MEETING OF THE
BOARD OF COMMISSIONERS

November 21, 2016 at 8:30 a.m.

King County Housing Authority
Snoqualmie Conference Room
700 Andover Park W
Tukwila, WA 98188

A G E N D A

I. Call to Order

II. Roll Call

III. Public Comment

IV. Approval of Minutes

Board Meeting Minutes – October 10, 2016

V. Approval of Agenda

VI. Consent Agenda

A. Voucher Certification Reports for September 2016

B. **Resolution No. 5554:** Authorizing the Executive Director to enter into Intergovernmental Cooperative Purchasing Agreement with Housing Kitsap for Housing Maintenance Software

VII. Resolutions for Discussion & Possible Action

A. **Resolution No. 5548:** Approval of the 2017-2021 Environmental Sustainability Plan & Resource Management Plan Briefing *[Returning Item]*

B. **Resolution No. 5555**: Acknowledging receipt of the Post Audit Reports for the period January 1, 2015 through December 31, 2015

VIII. Briefings & Reports

A. CY 2016 Third Quarter Financial Report
B. 2017 Housing Choice Voucher Payment Standards
C. Draft CY 2017 Operating Budget
D. New Bank Accounts
E. CY 2016 Third Quarter Summary Write Offs

IX. Executive Session

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

X. Executive Director's Report

XI. KCHA in the News

XII. Commissioner Comments

XIII. 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.

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

Monday, October 10, 2016

I. CALL TO ORDER

The regular meeting of the Board of Commissioners of the King County Housing Authority was held on Monday, October 10, 2016 at the King County Housing Authority, 700 Andover Park West, Tukwila, WA 98188. There being a quorum, the meeting was called to order by Chair Doug Barnes at 8:31 a.m.

II. ROLL CALL

Present: Commissioner Doug Barnes (Chair), Commissioner Michael Brown (Vice-Chair) arrived at 8:31 a.m., Commissioner Susan Palmer, Commissioner TerryLynn Stewart, and Commissioner John Welch

III. PUBLIC COMMENT

None.

IV. APPROVAL OF MINUTES

On motion by Commissioner Palmer and seconded by Commissioner Stewart, the Board approved the minutes from the Board of Commissioners' meeting of September 19, 2016.

V. APPROVAL OF AGENDA

On motion by Commissioner Brown and seconded by Commissioner Stewart, the Board approved the October 10, 2016 Board of Commissioners' meeting agenda.

VI. CONSENT AGENDA

A. <u>Voucher Certification Reports for August 2016</u>

B. <u>Resolution No. 5550: Acquisition of Investor Members interest Green River Homes, LLC (Valley Park Apartments)</u>

On motion by Commissioner Brown, seconded by Commissioner Welch, the Board approved the consent agenda.

VII. RESOLUTIONS FOR DISCUSSION AND POSSIBLE ACTION

A. <u>Resolution No. 5551: Approval of the King County Housing Authority's Moving to Work Annual Plan for FY 2017</u>

DRAFT FOR APPROVAL

Katie Escudero, Moving to Work Program Manager, briefed the Board on Resolution No. 5551. Ms. Escudero provided an update on the status of the Plan, and mentioned that no substantive changes had been made to the Plan since its review by the Board in September. Ms. Escudero also gave a summary of the public comments received in relation to the MTW Plan.

Commissioner Stewart thanked Ms. Escudero on behalf of the Resident Advisory Committee and mentioned that the Committee was appreciative of the public comment period allowing them to provide input.

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

On motion by Commissioner Stewart, seconded by Commissioner Palmer, the Board approved Resolution No. 5551.

B. <u>Resolution No. 5552: Authorizing a change in the Administrative Pay Schedule of 2.3% effective November 12, 2016</u>

Connie Davis briefed the Board on Resolution No. 5552 and mentioned the approval would authorize a 2.3% cost of living increase in salaries for all Administrative employees. The cost of living increase in wages is equivalent to the CPI-W published by the Bureau of Labor Statistics annualized as of June 2016. Ms. Davis mentioned that the increase will be effective November 12th, 2016 and explained that this resolution does not cover the employees represented by the Seattle-King County Building and Construction Trades Council. Ms. Davis also provided an update on KCHA's retirement plan funded through the Public Employee Retirement System.

Commissioner Stewart explained why she is in disagreement with the approval of Resolution No. 5552.

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

On motion by Commissioner Welch, seconded by Commissioner Palmer, a Nay vote was recorded from Commissioner Stewart, and Yea votes from Commissioners Welch, Palmer, and Brown, therefore the Board approved Resolution No. 5552.

DRAFT FOR APPROVAL

VIII. BRIEFINGS & REPORTS

A. Bank Accounts

Craig Violante, Director of Finance, reported that KCHA opened one new business checking bank account, in relation to the Highland Village Apartments.

B. Third Quarter CY 2016 Procurement Report

Connie Davis reported on the procurement activities for the period July through September 2016. Ms. Davis mentioned that the report represents the activity involved in the award of contracts over the amount of $100,000 and change orders that cumulatively exceed 10% of the original contract amount.

John Eliason provided a status update on the Windrose property in response to Commissioner Stewart's inquiry.

In response to Commissioner Barnes' question, staff provided a brief update on the Energy Performance Contract and mentioned that the Board will receive a more detailed presentation on the commitment for MTW funds pertaining to the project at the December Board meeting.

C. Mid Year Capital Projects Report CY 2016

Dan Watson, Deputy Executive Director, provided an overview of the year to date progress of capital project for all KCHA departments including Capital Construction, Asset Management, Housing Management, HOPE VI and Development. Mr. Watson also updated the Board on major projects at Forest Glen and Juanita Trace. John Eliason briefed the Board on the BDR and Connor Homes transactions at Greenbridge.

IX. EXECUTIVE SESSION

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

Chair Barnes called for an Executive Session, at 9:20 a.m., as authorized by RCW 42.30.110 (1) (g) – "To review the performance of a public employee".

The meeting of the Board of Commissioners was reconvened at 9:35 a.m. by Chair Barnes.

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

DRAFT FOR APPROVAL

X. STUDY SESSION: KCHA's Research Agenda

Megan Hyla, Director of Policy and Government Affairs, introduced the department team and provided background information on the expansion of the department.

Sarah Oppenheimer, Senior Administrative Program Manager gave a presentation on KCHA's resent Research and Evaluation agenda initiatives as well as information highlighting focus areas and discussing the potential development of an agency Data Management Plan.

Katie Escudero, Administrative Program Manager explained how the Research and Evaluation agenda will tie into the Moving To Work program to form new policy initiatives and used as a resource to provide standings in the annual MTW report to HUD.

David Forte, Research Analyst provided an overview of the Student and Family Stability Initiative (SFSI) program model. Mr. Forte also discussed how KCHA was going to utilize the Evaluation going forward as well as current and future SFSI program activities.

Andrew Calkins, Administrative Program Manager discussed the five Tier Payment Standards System and Evaluation Plan. Mr. Calkins presented data results collected since implementation and mentioned that the data for 2016 should be available in March 2017. Mr. Calkins stated that staff would then provide a full set of the data captured for the year, along with an evaluation report.

Alexis Warth, Senior Management Analyst presented the annual Resident Services Characteristics report, which highlighted basic experience and characteristics of households entering and exiting KCHA's programs. Ms. Warth also presented some of the key findings for 2015, identified in the report and discussed details of the proposed Data Management Plan.

Commissioner Stewart commended staff for their efforts and highlighted the importance of this research as it can be utilized as solid documentation to assist in the receipt of HUD funding. Commissioner Stewart asked about outreach to Residents in regard data collection. Ms. Oppenheimer stated that although the current report includes Administrative, further outreach will be conducted in order to capture Resident information.

In response to a Commissioner Barnes question, staff stated that the determination of the main focus areas stemmed from various discussions. Staff explained that discussions were held with senior level, front line and operational staff in addition to consulting work with the University of Washington and experts from the Urban Institute in affordable Housing, Homeless research.

DRAFT FOR APPROVAL

Commissioner Welch stated he would be interested to know research conclusions on best practices pertaining to resident engagement and approximate financial savings for School districts through the SFSI program going forward.

Commissioner Brown asked staff to return with plans for using the data for external knowledge and its relation to federal, local and internal policies. Mr. Brown mentioned that he would like to see how staff will utilize this data to inform policy makers and other external stakeholders.

XI. EXECUTIVE DIRECTOR'S REPORT

Tim Walter, Senior Director of Development and Asset Management provided an update on Abbey Ridge per the request of the Executive Director.

XII. KCHA IN THE NEWS

None.

XIII. COMMISSIONER COMMENTS

Commissioner Stewart asked about the 2017 Board meeting schedule.

Commissioner Welch had an inquiry regarding Board Member badges and the next board meeting date.

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

XIV. ADJOURNMENT

On motion by Commissioner Stewart, seconded by Commissioner Barnes, the Board adjourned the meeting at 10:34 a.m.

THE HOUSING AUTHORITY OF THE COUNTY OF KING, WASHINGTON

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DOUGLAS BARNES, Chair
Board of Commissioners

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STEPHEN J. NORMAN
Secretary

DRAFT FOR APPROVAL

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King County Housing Authority

To: Board of Commissioners

From: Linda Riley, Controller

Date: October 27, 2016

Re: **VOUCHER CERTIFICATION FOR SEPTEMBER 2016**

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
Linda Riley
Controller
October 27, 2016

Bank Wires / ACH Withdrawals		8,838,076.90
	Subtotal	***8,838,076.90***
Accounts Payable Vouchers		
Key Bank Checks - #304965-#305656		5,033,027.74
Tenant Accounting Checks - #10220-#10245		4,356.98
Commerce Bank Direct Payment		128,984.89
	Subtotal	***5,166,369.61***
Payroll Vouchers		
Checks - #90246-#90276		31,490.65
Direct Deposit		1,297,758.12
	Subtotal	***1,329,248.77***
Section 8 Program Vouchers		
Checks - #615065-#615378		192,303.50
ACH - #359579-#362444		10,411,612.36
	Subtotal	***10,603,915.86***
Purchase Card / ACH Withdrawal		173,386.42
	Subtotal	***173,386.42***
	GRAND TOTAL	***26,110,997.56***

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

FROM: Wen Xu

SUBJECT: **VOUCHER CERTIFICATION FOR SEPTEMBER 2016**

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

Wen Xu
Director, Managed Assets
November 2, 2016

Property	Wired to Operating Account(s) for Obligations of Property				Notes:
Sep-16	Date	$		Claim	
Bellepark East	9/1/2016	$	30,952.49	A/P & Payroll	
	9/8/2016	$	8,360.39	A/P	
	9/9/2016	$	650,000.00	To KCHA	
	9/15/2016	$	9,324.31	A/P & Payroll	
	9/22/2016	$	46,933.48	A/P	
	9/29/2016	$	8,423.68	A/P & Payroll	
Colonial Gardens	9/1/2016	$	7,572.39	A/P & Payroll	
	9/8/2016	$	8,932.51	A/P	
	9/9/2016	$	400,000.00	To KCHA	
	9/15/2016	$	5,419.35	A/P & Payroll	
	9/22/2016	$	11,195.15	A/P	
	9/29/2016	$	15,544.62	A/P & Payroll	
Cottonwood	9/1/2016	$	19,983.27	A/P & Payroll	
	9/8/2016	$	4,342.05	A/P	
	9/9/2016	$	200,000.00	To KCHA	
	9/15/2016	$	10,783.35	A/P & Payroll	
	9/22/2016	$	7,042.46	A/P	
	9/29/2016	$	6,313.14	A/P & Payroll	
Cove East	9/1/2016	$	24,300.57	A/P & Payroll	
	9/8/2016	$	9,006.24	A/P	
	9/9/2016	$	600,000.00	To KCHA	
	9/15/2016	$	20,033.46	A/P & Payroll	
	9/22/2016	$	7,021.27	A/P	
	9/29/2016	$	19,073.20	A/P & Payroll	
Landmark	9/1/2016	$	18,197.98	A/P & Payroll	
	9/8/2016	$	9,090.49	A/P	
	9/9/2016	$	750,000.00	To KCHA	
	9/9/2016	$	450,000.00	To KCHA	
	9/15/2016	$	17,295.50	A/P & Payroll	
	9/22/2016	$	57,955.45	A/P	
	9/29/2016	$	30,269.25	A/P & Payroll	
Timberwood	9/1/2016	$	39,385.04	A/P & Payroll	
	9/8/2016	$	17,440.82	A/P	
	9/9/2016	$	750,000.00	To KCHA	
	9/9/2016	$	150,000.00	To KCHA	
	9/15/2016	$	36,160.80	A/P & Payroll	
	9/22/2016	$	76,252.00	A/P	
	9/29/2016	$	15,782.52	A/P & Payroll	
Woodland North	9/1/2016	$	11,590.90	A/P & Payroll	
	9/8/2016	$	5,924.93	A/P	
	9/9/2016	$	450,000.00	To KCHA	
	9/15/2016	$	22,648.53	A/P & Payroll	
	9/22/2016	$	3,390.89	A/P	
	9/29/2016	$	16,185.03	A/P & Payroll	
Woodside East	9/1/2016	$	20,859.84	A/P & Payroll	
	9/8/2016	$	22,964.00	A/P	
	9/9/2016	$	750,000.00	To KCHA	
	9/9/2016	$	250,000.00	To KCHA	
	9/15/2016	$	81,043.34	A/P & Payroll	
	9/22/2016	$	134,883.31	A/P	
	9/29/2016	$	16,020.13	A/P & Payroll	
Alpine Ridge	9/8/2016	$	2,645.99	Payroll	
	9/15/2016	$	1,179.57	A/P	
	9/22/2016	$	2,662.91	Payroll	
	9/29/2016	$	7,849.05	A/P	
Aspen Ridge	9/8/2016	$	4,951.55	Payroll	
	9/9/2016	$	125,000.00	To KCHA	
	9/15/2016	$	24,706.25	A/P	
	9/22/2016	$	5,112.25	Payroll	
	9/29/2016	$	33,657.88	A/P	
Auburn Square	9/8/2016	$	8,156.43	Payroll	
	9/9/2016	$	300,000.00	To KCHA	
	9/15/2016	$	41,306.72	A/P	
	9/22/2016	$	8,828.43	Payroll	
	9/29/2016	$	36,167.12	A/P	
Carriage House	9/1/2016	$	2,965.99	Utilities	
	9/8/2016	$	11,588.18	Payroll	
	9/9/2016	$	300,000.00	To KCHA	
	9/15/2016	$	24,297.27	A/P	
	9/22/2016	$	11,600.38	Payroll	
	9/29/2016	$	66,000.23	A/P	
Cascadian	9/8/2016	$	11,387.21	Payroll	
	9/9/2016	$	600,000.00	To KCHA	

