Building Upgrade project causing expenditures totaling \$820,000 to occur in 2013 that were originally budgeted for 2014. As a result, a number of smaller projects originally planned for 2015 were added to the 2014 revised budget to offset other project cost reductions or schedule deferrals. The mid-year budget provides the opportunity to true up the budget based upon the current status of various projects.

Capital Construction - Capital Plan Revisions

The Capital Construction Department primarily handles major renovation projects and construction of community facilities within existing KCHA housing developments. The department is responsible for identifying, prioritizing, scoping, bidding and supervising capital repairs and improvements for KCHA's federally assisted and locally owned housing inventory.

In the first and second quarters of this year, staff capacity was significantly reduced due to unexpected illnesses and early retirements of two key KCHA project managers. Because needed capital work is expected to tail off over the

next few years, these managers were not replaced in order to “right size” the staff to the needed capacity starting in the second quarter of 2014. Due to staff capacity, several large projects have been deferred to 2015. Combined with the timing issues discussed above, overall budgeted spending has been reduced in the revised mid-year budget from \$17,875,053 to \$14,490,752 or by 19%, although 20 smaller projects, which were not part of the original 2014 budget, were added to partially offset some of the lost production and to address more urgent priorities.

The following is a summary of the largest changes that occurred in projects coordinated by Capital Construction:

- Cedarwood Building Envelope Project (-\$975,000) The majority of the project was deferred to 2015 although the design drawings are complete and have been submitted for permit. Bids will be solicited in the next few weeks with work starting this fall.
- Greenleaf Civil upgrades (-\$125,000) – The scope was changed to address the most immediate need in 2014 (i.e. water collecting in crawl spaces). Other site work was deferred to 2015.
- Pickering Court Building Envelope and Decks (-112,150) – The scope was changed to address the most immediate needs (i.e. deteriorated decks). The siding and roofing work is now planned to start in 2015.
- Burndale Office-Food Bank Access/ Site Improvements – (-\$579,000). Roof replacement was moved ahead of office access and site work projects at the request of Housing Management. Roofing work will occur in 2014 along with design, engineering and environmental review work for the balance of the project.
- Forest Glen Site Improvements (-\$558,989) – Project deferred to 2015.
- Wayland Arms Sewer and Building Upgrades (-\$820,000) – This project is complete. More expenditures occurred in 2013 than originally planned due to faster than expected contractor progress.
- Valli-Kee Sewer Replacements (-\$228,598) – Bids and costs came in lower than estimated.
- Valli-Kee Site Improvements (-280,000) – The addition of a gas main replacement required significant excavation, which triggered an update to the NEPA environmental assessment and delays to the start of the project.
- Island Crest Building Envelope (-\$573,577) – The scope was changed to address the most immediate needs (i.e. deteriorated decks, stairs,

walkways and master electrical panel). The balance of the work was delayed to consider alternative financing options, including tax credits.

- Hidden Village Drainage and Site Upgrades (-\$550,000) – The original budget was based on past drainage projects. Considerable less construction was needed than originally anticipated to solve first floor flooding and drainage problems.
- Harrison House Fire Alarm (-\$215,393) – The project has been transferred to Asset Management. The original budget was based on past fire alarm replacement projects. Considerably less replacement was needed than originally anticipated dramatically reducing the cost.
- Burien Park Foundation and Crawl Space Drainage (+\$200,000) . This project was added to the 2014 project list at the request of Housing Management.
- Burndale Homes Roof Replacement (+\$500,000). This project was moved from 2015 to 2014 at the request of Housing Management due to the deteriorating condition of the roofs.
- Juanita Court Building Envelope (+\$200,000). Scope of work was increased to include the management office upgrades and repairs.
- Northridge Roof (+\$450,000). This was a timing issue. This 2013 project was delayed and was added to the 2014 mid-year budget.
- Valli-Kee Office Remodel (+\$482,737). This was a timing issue. This 2013 project was delayed and the 2013 expenditures were added to the 2014 mid-year budget.

Capital Construction – Progress to Date

To date Capital Construction has spent 50% of its budgeted funds based on the revised mid-year budget and has completed the following projects:

<u>Site</u>	<u>Project</u>	<u>Total Cost</u>	<u>2014 Cost</u>
Ballinger Homes	Attic Upgrades	\$ 680,158	\$ 174,086
Campus Ct	Envelope/Site Drainage	\$ 1,068,067	\$ 108,811
Cedarwood	IAQ/Reroof	\$ 363,114	\$ 202,430
Glenview Hts	IAQ	\$ 93,842	\$ 76,171
Glenview Hts	Civil Upgrades	\$ 207,534	\$ 176,711
Greenleaf	Civil Upgrades	\$ 328,494	\$ 260,351
Gustaves Manor	Deck Railings	\$ 104,098	\$ 73,984
Island Crest	Electrical/Fire Alarm	\$ 206,228	\$ 202,235
Juanita Ct	Envelope Upgrade	\$ 1,789,966	\$ 1,391,577
Northridge	Site Lighting Upgrade	\$ 117,720	\$ 56,004
Northridge 2	Ventilation Upgrades	\$ 308,809	\$ 105,438
Pickering Ct	Deck/Structural Upgrades	\$ 395,233	\$ 89,273
Shoreham	Envelope Upgrade	\$ 1,258,396	\$ 160,478
Valli Kee	Office Remodel	\$ 992,544	\$ 639,467
Victorian Woods	Envelope Upgrade	\$ 1,074,105	\$ 292,435
Wayland Arms	Building Upgrades	\$ 1,467,048	\$ 61,363
Yardley Arms	Reroof	\$ 579,465	\$ 293,098

Based on the expenditures to date and the work either starting or in progress, Capital Construction expects to fully expend its budget by year end.