	9/15/2016	$	55,316.73	A/P	
	9/22/2016	$	11,065.87	Payroll	
	9/29/2016	$	30,894.86	A/P	
Corinthian	9/9/2016	$	59,834.00	To KCHA	
Fairwood	9/8/2016	$	10,635.89	Payroll	
	9/9/2016	$	350,000.00	To KCHA	
	9/15/2016	$	32,076.01	A/P	
	9/22/2016	$	9,194.56	Payroll	
	9/29/2016	$	68,100.44	A/P	
Heritage Park	9/8/2016	$	6,932.89	Payroll	
	9/15/2016	$	23,985.13	A/P	
	9/22/2016	$	6,459.52	Payroll	
	9/29/2016	$	18,771.44	A/P	
Laurelwood	9/2/2016	$	9,185.39	Utilities	
	9/8/2016	$	7,817.79	Payroll	
	9/9/2016	$	150,000.00	To KCHA	
	9/15/2016	$	11,367.47	A/P	
	9/22/2016	$	6,674.20	Payroll	
	9/29/2016	$	20,858.75	A/P	
Meadows	9/8/2016	$	5,180.64	Payroll	
	9/9/2016	$	100,000.00	To KCHA	
	9/15/2016	$	14,043.22	A/P	
	9/22/2016	$	5,965.31	Payroll	
	9/29/2016	$	24,540.76	A/P	
Newporter	9/1/2016	$	1,327.46	Utilities	
	9/8/2016	$	8,217.42	Payroll	
	9/9/2016	$	500,000.00	To KCHA	
	9/15/2016	$	26,107.25	A/P	
	9/22/2016	$	7,999.08	Payroll	
	9/29/2016	$	48,113.58	A/P	
Parkwood	9/8/2016	$	4,943.67	Payroll	
	9/9/2016	$	100,000.00	To KCHA	
	9/15/2016	$	31,798.89	A/P	
	9/22/2016	$	5,367.46	Payroll	
	9/29/2016	$	53,015.86	A?P	
Somerset East	9/8/2016	$	4,402.25	Payroll	
	9/9/2016	$	25,000.00	To KCHA	
	9/15/2016	$	44,994.94	A/P	
	9/15/2016	$	16,586.25	Debt Service	
	9/22/2016	$	4,027.53	Payroll	
	9/29/2016	$	9,015.18	A/P	
Somerset West	9/8/2016	$	4,945.06	Payroll	
	9/9/2016	$	35,000.00	To KCHA	
	9/15/2016	$	54,204.92	A/P	
	9/15/2016	$	23,064.17	Debt Service	
	9/22/2016	$	4,400.44	Payroll	
	9/29/2016	$	18,135.05	A/P	
Walnut Park	9/8/2016	$	6,103.88	Payroll	
	9/9/2016	$	500,000.00	To KCHA	
	9/15/2016	$	55,450.83	A/P	
	9/22/2016	$	6,482.60	Payroll	
	9/29/2016	$	39,103.83	A?P	
Windsor Heights	9/2/2016	$	11,697.12	Utilities	
	9/8/2016	$	19,856.22	Payroll	
	9/9/2016	$	555,000.00	To KCHA	
	9/15/2016	$	100,816.43	A/P	
	9/22/2016	$	17,947.71	Payroll	
	9/29/2016	$	37,370.99	A/P	
Woodridge Park	9/8/2016	$	11,923.51	Payroll	
	9/9/2016	$	180,000.00	To KCHA	
	9/15/2016	$	24,535.11	A/P	
	9/22/2016	$	12,862.62	Payroll	
	9/29/2016	$	69,460.32	A/P	
Gilman Square	9/7/2016	$	27,886.77	A/P & Payroll	
	9/9/2016	$	750,000.00	To KCHA	
	9/9/2016	$	550,000.00	To KCHA	
	9/21/2016	$	36,565.37	A/P & Payroll	
Meadowbrook	9/7/2016	$	81,711.40	A/P & Payroll	
	9/9/2016	$	750,000.00	To KCHA	
	9/9/2016	$	150,000.00	To KCHA	
	9/21/2016	$	23,714.76	A/P & Payroll	
Villages at South Station	9/7/2016	$	41,269.17	A/P & Payroll	
	9/9/2016	$	750,000.00	To KCHA	
	9/9/2016	$	550,000.00	To KCHA	
	9/21/2016	$	32,767.04	A/P & Payroll	
Vashon Terrace	9/21/2016	$	7,602.00	A/P	
Rainier View I	9/8/2016	$	6,651.91	A/P	
	9/15/2016	$	18,006.38	A/P	
	9/29/2016	$	1,521.36	A/P	
Rainier View II	9/8/2016	$	6,618.50	A/P	
	9/15/2016	$	11,516.46	A/P	
Si View	9/8/2016	$	3,422.55	A/P	
	9/15/2016	$	12,177.93	A/P	
	9/29/2016	$	6,303.86	A/P	
	Portfolio Total:	**$**	**15,500,666.38**		

TAB NUMBER 3

To: Board of Commissioners

From: Katie Fries, Administrative Program Manager

Date: November 15, 2016

Re: **Resolution No. 5554: Authorizing the Executive Director to enter into an Intergovernmental Cooperative Purchasing Agreement with Housing Kitsap for Housing Management Software**

Executive Summary:

State Law RCW 39.34.030 authorizes local agencies to enter into intergovernmental or interlocal cooperative purchasing agreements. Referred to as the Interlocal Cooperation Act, this statue allows two or more public agencies to exercise powers jointly in the efficient and economical procurement of goods and services, and in the operation of programs and activities. Recipients of federal funds under HUD are also afforded this same opportunity under 24 CFR 85.36, which states in part that agencies such as King County Housing Authority (KCHA) and Kitsap Housing are encouraged to enter into Interlocal Agreements for the procurement of common goods and services.

Approval of the resolution would allow Housing Kitsap (HK) to 'piggyback' on procurement for software, licenses, implementation services, and software support maintenance for housing management software.

Background:

KCHA conducted a procurement process for housing management software in 2013, which was in compliance with HUD's 24 Part 85.36 requirements for Cooperative Agreements as well as the Procurement Policy adopted by KCHA's Board in April 2000. Subsequently, the company Tenmast Software was selected to provide software and services to assist KCHA with the conversion and implementation of the new housing management software. Recently, KCHA renewed the contract with Tenmast for a second year of support and services.

Currently, HK seeks to secure a software firm to provide software, licenses, implementation services, maintenance, housing management, finance and software support. HK has expressed it wishes to use the services of Tenmast. Therefore, the HK Board of Commissioners adopted the attached Resolution (No. 2016-25) on October 6, 2016 to enter into the Interlocal Agreement with KCHA.

Staff Recommendation

This Resolution will permit HK to procure the services of Tenmast Software for its housing management software conversion. Approval of Resolution No. 5554 is recommended.

INTERLOCAL COOPERATIVE PURCHASING AGREEMENT

Pursuant to Chapter 39.34 of the Revised Code of Washington State, Housing Kitsap (HK) and the King County Housing Authority (KCHA) hereby agree to the terms of this Interlocal Cooperative Purchasing Agreement for the use of the solicitation process in obtaining software, licenses, implementation services, and software support and maintenance with Tenmast Software. 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 software, licenses, implementation services, and software support and maintenance with Tenmast Software.

2. Each party has agreed that KCHA's decision to contract with Tenmast Software is without prejudice and meets applicable laws and policies.

3. Each party has agreed to enter into separate contracts with Tenmast Software, with each contract having specific terms and agreements.

4. A party to this Agreement shall not accept responsibility for the performance of Tenmast Software 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 Kitsap 345 6th St., Suite 100 Bremerton, WA 98337
________________ ________ Signature Date	________________ 10/28/16 Signature Date
Stephen J. Norman Executive Director	Stuart Grogan Executive Director

KITSAP COUNTY CONSOLIDATED HOUSING AUTHORITY
dba HOUSING KITSAP

RESOLUTION 2016-25

A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO AN INTERLOCAL AGREEMENT WITH THE HOUSING AUTHORITY OF THE COUNTY OF KING FOR SOFTWARE, LICENSES, IMPLEMENTATION SERVICES, AND SOFTWARE SUPPORT AND MAINTENANCE FOR HOUSING MANAGEMENT SOFTWARE

WHEREAS, Housing Kitsap seeks to secure a software firm to provide software, licenses, implementation services, maintenance, housing management, finance and software support; and

WHEREAS, King County Housing Authority has followed the HUD procurement process 24 CFR 85.36 and their Procurement Policy in procuring software, licenses, implementation services, and software support and maintenance for housing management software with Tenmast Software in April 2014; and

WHEREAS, Housing Kitsap wishes to use the services of Tenmast Software; 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.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of Housing Kitsap does hereby authorize the Executive Director to enter into an Interlocal Cooperative Purchasing Agreement with The Housing Authority of the County of King

ADOPTED by the Housing Kitsap Board of Commissioners at a special public meeting on this 6th day of October, 2016.

HOUSING KITSAP BOARD OF COMMISSIONERS

By: ______________________
Val Tollefson, Chair

ATTEST: ______________________
Stuart Grogan, Executive Director

THE HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5554

AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO AN INTERLOCAL AGREEMENT WITH THE HOUSING KITSAP FOR HOUSING MANAGEMENT SOFTWARE

WHEREAS, the Housing Kitsap (HK) seeks to secure a software firm to provide software, licenses, implementation services, and software support and maintenance for housing management software; and,

WHEREAS, KCHA has followed the HUD procurement process 24 CFR 85.36 and KCHA's Procurement Policy in procuring software, licenses, implementation services, and software support and maintenance for housing management software with Tenmast Software in April 2014; and,

WHEREAS, HK wishes to use the services of Tenmast Software; 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.

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 Housing Kitsap substantially in the form attached.

ADOPTED AT A REGULAR MEETING OF THE BOARD OF THE COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING THIS 21ST DAY OF NOVEMBER 2016.

THE HOUSING AUTHORITY OF THE COUNTY OF KING, WASHINGTON

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DOUGLAS J. BARNES, Chair
Board of Commissioners

____
STEPHEN NORMAN
Secretary

TAB NUMBER 4

To: Board of Commissioners

From: Jenna Smith, Resource Conservation Manager

Date: November 15, 2016

Re: **Resolution No. 5548: Approval of the 2017-2021 Environmental Sustainability Plan & Resource Management Briefing**

At the September Board meeting we will be presenting the 2015 results of KCHA's resource conservation activities as they relate to the existing 2011-2016 Resource Management Plan (RMP). We will also be asking the Board to approve Resolution No. 5548 adopting the new 2017-2021 Sustainability Plan. Although the 2015 results would typically be presented in the Briefings section of the Agenda, the Board should find it more useful to hear past activities prior to a presentation of future strategy. As a result, attached to this memo is the update for the original RMP, as well as Resolution 5548 and the related materials describing KCHA's proposed Sustainability Plan. I look forward to discussing both with you on November 21.

Executive Summary of the 2015 Resource Management Plan Results:

The Resource Management Plan (RMP), adopted by the Board in 2011, established KCHA's first environmental sustainability plan designed to reduce utility consumption and utility costs, improve environmental stewardship and enhance KCHA's reputation as a sustainability leader among public housing authorities. The plan included a list of conservation initiatives for staff to implement by year-end 2016, and identified six utility-related sustainability target areas to measure progress towards annual goals:

1. Common area energy-use
2. Portfolio-wide whole-building energy use (common area and resident consumption combined)
3. Water use per resident
4. Avoided utility costs (water and energy)
5. Waste diversion rate (recycling/garbage capacity)
6. Solar energy production capacity

Each year, staff reports to the Board on the progress made toward fulfilling the mission of the RMP. 2015 marks the penultimate year of the plan where persistent conservation efforts are resulting in steady progress towards meeting 2016 final year-end goals. In 2015, only one target area, the goal to increase solar photovoltaic systems at KCHA properties, did not achieve any gains. Most of the other target areas met or exceeded 2015 year-end goals, except for Avoided Utility Costs, which was 80% of its annual goal.

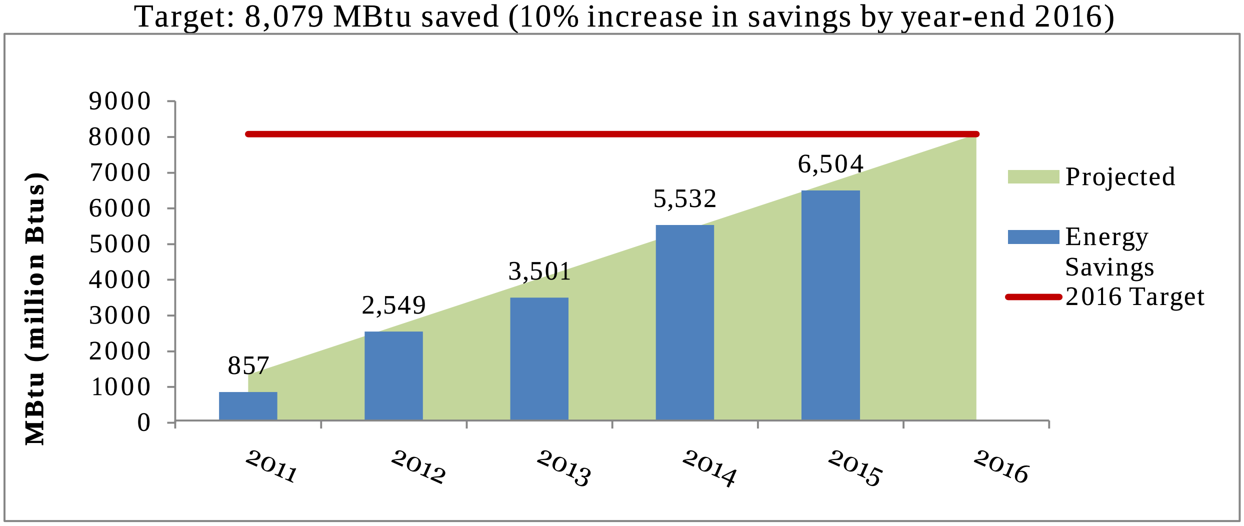
2015 Dashboard:

Sustainability Target Area	2015 Year-End Actual	2016 Year-End Goals	On Track to Meet 2016 Year-End Goals?
Common area energy (Millions of British Thermal Units (MBtu))	6,538 MBtu	8,079 MBtu	Yes
Energy use per square foot (EUI)	34.6 EUI	36.5 EUI	Yes
Gallons of water per person per day (GPD)	48.6 GPD	49.97 GPD	Yes
Avoided utility costs (electricity, gas and water)	$185,410	$278,922	No
Waste diversion rate at KCHA-managed sites	43.2% DR	40% DR	Yes
Solar energy production capacity	98.6 kW	195.5 kW	No

Dashboard Tables of the Six Sustainability Target Areas:

The following six tables highlight annual progress towards 2016 year-end goals. The baseline used in the RMP for the six Sustainability Target Areas is 2010 or 2011, except for whole-building energy use, where baseline data was not available until 2012.

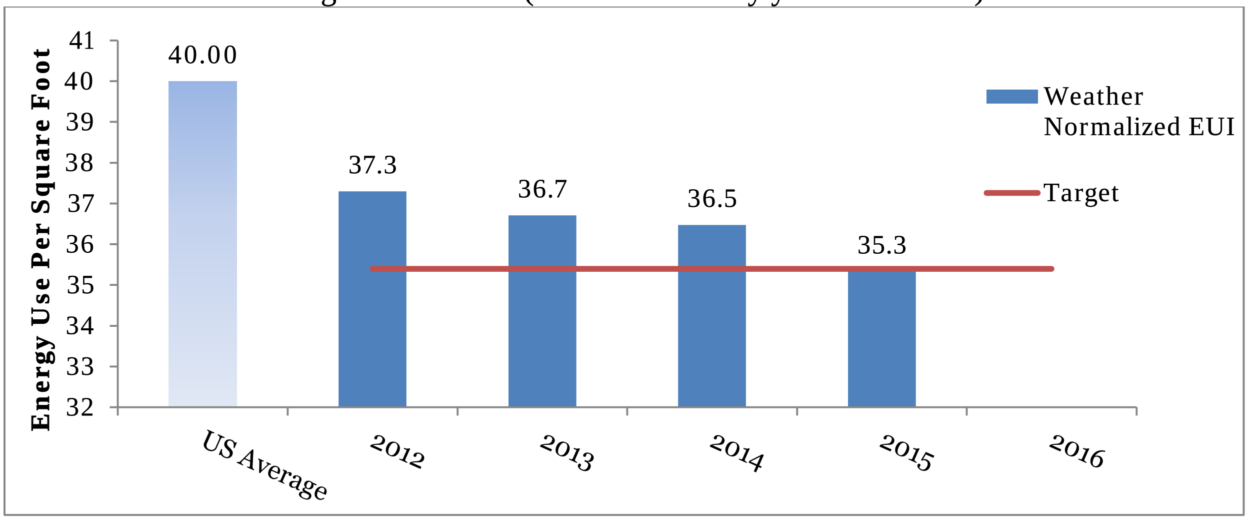
Table 1: Common Area Energy Savings
Target: 8,079 MBtu saved (10% increase in savings by year-end 2016)



Target 1: Common Area Energy Savings
KCHA-paid common area energy savings were 3% lower than 2015 targets (Table 1). Taking advantage of utility rebate programs, 20 interior and exterior lighting

improvement projects were completed with an estimated savings of more than 200 thousand kilowatt hours (kWh) per year. These projects also had the added benefit of increasing illumination in hallways, offices and outdoor areas.

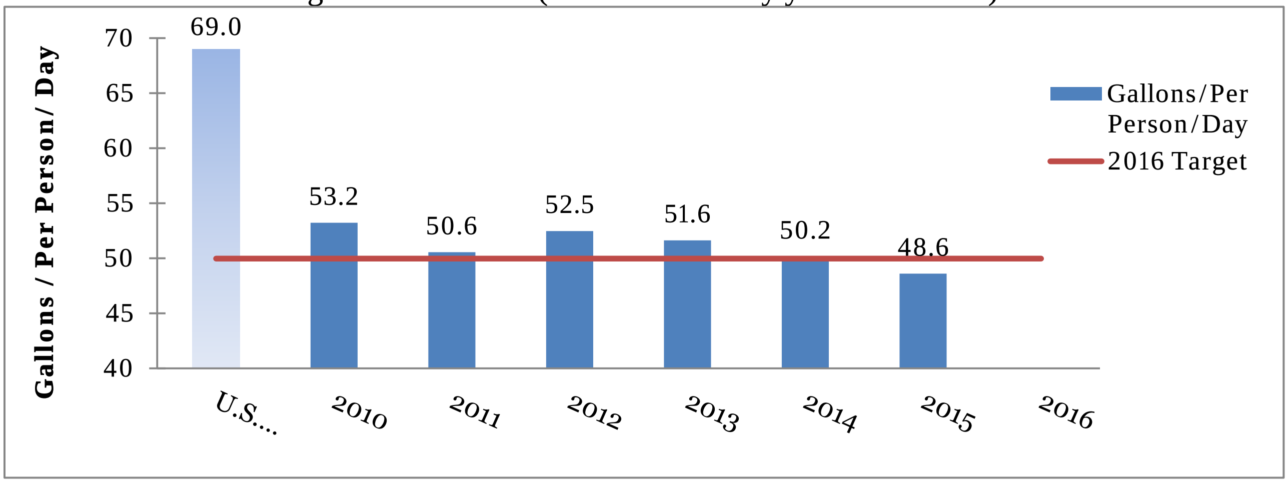
Table 2: Whole Building Multifamily Energy Use Index (EUI)
Target: 35.4 EUI (5% reduction by year-end 2016)



Target 2: Whole Building Energy Savings
Table 2 displays portfolio-wide whole-property (common area and resident consumption combined) energy use per square foot (EUI). Since the end of 2014, 67 properties have participated in utility programs to provide free-of-charge water heater pipe wrapping, light bulbs, and power strips for residents. Along with the 20 properties that completed common area lighting upgrades, KCHA's Weatherization department also completed five projects to insulate walls, provide air-sealing, add efficient heating systems and improve in-unit air quality. Based on the first year (2012) dependable EUI data was available, whole property energy use has declined by 5% and surpassed the 2016 year-end goal of 35.4 EUI.

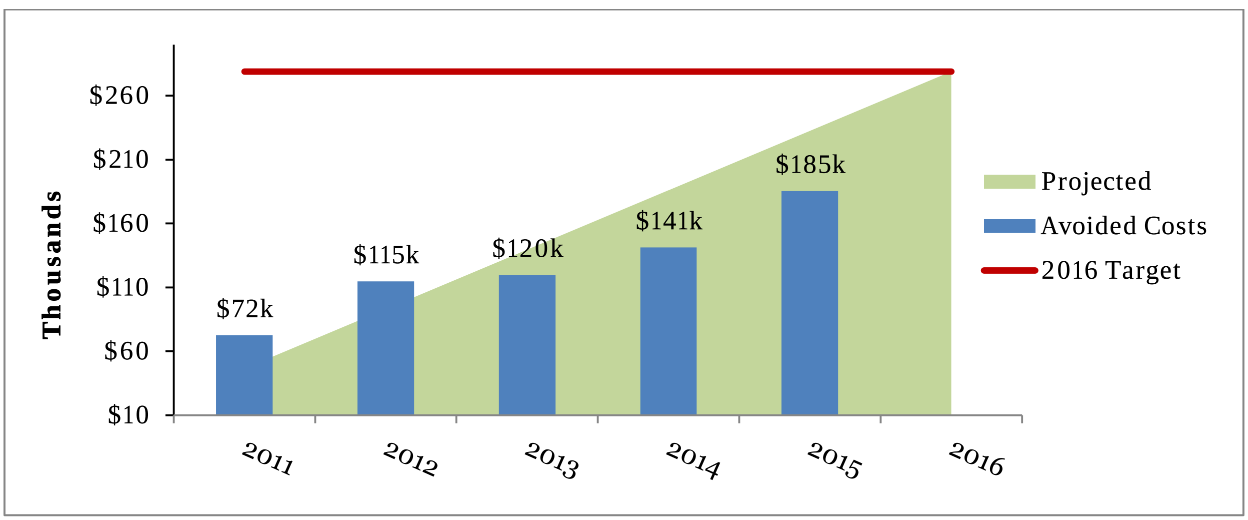
Table 3: KCHA Managed Water Use

Target: 49.97 GPD (5% reduction by year-end 2016)



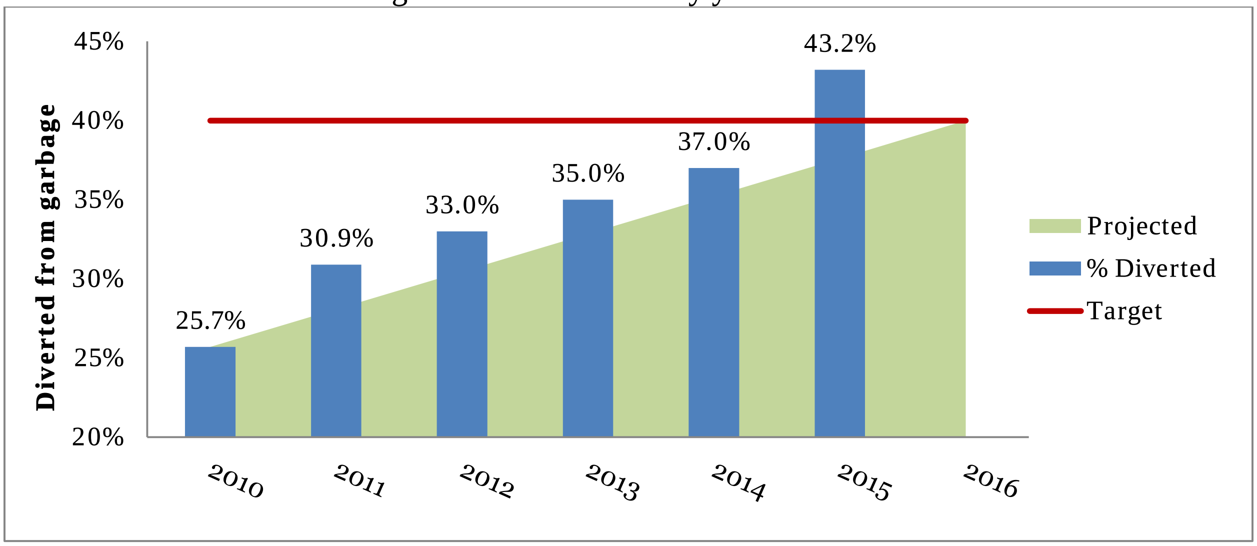
Target 3: Water Savings
Daily per capita water use from KCHA managed properties was 3% lower than the previous year and exceeded its annual target by 3% (Table 3). Staff continues to monitor utility bills, identify and fix leaks and upgrade plumbing fixtures with more water efficient technologies, often with the assistance of utility rebate programs.

Table 4: Avoided Utility Cost
Target: $279k (5% Energy & 10% Water Savings by year-end 2016)



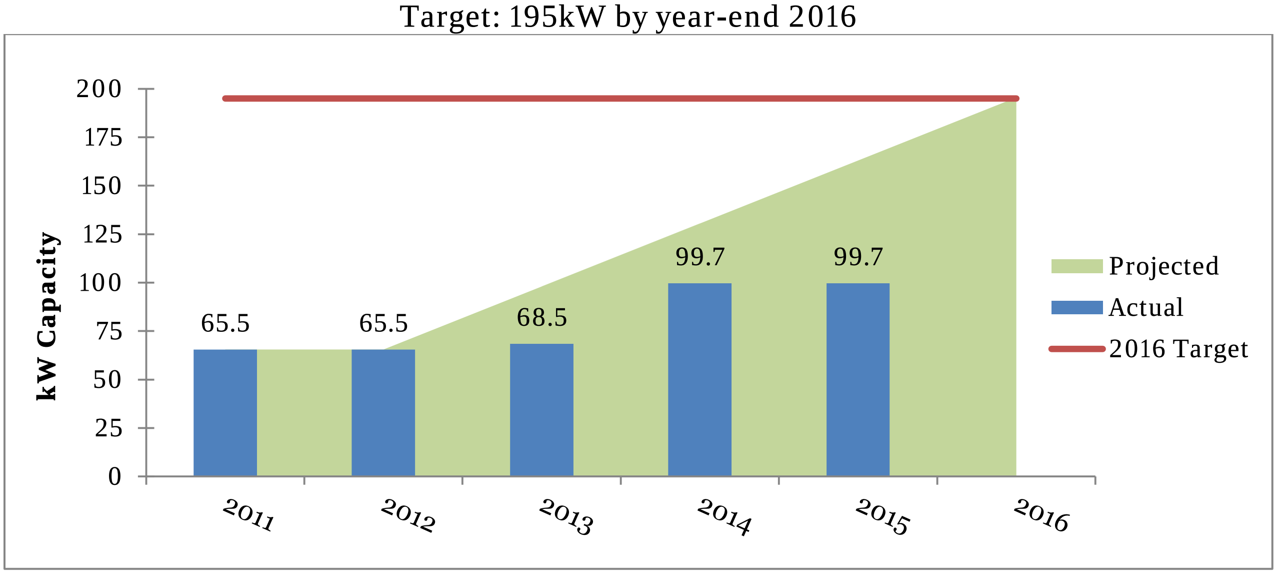
Target 4: Avoided Utility Costs
In 2015, KCHA avoided spending $32 thousand in water and $154 thousand in energy costs compared to the 2010 baseline year (Table 4). Between 2014 and 2015, there was a 31% increase in utility savings, mainly due to reductions in gas consumption resulting from operational improvements. Normalized for weather, electrical energy cost savings remained relatively unchanged; however water utility cost savings, which are not normalized for weather, were 12% higher compared to 2014 and 20% higher compared to 2010.