HOPE VI – Progress to Date

Although virtually all of the HOPE VI Department's costs are capitalized for accounting purposes, unlike previous years, HOPE VI had only one very small construction project budgeted for 2014, which was the completion of the tenant improvements for the Greenbridge Café. The work was completed this spring and the Café is in full operation. The balance of the retail tenant improvements budget is for the two additional retail spaces at Nia, provided a tenant can be identified.

At Seola Gardens staff has completed the sale of the remaining 54 lots to Richmond American Homes and continues to review the design and construction of RAH's single family homes. Staff is also working on finishing the punch list work needed to close out the Zephyr infrastructure.

At Greenbridge, staff continues to work with BDR on the sale of the west bulk parcel and continues to inspect the construction of BDR's single family homes. Also, staff is working with design and engineering consultants on the submission

of the final revised subdivision application to the King County Department of Permitting and Environmental Review (DPER) for the northeast 10 acres of Greenbridge known as Windrose. After receiving comments from DPER, staff expects to submit applications for infrastructure permits and developer extension agreements in 2015, so the site will be ready for the issuance of permits and development in 2016. The 2014 budget assumed complete permitting by year end but due to Vantage Point and other development activities, the permitting schedule for Windrose has been extended until 2016. As a result, not all of the funds budgeted for Greenbridge land development will be spent this year.

Asset Management – Progress to Date

Asset Management has spent 28% of its budgeted funds. Based on progress to date the department expects to complete most of its budgeted projects by year end with the exception of the following: building envelope work at Nike, Landmark roof replacement, Seola Crossing exterior painting and the Windsor Heights police station. Due to scope changes and strong bid competition early in the year, actual costs are approximately 15% less than budgeted. As a result of this budget underrun 9 projects totaling \$375,000 that have been added to the current budget. These new projects are primarily comprised of work being planned at the recently acquired Bellevue Manor and Patricia Harris Manor properties. The following projects have been completed:

Project	Construction Cost
Auburn Square Fencing-	\$22,891
Bellepark East Asphalt -	\$25,455
Bellevue Manor Lighting -	\$108,000
Cottonwood Roofing -	\$24,700
Cove East Roofing -	\$69,800
Fairwood Play Area -	\$56,442
Landmark Asphalt -	\$18,205
Landmark Exterior Painting -	\$48,818
Meadowbrook Asphalt -	\$59,300
Meadowbrook Roofing -	\$140,000
Parkwood Shelter and Play Area -	\$81,619
Si View Asphalt	\$10,000
Timberwood Asphalt	\$31,430
Timberwood Fence	\$15,000
Woodside East Asphalt	\$28,595
Woodside East Fire Alarm	\$20,179
Somerset Gardens Roofing	\$58,782
Windsor Heights Roofing	\$59,130

Housing Management – Progress to Date

As of the end of August, 134 unit upgrades have been completed out of the 217 units planned for 2014, including 10 upgrades performed by Capital Construction's contractor in connection with the Valli-Kee sewer replacement project. Fifty seven percent of the budgeted funds have been spent to date putting Housing Management on pace to fully expend its budget and meet its production goal by the end of the year. At a cost averaging about \$24,000 per unit, special KCHA force account crews replace most of all of a apartment's interior components including cabinets, countertops, fixtures, appliances, doors and floorcoverings giving KCHA's older apartments the look of a new unit. By undertaking this work with KCHA force account crews at turnover, costs are significantly reduced by avoid relocation and contractor costs for mobilization, overhead and profit.

Housing Management has completed 28 of the 59 small projects although only 10% of the budgeted funds have been expended to date. Housing Management expects to spend about \$290,000 by year's end or 90% of the budget. These projects include items such as replacing the common area carpets (\$50,000) and upgrading the community room kitchen at Burien Park (\$10,000); several small-scale fence repairs and replacements (\$12,500), approximately \$40,000 in tree trimming/pruning at several sites, exterior lighting upgrades at several sites, seal coating and asphalt repairs budgeted at \$25,000. Housing Management expects to perform much of the work using task order contractors. Several of the task order contracts recently expired and the process of renewal has delayed the start of approximately \$65,000 is scheduled work. Also, an additional \$50,000 was added to the small repairs budget to be used at Shelcor in preparation for turning on Public Housing subsidy at the property.