Table 5: Waste Diversion (PH only)
Target: 40% diversion by year-end 2016



Target 5: Waste Diversion
At the end of 2015, KCHA was diverting 43.2% of its waste away from the landfill and into regional recycling and composting programs. This figure surpasses the 2016 goal, which was originally set at 40% and also greatly exceeds the King County average for multifamily diversion, which is around 13%. Currently, 100% of KCHA properties subscribe to recycling service, 35 properties subscribe to organics collection and of those 16 encourage residents to compost food scraps.

Table 6: Solar Energy Capacity
Target: 195kW by year-end 2016



Target 6: Solar Energy Capacity
In 2015, no solar photovoltaic systems were installed mainly due to lack of state and utility financial incentives to help offset the cost of installation. However, the electricity produced during the utility solar program year, from November 2014 to October 2015,

saved roughly $10 thousand, and provided an additional annual rebate from the energy utilities of $10 thousand.

Current Initiatives:

EnviroStars - KCHA has 42 properties certified by the King County EnviroStars program, which recognizes organizations for outstanding management of hazardous waste. Currently, another 18 properties have submitted applications and are awaiting certification. By year-end 2016, a total of 60 properties will be certified with at least 3 stars under the EnviroStars banner.

Solid Waste - In the ongoing effort to reduce garbage costs and improve diversion rates (the amount of material recycled vs landfilled), KCHA conservation staff typically start by "right-sizing" garbage and recycling capacity at each property. This simple change typically leads to a reduction in garbage capacity and an increase in recycling capacity, plus a utility cost savings for the property. And, as residents' recycling knowledge grows, staff will continue to right-size solid waste services to increase the diversion rate and reduce billing costs. From the beginning of 2015 until mid-year 2016, KCHA has saved about $76 thousand in solid waste utility costs.

Utility Rebate Programs - KCHA continues to assess properties for utility rebates and free-of-charge conservation program opportunities. Currently, staff participates in the Resource Conservation Manager (RCM) program offered by Puget Sound Energy (PSE), which provides annual rebates for energy savings. In 2015, KCHA earned a rebate of $13 thousand. Since the beginning of 2015, 66 properties have partnered with Seattle City Light (SCL) and PSE to provide free indoor LED lighting, power strips, and water heater pipe insulation for residents, 65 properties have been audited to assess opportunities for financial incentives from SCL and PSE, and 28 have participated in common area energy upgrades and received over $300 thousand dollars in rebates.

The Saving Water Partnership and Cascade Water Alliance continue to provide financial incentives to install water efficient toilets, showerheads and aerators. Currently, three properties are replacing toilets that will reduce toilet water use by half.

Weatherization - The work of KCHA's Weatherization Department directly impacts the energy use outcomes tracked by conservation staff. In 2015, Weatherization substantially completed projects at six KCHA properties with a total of 173 residential units. Weatherization work may include wall, floor and attic insulation, as well as air-sealing, the installation of ductless heat pumps and energy recovery ventilation systems. These improvements increase the energy efficiency of our residents' homes while also improving their indoor air quality. In 2016, Weatherization is engaged at nine KCHA properties with five projects slated to be substantially completed by year-end.

Energy Performance Initiative Contract (EPIC) - In January 2016, KCHA entered into an Energy Performance Contract (EPC) with Johnson Controls, Inc. When completed, KCHA expects to have installed approximately $23 million in energy conservation measures, including water and lighting packages at nearly all public housing properties, and ductless heat pumps at 13 public housing properties. This project is estimated to produce $50 million in energy savings over the next 20 years. HUD regulations allow the Authority to keep 25% of these savings to support its operating and capital needs, while spending the remaining 75% on the project itself, including debt service, replacement reserves and third party monitoring. The project began at Forest Glen in concert with the Capital Construction department's waste line replacement activity. Shelcor is currently underway with Briarwood, Eastside Terrace and Cascade homes slated next on the schedule. Once complete, the EPC should further reduce the Authority's EUI (Target 2) and GPD (Target 3). Future reports will also report annual updates on savings resulting from this project.

Executive Summary of the 2017-2021 Environmental Sustainability Plan:

Investment in energy and water conservation, as well as solid waste management, continues to be a cost effective strategy for KCHA. In the new five-year Environmental Sustainability Plan (ESP), KCHA will carry forward current initiatives outlined in the original RMP, and will pursue new opportunities to reduce the Authority's environmental footprint and utility costs. The proposed plan and appendices A - C are attached to this memo.

The ESP builds on the original plan, incorporates existing initiatives and expands KCHA's sustainability strategy to include new initiatives and areas of focus. The plan also identifies three special initiatives, Landscape Management, Waste Management and Resident Engagement, that will be explored more thoroughly by the Resource Conservation department during the five years of the Sustainability Plan. Though these special initiatives have been part of ongoing efforts at KCHA, Resource Conservation plans to investigate the behavioral and/or systemic barriers that need to be addressed in order to improve outcomes.

KCHA considered a broad range of environmental initiatives for the new plan, selecting only those that will have a direct or indirect benefit to utility costs, the natural environment, and residents and staff. These initiatives are organized into three categories:

- Sustainable Operations – General administration of KCHA, and the property maintenance and management functions.
- Sustainable Development & Renovation – Construction and development activities.
- Sustainable Communities – Resident engagement activities.

Both new and existing initiatives are listed in the ESP. Existing initiatives will be evaluated for effectiveness, and updated if needed. For example, policies and procedure that were established during the RMP may need to be updated to reflect the current state of sustainability. Some new initiatives may require upfront research, as well as input from stakeholders before implementation.

To measure the environmental impact of the initiatives, seven Sustainability Plan Goals were selected as key overall indicators of performance. Many additional performance metrics have also been identified (Appendix B – Measurements) in the plan. These metrics are indicators of progress, and support main sustainability goals.

Based on 2016 year-end estimates, by the end of 2021 KCHA expects to achieve:

1. 10% reduction in gallons per day per resident (GDP) for multifamily properties managed by KCHA (without irrigation)
2. 10% reduction in energy use per square foot (EUI) for all multifamily KCHA properties
3. 5% reduction in greenhouse gas emissions (GHG) from building electricity and gas consumption
4. 195 kW of renewable energy installed
5. 55% recycling and organic waste composting diversion rate
6. 100% of qualified properties certified with at least 3 stars in the King County EnviroStars program
7. 31% of KCHA fleet use alternative fuels

The new five-year ESP will be implemented by KCHA department directors and staff, the Resource Conservation department, and contracted property management companies. Resource Conservation staff will be responsible for providing oversite of the plan and monitoring progress.

Environmental Sustainability Plan

2017 – 2021

Jenna Smith and Patrick Malloy
KCHA Resource Conservation Program
November 2016

Table of Contents

Environmental Sustainability Plan:

2017 – 2021

Introduction

King County Housing Authority continues to reduce its environmental footprint with the new 2017 – 2021 Environmental Sustainability Plan. The Plan provides the framework for the Housing Authority to move to a higher level of sustainability, balancing costs with environmental benefits and the impacts to the people who live and work at KCHA properties.

History of Sustainability at KCHA

KCHA's commitment to environmental sustainability spans more than a decade. Beginning in 2004, the organization began investing resources and developing strategies to reduce its impact on the environment through the following directives:

- The Sustainability Project (O'Brien & Co.) report (2004)
- KCHA Board Resolution 5005 Commitment to Sustainable Communities Through Excellence in Environmental Stewardship (2005)
- Establishment of Resource Conservation Department (2005)
- Resource Management Plan (2011 – 2016)

Sustainability Accomplishments

KCHA's long history of sustainability efforts has resulted in a variety of environmental achievements. Energy and water efficient building upgrades have saved roughly $170 thousand since 2011. 100% of KCHA properties have recycling services, which has saved an estimated $72 thousand per year since 2014. Overall water use per person has dropped by almost 9% since 2010, and since 2012 whole property energy use has been reduced by 5%. KCHA has established green purchasing policies, built LEED certified green buildings and engaged with residents about utility bill and healthy home management strategies. For more details about KCHA's environmental accomplishments see Appendix C.

The New Sustainability Plan

Building on the success of the Resource Management Plan (2011-2016), the new Environmental Sustainability Plan (2017-2021) incorporates existing initiatives with new ones, and identifies new five-year goals for seven Sustainability Measures (Appendix A). Each measure will be impacted directly or indirectly in the following three general areas within KCHA:

- **Sustainable Operations:** The administrative and property management functions of KCHA continue to show significant gains in reducing energy, water and solid waste utility costs and CO_2 emissions, as well as improving indoor air quality and exposure to harmful chemicals. Over the next 5 years, new initiatives will standardize maintenance and landscaping practices, establish a sustainable property management guide and assessment tool, and meet the State of Washington's upcoming requirement for purchasing only alternative fuel vehicles. KCHA also plans to standardize sustainable preventative maintenance practices in order to extend the life of buildings and their mechanical systems.

- **Sustainable Development & Renovation:** KCHA manages a variety of construction and development projects, including low-income weatherization for KCHA and private property owners, complete development and redevelopment of properties, and apartment renovation and minor building repair work. Generally, major development and renovation projects utilize Low Impact Development (LID) standards required for funding purposes. For projects not subjected to regulatory standards, KCHA plans to develop LID and construction standards for both staff and private contractors to follow. KCHA also plans to evaluate the effectiveness of environmental design strategies for new construction to improve future construction projects.

- **Sustainable Communities:** KCHA residents play a key role in helping to reduce environmental impacts through the efficient use of utilities and the management of their own living environments. Over the next 5 years and beyond, KCHA plans to work with residents and staff to learn how to help residents reduce utility bills, improve indoor air quality and keep properties litter free.

Sustainability Plan Strategy

To achieve success with so many environmental initiatives, KCHA typically begins by making capital improvements to properties, then focuses on maintenance and management, and lastly works directly with residents to help them save money and improve environmental outcomes. Over the next 5 years, this strategy will continue. KCHA will complete a second Energy Performance Contract (EPC) project in 2017, the Maintenance and Management phase will be emphasized in years 2017-

2019, and Resident Engagement activities will continue throughout the five year period with more focus during the last years of the plan. See Appendix B for additional timeline detail.

Special Initiatives

The plan includes three special initiatives, which will focus on exploring the behavioral and systematic barriers that impact environmental outcomes and establishing a strategy for creating lasting environmental benefits.

- **Landscape Management:** Managing landscapes to be attractive with fewer resources and impacts to the environment.
- **Waste Management:** Reducing, reusing, and recycling all possible waste generated by KCHA.
- **Resident Engagement:** Empowering residents to improve environmental, health and economic outcomes.

How to Read the Sustainability Plan

There are two guiding documents for the 2017-2021 Plan which outline the goals and initiatives, and how and when the initiatives will be accomplished. These guides are presented in a tabular format, and therefore some guidance in how to read them might be helpful.

1. Sustainability Plan Goals & Initiatives (Appendix A): This document presents two key pieces of information—the seven Sustainability Plan Goals, which will be used to measure the impact of initiatives, and a matrix that shows which initiatives directly or indirectly impact the goals.

2. Sustainability Plan Initiatives & Timeline (Appendix B): This document includes a list of initiatives, deliverables and a timeline for implementing the initiatives. Initiatives are organized within three Target Areas—Sustainable Operations, Sustainable Development & Renovation, and Sustainable Communities. Following is a description of each of the column headers:

- **Initiatives:** Sustainability type activities identified to achieve stated Sustainability Plan Goals over next five years.
- **Steps to Implementation:** General tasks to accomplish initiatives. These include the creation of actual products (e.g., a plan, tool, or policy) and/or the main steps required to complete an initiative. Products are designated with "•" and ongoing work with "**x**".
- **Timeline (2017-2021):** Provides a five year look at when the products "•" will be completed and ongoing work "**x**" accomplished.
- **Products:** The plan, tool, and/or policy that will be developed for a specific initiative.
- **Measurements (Outputs and *Indicators):** Since some initiatives do not directly impact the seven Sustainability Plan Goals but still have environmental benefits, tracking and reporting

outputs (i.e., things that can be counted) and indicators (i.e., visual signals or cues) provide KCHA another method for gauging success.

- **National/Local Programs (Current or Potential):** Lists national and local programs that are already in existence and that are helping guide the Sustainability Plan initiatives.

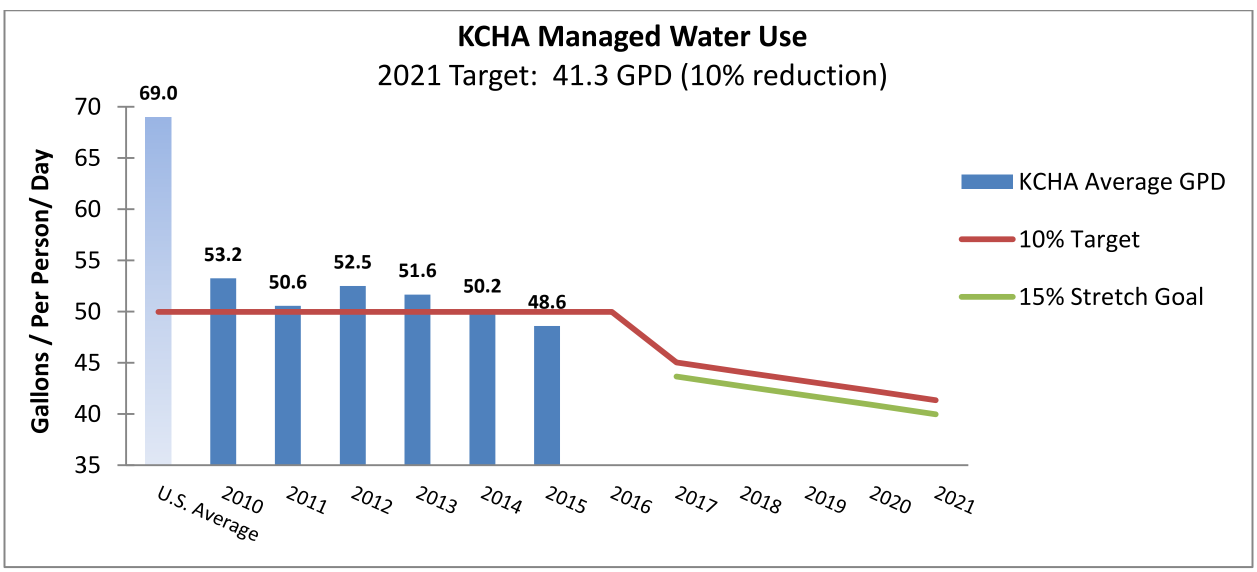
Measuring Success

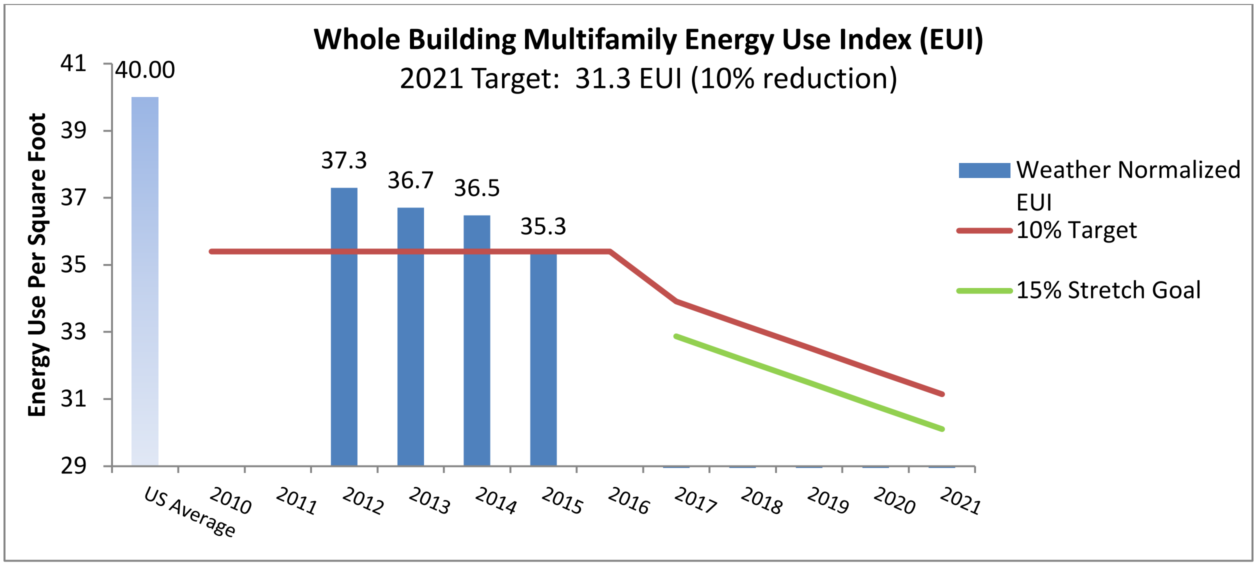
Though each of the initiatives outlined in Appendix A are designed to reduce KCHA's environmental footprint, not all provide a practical means of measurement. The following seven Sustainability Plan Goals were selected to track KCHA's progress towards improved environmental outcomes. By 2021, KCHA plans to achieve the following goals:

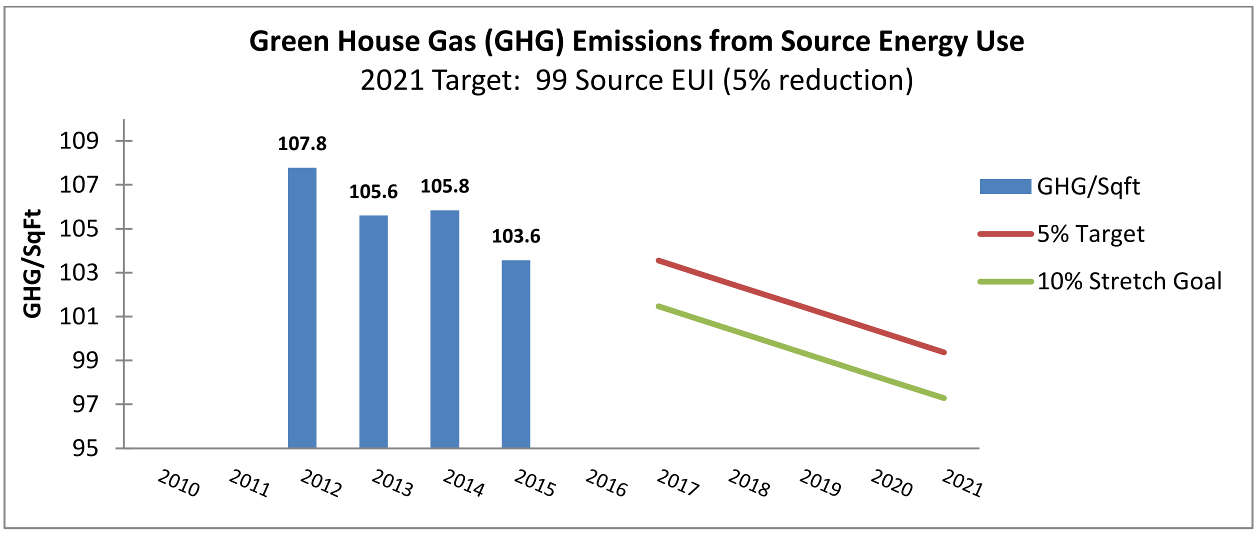
Sustainability Plan Goals

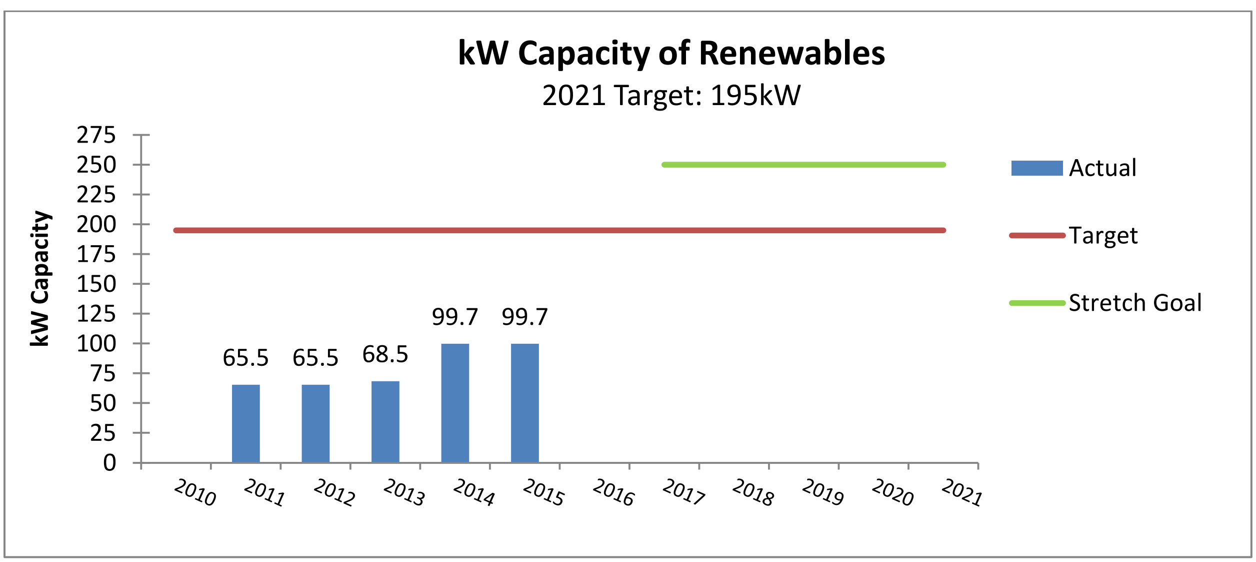
- 10% reduction in gallons per day per resident (GDP) water consumption for multifamily properties without irrigation and managed by KCHA.
- 10% reduction in energy use per square foot (EUI) for all multifamily KCHA properties.
- 5% reduction in greenhouse gas emissions (GHG) from building electricity and gas consumption.
- 100% increase in capacity of renewable energy systems.
- 55% recycling and organic waste composting diversion rate.
- 100% of qualified properties certified as 3 stars or greater in the King County EnviroStars program.
- 31% of KCHA fleet using alternative fuels.

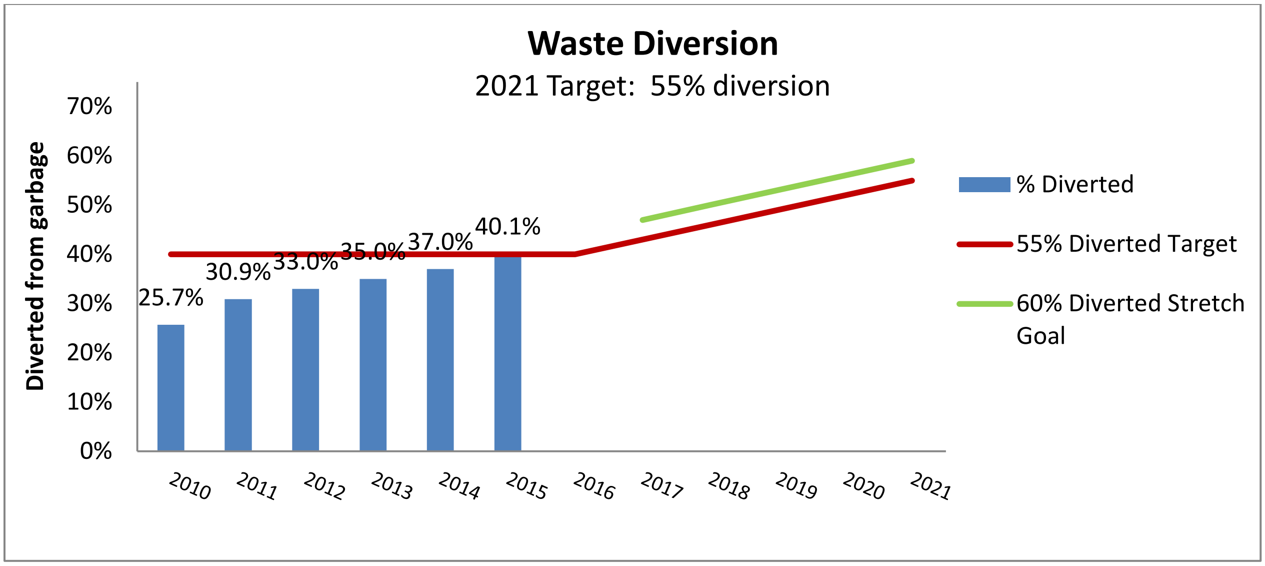
Summary Tables: 7 Sustainability Plan Goals

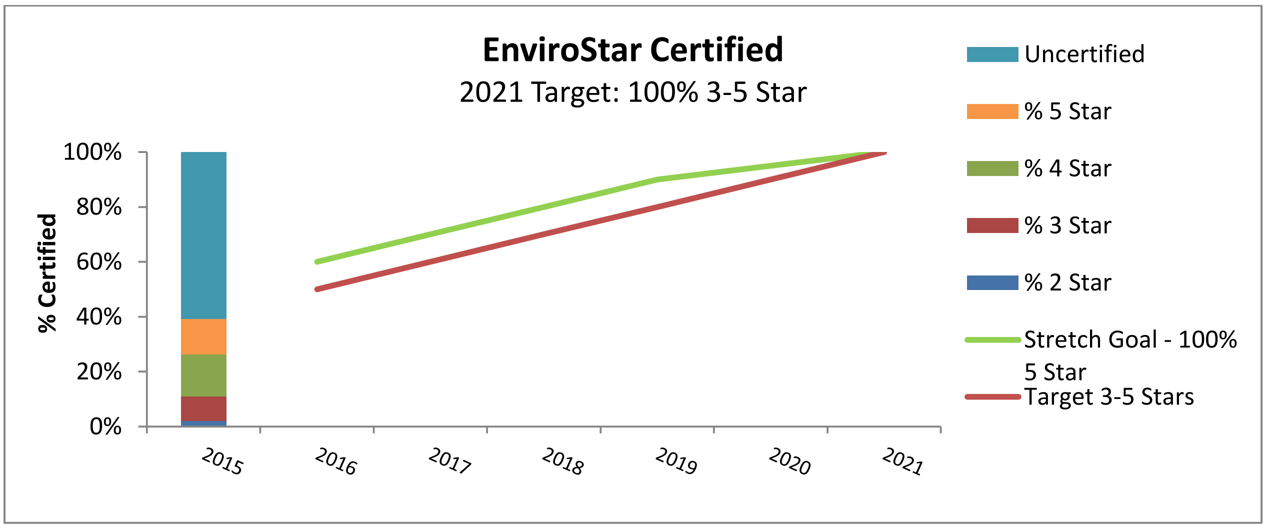


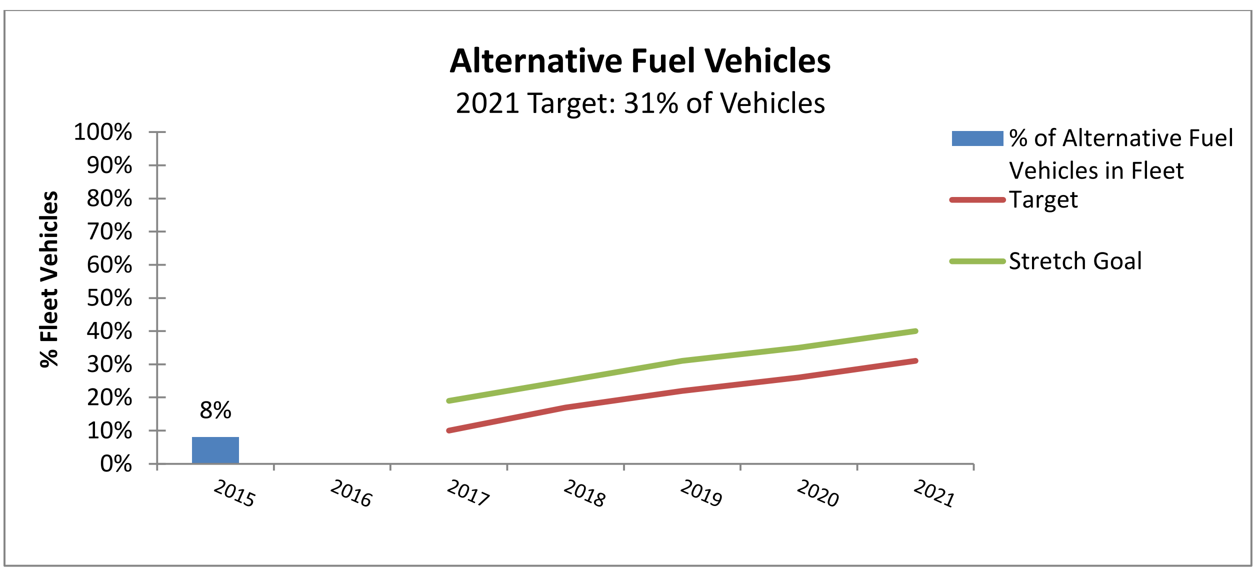

Whole Building Multifamily Energy Use Index (EUI)
2021 Target: 31.3 EUI (10% reduction)
Energy Use Per Square Foot
41
39
37
35
33
31
29
40.00
37.3
36.7
36.5
35.3
US Average
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
Weather Normalized EUI
10% Target
15% Stretch Goal


Green House Gas (GHG) Emissions from Source Energy Use
2021 Target: 99 Source EUI (5% reduction)
GHG/SqFt
109
107
105
103
101
99
97
95
107.8
105.6
105.8
103.6
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
GHG/Sqft
5% Target
10% Stretch Goal


kW Capacity of Renewables
2021 Target: 195kW
kW Capacity
275
250
225
200
175
150
125
100
75
50
25
0
65.5
65.5
68.5
99.7
99.7
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
Actual
Target
Stretch Goal


Waste Diversion
2021 Target: 55% diversion
Diverted from garbage
70%
60%
50%
40%
30%
20%
10%
0%
25.7%
30.9%
33.0%
35.0%
37.0%
40.1%
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
% Diverted
55% Diverted Target
60% Diverted Stretch Goal


EnviroStar Certified
2021 Target: 100% 3-5 Star
% Certified
100%
80%
60%
40%
20%
0%
2015
2016
2017
2018
2019
2020
2021
Uncertified
% 5 Star
% 4 Star
% 3 Star
% 2 Star
Stretch Goal - 100% 5 Star
Target 3-5 Stars


Alternative Fuel Vehicles
2021 Target: 31% of Vehicles
% Fleet Vehicles
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
8%
2015
2016
2017
2018
2019
2020
2021
% of Alternative Fuel Vehicles in Fleet
Target
Stretch Goal

Goals & Initiatives 2017 – 2021 (Appendix A)

2017-2021 Year-End Goals							
7 Sustainability Plan Goals	**2016 (Baseline)**	**2017**	**2018**	**2019**	**2020**	**2021**	**2021 Stretch Goal**
10% reduction in gallons per person per day (GPD) for multifamily properties (without irrigation)	45.9 GPD	45.0 GPD	44.1 GPD	43.2 GPD	42.3 GPD	41.3 GPD	39 GPD
10% reduction in normalized energy use per square foot (EUI) for all multifamily properties	34.6 EUI	33.9 EUI	33.2 EUI	32.5 EUI	31.8 EUI	31.1 EUI	30.1 EUI
5% reduction in greenhouse gas emissions (GHG) from all building types (electricity and gas only)	104.6 Source EUI	103.6 Source EUI	102.5 Source EUI	101.5 Source EUI	100.4 Source EUI	99.4 Source EUI	97.3 Source EUI
100% increase in capacity of renewable energy systems installed	98.6 kW	195 kW	195 kW	195 kW	195 kW	195 kW	250 kW
55% recycling and organic waste composting diversion rate	40%	43%	46%	49%	52%	55%	60%
100% qualified properties certified as 3 EnviroStars or greater	50%	60%	70%	80%	90%	100%	100% 5 Stars
31% KCHA vehicles use alternative fuel	8%	10%	17%	22%	26%	31%	40%

2017-2021 Initiatives	Water	Energy	Greenhouse Gas Emissions (buildings)	Renewable Energy	Diversion (recycling & organics)	EnviroStars (Hazardous Waste)	Alternative Vehicles
Sustainable Operations							
KCHA Administration							
Green Team initiatives	x	x			x	x	
RC staff engagement plan	x	x	x		x		
Multifamily resident engagement partnerships	x	x			x		
Resource conservation tracking database	x	x			x		
Commute Trip Reduction (CTR) efforts			x				x
Fleet management			x				x
Property Management							
Sustainable property management guidelines	x	x	x		x	x	
Preventative maintenance checklist and specifications	x	x	x				
Green purchasing policy	x	x	x		x		
Utility bill management and monitoring	x	x			x		
Water							
Water efficiency measures	x						
Energy							
EnergyStar certification		x	x				
Better Building Challenge		x	x				
Install solar or other renewables		x	x	x			
Puget Sound Energy's RCM program		x	x				
GHG emissions from source EUI		x	x				
Solid Waste							
Residential waste auditing					x		
Self-haul management					x		
Illegal dumping management					x		
Construction and Demolition waste management					x		
Hazardous Waste							
EnviroStar certification program						x	
Landscapes							
Sustainable landscape management	x		x		x	x	

2017-2021 Initiatives	Water	Energy	Greenhouse Gas Emissions (buildings)	Renewable Energy	Diversion (recycling & organics)	EnviroStars (Hazardous Waste)	Alternative Vehicles
Landscape maintenance standards & specifications	x		x		x	x	
Irrigation system management	x						
Irrigation & rainwater harvesting	x						
Storm water & natural drainage systems			x				
Sustainable Development & Renovation							
New Construction, Renovation and Repair							
Low-impact development principals	x	x	x	x			
Standard design and construction specifications	x	x	x		x		
Successful design elements of KCHA developments	x	x					
Energy Performance Contract (EPIC)	x	x					
Energy & water rebates	x	x	x				
Research and evaluation of new and installed technologies	x	x		x			
Unit turns and special projects	x	x			x		
Weatherization							
Weatherization projects		x	x	x			
Sustainable Communities							
Resident Engagement							
Resident engagement	x	x			x		
Resident surveys	x	x					

Initiatives & Timeline 2017 – 2021 (Appendix B)

"X" indicates ongoing implementation of an initiative, "•" indicates a product created by an initiative

Initiatives	Steps to Implementation	2017	2018	2019	2020	2021	Products (•completion year)	Measurements (Outputs and *Indicators)	Guiding Programs (Current or Potential)
Target Area: Sustainable Operations		**Timeline**							
KCHA Administration									
Green Team initiatives	x Quarterly team meetings x Develop projects x Implement projects	X	X	X	X	X		# Outputs from projects	
Resource conservation communication plan to engage staff	• Develop communications plan x Implement communications plan x Evaluate effectiveness of plan	•	X	X	X	X	•RC Communications Plan		
Multifamily resident engagement partnerships	x Identify potential partners (HUD, water and energy utilities, etc.) with interest in multifamily engagement x Connect with partners x Share information to gain broader understanding of target populations	X	X	X	X	X			
Resource conservation project tracking database	• Build RC database x Track RC related activities x Identify new RC activities and evaluate completed projects	•	X	X	X	X	•RC activities database		
Commute Trip Reduction (CTR)	x Implement required WA biennial CTR survey • Develop Commute Trip Reduction Plan x Implement Plan	X	•	X	X	X	•Commute Trip Reduction Plan	% survey response rate % Drive Alone Rate # Vehicle Miles Traveled # employees w/Puget Pass *Available parking at CO	WA requirement - Implement CTR survey
Fleet management	• Develop fleet plan • Develop GHG emissions tracking tool for annual reporting	•					•Sustainable Fleet Plan •GHG fleet tool	# miles per gallon # alternative fuel vehicles # electric vehicle charging stations	WA requirement - Only purchase alternative fuel vehicles by 2018

Initiatives	Steps to Implementation	2017	2018	2019	2020	2021	Products (•completion year)	Measurements (Outputs and *Indicators)	Guiding Programs (Current or Potential)
Sustainable Operations, cont'd		**Timeline**							
Property Management									
Sustainable Property Management	• Develop guide and assessment tool x Guide implementation with property managers		•	x	x	x	•Sustainable Property Management Guide & Assessment Tool	# completed by RC staff/Property Management	
Preventative Maintenance Checklist and Specifications	x Review current maintenance practices • Develop standard preventative maintenance checklist and specifications for repairs x Test in field and update	x	•	x	x	x	•Preventative Maintenance Policy, Checklist and Specs		
Green Purchasing Policy	• Review and update current procurement policy x Communicate policy to staff x Evaluated effectiveness of policy		• x		x		•Sustainable Purchasing Policy	*Green products mostly purchased	
Utility bill monitoring and management	x Manage over 1,000 water, sewer, electric and gas utility accounts • Produce monthly Property Management Monitoring report x Track consumption trends to identify billing errors, high use or data management issues	x•	x•	x•	x•	x•	•Monthly PM Monitoring Report	# properties tracked in Portfolio Manager and Utility Manager	
Water Management									
Water efficiency	x Identify opportunities in residential indoor, outdoor irrigation, commercial and pools x Develop strategies to improve efficiency via behavior change or technology upgrades x Implement programs and/or projects	x	x	x	x	x		# technologies installed # properties participating in programs	WaterSense Products or Partners
Energy Management									
EnergyStar Certification	• Explore feasibility of complying with EnergyStar score and certification requirements x If feasible, certify properties	•	x	x	x	x	• Decision to participate in EnergyStar certification for additional properties	# multifamily, office and other EnergyStar certified	EnergyStar Certified EnergyStar Partner
Better Building Challenge	• Develop implementation plan x Track energy use x Report results	•	x	x	x	x	• Better Building Challenge Implementation Plan	# properties participating	Better Building Challenge

Initiatives	Steps to Implementation	2017	2018	2019	2020	2021	Products (•completion year)	Measurements (Outputs and *Indicators)	Guiding Programs (Current or Potential)
Sustainable Operations, cont'd		**Timeline**							
Energy Management									
Add additional renewables	x Apply for utility and Commerce funding for solar, align goal with KC's Climate Action Plan x Select and install solar x Report results	x	x	x	x	x		# kW capacity of solar installations # rebated projects – Dept. of Commerce grants	Renew 300 – HUD's Renewables Initiative
Puget Sound Energy Resource Conservation Manager program	x Track energy consumption for properties x Implement engagement activities x Complete quarterly checklists	x	x	x	x	x		# $$ received from PSE	PSE's RCM program
GHG emissions from source EUI	x Determine how or what to track, measure and report for GHG emissions from source EUI in Portfolio Manager	x	x	x	x	x		# GHG emissions	King County-Cities Climate Collaboration/KC Strategic Climate Action Plan
Waste Management									
Residential Waste Management	x Waste audits x Right size garbage and resident engagement x Service changes	x	x	x	x	x		# gallons garbage/person % diversion # on-site events # properties w/ food waste services for residents *No recyclables in garbage	
Self-haul Management	x Assess current practices and review billing data • Develop tools, guides x Report impact	x •	x	x	x	x	•Self-Haul Tool and Guidelines		
Illegal dumping Management	x Research current issues • Develop tools, guides x Report impact	x	•	x	x	x	•Illegal Dumping Best Practices Guide	*No items illegally dumped	
Construction and Demolition (C&D) waste management	x Research current practices and data • Develop tools, guides and policy x Evaluated effectiveness of policy	x	•		x		•C&D Waste Management Policy	*C&D being sorted at construction sites	King County Diversion Requirements Ordinance 18166
EnviroStars	x Identify properties x Implement EnviroStars tool x Complete EnviroStars process	x	x	x	x	x		# Certified EnviroStars *Hazardous waste stored properly	EnviroStars

Initiatives	Steps to Implementation	2017	2018	2019	2020	2021	Products (•completion year)	Measurements (Outputs and *Indicators)	Guiding Programs (Current or Potential)
Sustainable Operations, cont'd		**Timeline**							
Landscape Management									
Sustainable Landscape Management	x Train staff x Assess barriers and impact of current Landscape Maintenance Manual practices	x	x	x	x	x		# staff trained # EcoPro certified staff *Beds mulched *Plants pruned properly *Grass mulch mowed *Integrated Pest Mgmt. (IPM) strategies utilized	
Landscape Maintenance Standards & Specifications (LMSS)	x Review current LMSS • Update LMSS x Evaluate LMSS effectiveness	x	•		x		•Landscape Maintenance Standards & Specifications		
Irrigation systems	x Identify properties with irrigation x Audit irrigation systems, calculate efficient schedules, train staff on scheduling techniques x Evaluate impact of efficiency measures	x	x	x	x	x		# irrigation systems tracked # assessed # and type of efficiency measures added *Irrigation schedules documented *Rain sensor installed	
Irrigation & Rainwater harvesting	x Research potential for adding collection systems •Develop rainwater harvesting best practices x If feasible, add rainwater harvesting systems	x	•	x	x	x	•Rainwater Harvesting Best Practices	# p-patch gardens # properties with active gardeners	
Storm water management utilizing natural drainage systems	x Assess opportunities to reduce storm water drainage fee and identify properties with drainage issues • Develop storm water management best practices utilizing natural drainage systems x If feasible, add natural drainage systems	x	•	x	x	x	• Storm Water Management Best Practices	# reduction in storm water fee # natural drainage systems or trees added *No standing water or drainage issues	
New Construction, Renovation and Repair									
Utilize low-impact development principles	x Site assessment/planning x Utilize sustainability design guides x Construction management and inspection	x	x	x	x	x		# BuiltGreen 3 Star certified	Residential: Built Green, Evergreen Certified, Enterprise Certified

Initiatives	Steps to Implementation	2017	2018	2019	2020	2021	Products (•completion year)	Measurements (Outputs and *Indicators)	Guiding Programs (Current or Potential)
Target Area: Sustainable Development & Renovation		**Timeline**							
New Construction, Renovation and Repair									
KCHA Standard Design and Construction Specifications (for projects not subjected to regulatory standards)	x Assess current practices for utilizing design and construction standards • Develop a KCHA design and construction standards	x	x	•			•KCHA Construction Standards	*All projects meet KCHA or regulatory agency standards	Evergreen Sustainable Development Standard – Dept. of Commerce (Housing Trust Fund)
Successful design elements at KCHA properties	x Tour properties with maintenance and property managers post construction, and assess effectiveness of design and quality of construction. • Develop a design guide and/or case studies	x•	x•	x•	x•	x•	•Successful Building and landscape Design Guide/Case Studies	# case studies	
Energy Performance Contract (EPIC)	x 2016 contract completion and construction implementation. • Annual measurement and verification, and potentially on-going increases in scope – 3 years likely longer	x	•	•	•	•	•Annual EPIC measurement and verification reporting for HUD		
Energy & Water rebates	x Select candidates for rebates x Manage projects	x	x	x	x	x		# projects completed # rebate $$ # estimated savings	
Research and evaluation of new and installed technologies	x Identify energy/water/solid waste conservation technologies or projects x Collect data and perform evaluations x Report results	x	x	x	x	x		# technologies reviewed # installed projects evaluated	
New Construction, Renovation and Repair									
Unit turns and special projects	x Review construction specifications • Update construction specifications	x	x	•			•Construction Specification for Contractors	# units upgraded	

Initiatives	Steps to Implementation	2017	2018	2019	2020	2021	Products (•completion year)	Measurements (Outputs and *Indicators)	Guiding Programs (Current or Potential)
Sustainable Development & Renovation, cont'd		**Timeline**							
Weatherization									
Weatherization projects	x Properties selected x Construction x Engagement and evaluation	x	x	x	x	x		# units HA weatherized # estimated savings for residents	HUD – Energy Performance Information Center Report
Target Area: Sustainable Communities		**Timeline**							
Resident Engagement									
Resident engagement (General sustainability measures and EPIC engagement project)	x Research engagement strategy x Pilot engagement initiatives • Develop resident engagement plan and toolkits x Engage residents	x	•	x	x	x	•Resident Engagement Toolkit •Staff Toolkit/Handbook Move-in Packet	# engagement events	
Resident attitude and knowledge survey questions	x Determine usefulness of surveying residents for program planning purposes • Develop survey questions and incorporate into KCHA biennial resident survey	x	•		•		•Resident survey question summary report	# of survey respondents	

Environmental Accomplishments (Appendix C)

KCHA administers a wide range of quality affordable rental and home-ownership programs for residents of King County, Washington. With 142 housing and commercial properties, and 9,359 units of housing, the Authority serves more than 18,000 elderly, disabled and family households, including the Housing Choice Voucher program, on a daily basis. The environmental sustainability of housing and buildings is an important component of KCHA's mission to provide quality affordable housing. The following include highlights of KCHA's environmental accomplishments:

King County Housing Authority

We transform lives through housing

Key Accomplishments

Energy efficiency

- In 1976, KCHA's established the Weatherization Assistance Program with funding from the U.S. Department of Energy to provide low-income property owners free-of-charge weatherization services. Since 1998, KCHA has spent almost $47 million in federal, state and local grant funds to weatherize 10,898 low-income households in the King County area. Of those, 4,681 units were KCHA owned housing.
- Since 2012, KCHA has reduced the entire portfolio's common area and resident combined energy use per square foot (EUI) by 5%, and lowered common area KCHA paid energy consumption by 10%.
- ENERGY STAR appliances are installed in all residential units, and buildings have been retrofitted with better insulation, more energy-efficient windows and high-efficiency boilers.
- LED lighting has replaced both incandescent and older CFLs to save energy, increase illumination and improve security.
- Since 2011, KCHA has installed almost 100 kW of solar photo voltaic (PV) systems at six properties.

Water Quality and Storm Water Management

- In new developments, permeable surfaces, landscape swales and rain gardens have been installed to filter storm water, and reduce runoff.
- Buffer zones around streams have been added to protect water quality and fish habitat.
- Rainwater harvesting cisterns have been installed at community gardens, and landscapes have been designed to be low maintenance and drought tolerant.

Waste reduction

- 100% of KCHA properties have recycling services, and 16 are composting food.

- KCHA manages all files electronically, and encourages two-sided printing.
- Administrative offices provide recycling, food waste composting, plastic bag, Styrofoam and electronic equipment recycling.
- Donation bins are provided on-site at multifamily properties to help divert reusable items from the garbage.

Human Health

- For all new construction and major renovation projects, KCHA uses green-building principles established by the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) rating system, the Master Builders Association of King and Snohomish Counties' Built Green® program, and/or the Evergreen Sustainable Development Standards.
- Often Energy Recovery Ventilation (ERV) systems are installed to improve air quality and reduce the potential for mold.
- Janitorial services are required to use environmentally friendly products and cleaning techniques.
- 42 qualifying properties have been certified by the King County EnviroStars program for exceptional management of hazardous waste materials.
- 100% of properties are smoke-free.
- Many properties have P-Patch community gardens, and often residents are permitted to garden in front of their units or around the property.

Transportation

- KCHA is growing its motor pool and maintenance vehicles fleet of fuel efficient/hybrid vehicles. By 2033, 100% will be non-gasoline powered.
- Transit subsidies are provided to staff and telecommuting options are available to minimize car use. KCHA also offers a guaranteed ride home program for people who commute via vanpool or public transportation.
- Seven electronic vehicle charging stations have been installed at multifamily properties and administrative offices. Six more are planned for the next few years.

Procurement

- We require that the products we purchase have a lesser impact on the environment and human health.
- We urge staff and contractors to reduce consumption in the office, in the management of our properties and during construction.

Resource Conservation

- KCHA employs two full-time resource conservation staff dedicated to implementing the 2011-2016 Resource Management Plan and 2016-2021 Environmental Sustainability Plan. This staff monitors utility bills, assesses properties for environmental improvements, and educates residents and staff about managing utilities and reducing KCHA's impact on the environment.

Property Accomplishments

According to the U.S. Department of Energy, residential and commercial buildings account for 40 percent of the total energy consumed in the U.S. and produce nearly half of the nation's greenhouse gas emissions.

As KCHA develops more efficient new buildings, existing properties are also rehabilitated to reduce their environmental impact. Each KCHA community has its own detailed plan to conserve energy, improve water quality and reduce water consumption. Retrofits have taken place at several properties, including Boulevard Manor in Boulevard Park, Briarwood in Shoreline and Cascade Apartments in Kent.

Not only do these retrofit efforts reduce resource use, they also extend the longevity of buildings and help residents reduce utility costs. Investments in conservation upgrades also reduce the bills to taxpayers by trimming the costs to maintain and operate buildings.

- Weatherization upgrades included insulating roofs and crawl spaces, sealing building exteriors, and installing energy-efficient windows and patio and deck doors.
- ENERGY STAR roofing systems used.
- Obsolete siding replaced with a weather-resistant barrier of rigid insulation covered with fiber cement made from recycled materials.
- Baseboard heaters replaced with high-efficiency heat pumps or boilers.
- Low wattage LED lighting installed.
- Next generation low-flow toilets, faucets and shower heads installed.
- Bath fans installed to improve ventilation and reduce the risk of mold.

Seola Gardens

Seola Gardens in White Center offers sustainable housing that costs less to operate and provides a healthier living environment for families. Replacing the former Park Lake Homes II, an aging public housing complex, Seola includes 172 subsidized rental units and 107 for-sale homes.

The new community is a model of green development, built to strict efficiency standards on energy and water consumption. About half of the rental homes have been strategically sited to be cooled naturally by trees in summer and take advantage of natural light in winter.

- Built to 3-Star Built Green® standards and Evergreen Sustainable Development Standards.
- Units are wired to be solar-ready.
- Rain gardens and a large pond filter surface water before it leaves the site.
- Community design promotes health and wellness of residents with a central park, P-Patch gardens and exercise stations.

Greenbridge

Greenbridge is an award-winning mixed-income, 100-acre sustainable development in White Center. It is a shining example of how green-building principles can be incorporated effectively into a larger residential community.

Greenbridge replaced 569 units of obsolete public housing, originally built for Boeing workers in World War II. When completed, the community will offer over 900 energy-efficient townhomes, cottages, flats, single-family homes and an apartment complex for seniors and persons with disabilities.

The project's environmentally friendly design includes an interconnected network of parks and trails, and a community hub with a new elementary school, early learning center, renovated community center, public library, YWCA adult learning center, public health clinic, fair-trade coffee shop, and neighborhood-scale retail shops.

- The state's largest residential installation of solar panels on roofs of 24 public-housing units.
- All buildings meet the standard of the Master Builders Association of King and Snohomish Counties Certified 3-Star Built Green®
- ENERGY STAR appliances and low-wattage lighting in all rental units.
- Higher density housing for more efficient land use.
- Sidewalks and trails encourage walking and cycling.
- Permeable surfaces emphasized by narrowing streets, sidewalks, driveways and parking areas.
- Environmentally friendly paints, stains and sealants used throughout.
- 50-year roof and siding on all units.
- Drought-tolerant landscaping reduces irrigation requirements.
- Swales installed in landscapes enhance infiltration and reduce runoff.
- Three storm water detention basins filter pollutants and manage excess runoff.
- Special drains collect clean water from roofs and bypass water quality treatment areas.
- Salvaged 8,463 tons of materials during demolition.

Jim Wiley Community Center

Formerly a cheerless structure with poor ventilation and scant natural light, the renovated Wiley Community Center is the heart and soul of Greenbridge.

A celebrated example of adaptive reuse, the 22,600-square-foot facility features a gym, computer lab, classrooms, a commercial kitchen, community rooms and counseling offices. Previously surrounded by parking on all sides, the center now fronts a new plaza that is a dynamic social gathering place where community events, farmers markets and other activities flourish.

- The community center is Certified 3-Star Built Green® by the Master Builders Association of King and Snohomish Counties.
- Solar panels on roof supply renewable energy to the building.
- Low-wattage LED lighting installed throughout the facility.
- Heating and ventilation system lowers energy costs and reduces environmental impact.
- Plaza covers a storm water detention vault that treats pollutants before discharge.
- Non-toxic natural linoleum flooring installed in hallways.
- Carpet tiles are made from recycled materials.
- Energy-efficient windows and skylights conserve energy while inviting in natural light.
- Original hardwood floors were refinished.
- Two tankless water heaters lower operating and energy costs.
- Renovation vs. demolition saved energy and construction material.
- 50-year roof installed on all units.

The 700 Andover Building

Driven by a desire to locate Section 8 offices within KCHA's headquarters, an adjacent retail strip mall was acquired and remodeled. The development goal for the structure focused on refurbishing the 1978 structure in the most energy-efficient way possible within the limited resources available.

The 700 Andover Building has been hailed nationally by ASHRAE (American Society of Heating, Refrigerating and Air Conditioning Engineers). In 2014, the project won second place in the trade organization's annual Technology Awards, which recognizes outstanding energy-efficient design and operation of commercial buildings.

ASHRAE's November 2014 monthly journal included an article about the project. The story concluded, "This project demonstrates how older existing buildings do not have to be demolished in order to make way for more efficient new buildings, and that this level of energy efficiency is accessible within a modest renovation budget."

As it has from the start, the building operates more efficiently than 95 percent of all office buildings locally. It was done with a modest construction budget of $95 per square foot – $14 of those dollars dedicated to the highly efficient 50-zone HVAC system.

- The building has an EUI of 26 kBtu/sf/yr, which puts it at the top 2 percentile of all office buildings nationwide.
- It is Energy Star Certified, with a score of 98.
- The building was designed to save an estimated $35 thousand per year in energy costs compared to a typical office building.
- “Design for Off” technology shuts off lighting and HVAC systems when rooms are not in use.
- Heating and cooling is provided through 50 individually controlled comfort zones.
- Indoor air is exhausted through dedicated outdoor air ventilation system that operates independently from heating and cooling ducts.
- High-performance windows keep the east-facing side of the building cool on sunny mornings.
- Variable Refrigerant Flow (VRF) heat pump system uses variable speeds and low fan power to create high efficiency.
- Triple-glazed skylights bathe the interior corridors with daylight, allowing for interior lighting to remain off during spring and summer.

Birch Creek

The depressing, barrack-like Springwood Apartments in Kent were transformed into a vibrant and attractive new housing community called Birch Creek. The 262 energy-efficient apartment homes, certified as a 4-Star Built Green® project, allow residents to enjoy better amenities with little increase in energy costs.

The redeveloped campus includes two state-of-the art community centers (one certified as LEED Silver) that serve the job training, health, education and recreational needs of Birch Creek families and the greater Kent community.

The campus is built around a central park and boasts a P-Patch community garden, picnic areas and playgrounds. The redevelopment enhanced environmentally sensitive areas, including Soosette Creek, a salmon-bearing stream that bisects the property.

An experiment on sustainability also is being conducted at Birch Creek. One building has been fitted with additional green features including roof-mounted solar panels to pre-heat the water supply, dual-flush toilets and triple-pane windows. KCHA is comparing the energy and water consumption in the building with that in an identically configured building to assess the impact of these stepped-up conservation measures.

- 2,100 tons of wood, vinyl and piping plus 2,000 tons of concrete were recycled instead of being dumped in the landfill.
- Aged vinyl siding replaced with durable, low-maintenance fiber cement exteriors.
- The ecosystem of Soosette Creek improved through installing landscaped buffers and erecting a pedestrian bridge with creek viewing platforms.
- ENERGY STAR appliances installed in all units.
- Residents use rainwater collected from roofs to irrigate the P-Patch garden.

Birch Creek Youth Center

The 10,800-square-foot Birch Creek Youth Center is one of two innovatively designed community facilities on the Birch Creek campus. It reflects KCHA's commitment to sustainable development.

Built to LEED standards, the youth center includes a gym with a performance stage, a commercial kitchen, a rec room, meeting space and classrooms. The center supports more than 1,200 Kent-area teens through its programs and activities.

The youth center was built on the footprint of a pre-existing community center in order to prevent any

negative environmental impact to the adjacent salmon-bearing stream. As part of the LEED commitment, a large open space behind the building will be maintained for the life of the structure.

- Certified LEED Silver by the U.S. Green Building Council.
- Every product used was screened to minimize exposure to toxic chemicals.
- More than 80 percent of construction waste was diverted from landfills to recycling facilities.
- Majority of space is bathed in natural light, reducing the building's energy load.
- Energy-efficient lighting used and exterior sun-shades installed.
- Low-flow toilets and showerheads and waterless urinals reduce the building's water use by nearly 50 percent.
- Eco-friendly janitorial services promote good indoor air quality, recycling and occupant health.
- Landscaping features native and drought-tolerant plants.

The Village at Overlake Station

The Village at Overlake Station in Redmond is an environmentally conscious mixed-use development that offers an innovative solution to the interrelated problems of high housing costs, suburban sprawl and traffic congestion.

The first bus transit-oriented development in the nation, the 308 units of attractive workforce housing are located in the heart of the Puget Sound region's high-tech corridor, close to many major employers.

The housing is integrated with a child daycare center built above a bus transit station and park-and-ride lot. Tenants literally can step out their front door, drop off their child at the daycare center and then proceed to the transit center or walk to the many nearby stores and businesses.

- Triples the use of the land by building over an underutilized parking lot.
- Residents are encouraged to use cars less and use transit more, helping ease traffic congestion.
- Located within walking and biking distance of hundreds of jobs and services.
- Solar panels on the roof supply renewable energy to hallways, offices, community spaces and the parking garage.
- New LED energy-efficient lighting in parking garage.

THE HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5548

APPROVAL OF THE
2017-2021 ENVIRONMENTAL SUSTAINABILITY PLAN

WHEREAS the Federal Government has established a national energy policy designed to promote dependable, affordable and environmentally sound production and distribution of energy for the future; and

WHEREAS the US Department of Housing and Urban Development (HUD) actively supports resource conservation efforts throughout the nation through various programs and written guidance; and

WHEREAS Resolution No. 5005, Commitment to Sustainable Communities through Excellence in Environmental Stewardship, was adopted by the Board of Commissioners on May 8, 2005 and states that the Authority is committed to reducing the environmental impact of its operations and to creating environmentally sustainable communities as part of its core mission; and

WHEREAS Resolution No. 5339, adopted by the Board of Commissioners on August 4, 2011, authorized Housing Authority staff to implement the 2011-2016 Resource Management Plan designed to achieving environmental improvements in five conservation target areas: energy, water, solid waste, hazardous waste and communication and awareness; and

WHEREAS the Authority wishes to continue its efforts with another consistent, aggressive long-term plan for reducing its impact on the environment; and

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

1. The Housing Authority of the County of King adopts the 2017-2021 Environmental Sustainability Plan and Resource Conservation Goals as appended to this Resolution

ADOPTED AT A MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING THIS 21st DAY OF NOVEMBER, 2016.

THE HOUSING AUTHORITY OF THE COUNTY OF KING, WASHINGTON

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DOUGLAS J. BARNES, CHAIR
Board of Commissioners

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STEPHEN J. NORMAN
Board Secretary

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To: Board of Commissioners

From: Craig Violante, Director of Finance

Date: November 15, 2016

Re: **Resolution No. 5555: Acceptance of Washington State Auditor's Office Report on Financial Statements and Federal Single Audit (No. 1017602) and the Accountability Audit Report (No. 1017806), both for the Period Ended December 31, 2015**

Executive Summary

On September 29, 2016 the Washington State Auditor's Office (SAO) issued Financial and Single Audit Report Number 1017602, and on November 3, 2016 the SAO issued Accountability Audit Report Number 1017806. Both reports relate to KCHA's fiscal year which ended on December 31, 2015.

Background

Annual audits of the King County Housing Authority are conducted by the State of Washington, Office of the State Auditor. The audits are prepared and transmitted for filing by the State Auditor's Division of Municipal Corporations pursuant to RCW 43.09.260. Board receipt and acknowledgement of the attached reports is required.

Report No. 1017602 covers the Authority's financial statements and related disclosures along with the Federal "Single Audit" for the period January 1, 2015 through December 31, 2015. Report No. 1017806 is a separate "Accountability Audit Report" for the period January 1, 2015 through December 31, 2015, which reports on KCHA's compliance with State laws and regulations and its own policies and procedures.

There were no findings in this year's Financial Audit report or Accountability Audit Report, and there were no management letter items.

An exit conference with the SAO took place on October 28, 2016 and was attended by several KCHA staff members. The SAO expressed their appreciation for the responsiveness of KCHA staff toward the SAO audit staff.

Staff Recommendation

Resolution No. 5555 is a required element to KCHA's audit. Board passage is recommended.

Washington State Auditor's Office

Government that works for citizens

Financial Statements and Federal Single Audit Report

Housing Authority of the County of King

For the period January 1, 2015 through December 31, 2015

Published September 29, 2016

Report No. 1017602

Washington State Auditor's Office

September 29, 2016

Board of Commissioners
Housing Authority of the County of King
Tukwila, Washington

Report on Financial Statements and Federal Single Audit

Please find attached our report on the Housing Authority of the County of King's financial statements and compliance with federal laws and regulations.

We are issuing this report in order to provide information on the Housing Authority's financial condition.

Sincerely,

Troy X. Kelley

TROY KELLEY

STATE AUDITOR

OLYMPIA, WA

TABLE OF CONTENTS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Housing Authority of the County of King
January 1, 2015 through December 31, 2015

SECTION I – SUMMARY OF AUDITOR'S RESULTS

The results of our audit of the Housing Authority of the County of King are summarized below in accordance with Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Financial Statements

We issued an unmodified opinion on the fair presentation of the financial statements of the business-type activities and the aggregate discretely presented component units in accordance with accounting principles generally accepted in the United States of America (GAAP).

Internal Control over Financial Reporting:

- *Significant Deficiencies:* We reported no deficiencies in the design or operation of internal control over financial reporting that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified no deficiencies that we consider to be material weaknesses.

We noted no instances of noncompliance that were material to the financial statements of the Housing Authority.

Federal Awards

Internal Control over Major Programs:

- *Significant Deficiencies:* We reported no deficiencies in the design or operation of internal control over major federal programs that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified no deficiencies that we consider to be material weaknesses.

We issued an unmodified opinion on the Housing Authority's compliance with requirements applicable to its major federal program.

We reported no findings that are required to be disclosed in accordance with 2 CFR 200.516(a).

Identification of Major Federal Programs:

The following program was selected as a major program in our audit of compliance in accordance with the Uniform Guidance.

CFDA No.	Program or Cluster Title
14.881	Moving to Work Demonstration Program

The dollar threshold used to distinguish between Type A and Type B programs, as prescribed by the Uniform Guidance, was $3,000,000.

The Housing Authority qualified as a low-risk auditee under the Uniform Guidance.

SECTION II – FINANCIAL STATEMENT FINDINGS

None reported.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Housing Authority of the County of King
January 1, 2015 through December 31, 2015

Board of Commissioners
Housing Authority of the County of King
Tukwila, Washington

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the business-type activities and the aggregate discretely presented component units of the Housing Authority of the County of King, King County, Washington, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Housing Authority's basic financial statements, and have issued our report thereon dated September 23, 2016. As discussed in Note 2 to the financial statements, during the year ended December 31, 2015, the Housing Authority implemented Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*.

Our report includes a reference to other auditors who audited the financial statements of the Eastbridge Apartments LLC, Egis Housing Limited Partnership, Fairwind Apartments LLLP, Green River Homes LLC, Green River Homes 2 LLC, Harrison House LLC, KCHA – Cones Limited Partnership, KCHA – Southwood Square Limited Partnership, Nia Apartments LLC, Overlake TOD Housing Limited Partnership, Salmon Creek Housing LLC, Seola Crossing LLC, Sixth Place Apartments LLLP, Soosette Creek LLC, Vantage Point Apartments LLC, Zephyr Apartments LLLP, as described in our report on the Housing Authority's financial statements. This report includes our consideration of the results of the other auditor's testing of internal control over financial reporting and compliance and other matters that are reported on separately by those other auditors. However, this report, insofar as it relates to the results of the other auditors, is based solely on the reports of the other auditors. The financial statements of the Eastbridge Apartments LLC, Egis Housing Limited Partnership, Fairwind Apartments LLLP, Green River Homes LLC, Green River Homes 2 LLC, Harrison House LLC, KCHA – Cones Limited Partnership, KCHA – Southwood Square Limited Partnership, Nia Apartments LLC, Overlake

TOD Housing Limited Partnership, Salmon Creek Housing LLC, Seola Crossing LLC, Sixth Place Apartments LLLP, Soosette Creek LLC, Vantage Point Apartments LLC, Zephyr Apartments LLLP were not audited in accordance with *Government Auditing Standards* and accordingly this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Eastbridge Apartments LLC, Egis Housing Limited Partnership, Fairwind Apartments LLLP, Green River Homes LLC, Green River Homes 2 LLC, Harrison House LLC, KCHA – Cones Limited Partnership, KCHA – Southwood Square Limited Partnership, Nia Apartments LLC, Overlake TOD Housing Limited Partnership, Salmon Creek Housing LLC, Seola Crossing LLC, Sixth Place Apartments LLLP, Soosette Creek LLC, Vantage Point Apartments LLC, Zephyr Apartments LLLP.

INTERNAL CONTROL OVER FINANCIAL REPORTING

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

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

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

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the Housing Authority's financial statements are free from material misstatement, we performed tests of the Housing Authority's compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Housing Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

TROY KELLEY

STATE AUDITOR

OLYMPIA, WA

September 23, 2016

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE

Housing Authority of the County of King
January 1, 2015 through December 31, 2015

Board of Commissioners
Housing Authority of the County of King
Tukwila, Washington

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM

We have audited the compliance of the Housing Authority of the County of King, King County, Washington, with the types of compliance requirements described in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the Housing Authority's major federal programs for the year ended December 31, 2015. The Housing Authority's major federal programs are identified in the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Housing Authority's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred.

An audit includes examining, on a test basis, evidence about the Housing Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination on the Housing Authority's compliance.

Opinion on Each Major Federal Program

In our opinion, the Housing Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2015.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Management of the Housing Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Housing Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program in order to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority's internal control over compliance.

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

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

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

Troy X. Kelley

TROY KELLEY

STATE AUDITOR

OLYMPIA, WA

September 23, 2016

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

Housing Authority of the County of King
January 1, 2015 through December 31, 2015

Board of Commissioners
Housing Authority of the County of King
Tukwila, Washington

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the Housing Authority of the County of King, King County, Washington, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Housing Authority's basic financial statements as listed on page 16.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Eastbridge Apartments LLC, Egis Housing Limited Partnership, Fairwind Apartments LLLP, Green River Homes LLC, Green River Homes 2 LLC, Harrison House LLC, KCHA – Cones Limited Partnership, KCHA – Southwood Square Limited Partnership, Nia Apartments LLC, Overlake TOD Housing Limited Partnership, Salmon Creek Housing LLC, Seola Crossing LLC, Sixth Place Apartments LLLP, Soosette Creek LLC, Vantage Point Apartments LLC, Zephyr Apartments LLLP which represent 100 percent of the assets and the assets and net position, and 100 percent of the revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and in our opinion, insofar as it relates to the amounts included for the Eastbridge Apartments LLC, Egis Housing Limited Partnership, Fairwind Apartments LLLP, Green River Homes LLC, Green River Homes 2 LLC, Harrison House LLC, KCHA – Cones Limited

Partnership, KCHA – Southwood Square Limited Partnership, Nia Apartments LLC, Overlake TOD Housing Limited Partnership, Salmon Creek Housing LLC, Seola Crossing LLC, Sixth Place Apartments LLLP, Soosette Creek LLC, Vantage Point Apartments LLC, Zephyr Apartments LLLP is based solely on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of Eastbridge Apartments LLC, Egis Housing Limited Partnership, Fairwind Apartments LLLP, Green River Homes LLC, Green River Homes 2 LLC, Harrison House LLC, KCHA – Cones Limited Partnership, KCHA – Southwood Square Limited Partnership, Nia Apartments LLC, Overlake TOD Housing Limited Partnership, Salmon Creek Housing LLC, Seola Crossing LLC, Sixth Place Apartments LLLP, Soosette Creek LLC, Vantage Point Apartments LLC, Zephyr Apartments LLLP were not audited in accordance with *Government Auditing Standards.*

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Housing Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of the Housing Authority of the County of King, as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Matters of Emphasis

As discussed in Note 2 to the financial statements, in 2015, the Housing Authority adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 17 through 24 and pension plan information on pages 88 through 89 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The accompanying Financial Data Schedule and HUD form are supplementary information required by HUD. These schedules are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated September 23, 2016 on our consideration of the Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority's internal control over financial reporting and compliance.

Troy X. Kelley

TROY KELLEY

STATE AUDITOR

OLYMPIA, WA

September 23, 2016

FINANCIAL SECTION

Housing Authority of the County of King
January 1, 2015 through December 31, 2015

REQUIRED SUPPLEMENTARY INFORMATION

Management's Discussion and Analysis – 2015

BASIC FINANCIAL STATEMENTS

Statement of Net Position – 2015
Statement of Revenues, Expenses, and Changes in Net Position – 2015
Statement of Cash Flows – 2015
Notes to the Financial Statements – 2015

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Proportionate Share of the Net Pension Liability – 2015
Schedule of Employer Contributions – 2015

SUPPLEMENTARY AND OTHER INFORMATION

Schedule of Expenditures of Federal Awards and Notes – 2015
Financial Data Schedule – 2015
Actual Modernization Cost Certificate – WA19P002501-10
Actual Modernization Cost Certificate – WA19P002501-11
Actual Modernization Cost Certificate – WA19R002502-12
Actual Modernization Cost Certificate – WA19R002502-13
Actual Modernization Cost Certificate – WA19C002501-10
Actual Modernization Cost Certificate – WA19C002502-10
Actual Modernization Cost Certificate – WA19C002503-10

Housing Authority of the County of King

Management's Discussion and Analysis

This first section of the annual financial report presents a discussion and analysis of King County Housing Authority's (KCHA) financial performance during the year ended December 31, 2015. It should be read in conjunction with the Authority's financial statements, which immediately follow this section.

In its entirety, KCHA administers a broad range of federally and locally financed housing programs serving an area of over 2,134 square miles, covering all of King County outside of the cities of Seattle and Renton. The King County Housing Authority owns or manages 9,398 units of housing and provides rental subsidies to over 7,400 additional households. The majority of KCHA's program participants have incomes below 20 percent of area median income. KCHA's inventory includes 2,189 units of public housing in King County and in the city of Olympia, which lies outside of King County. In addition, KCHA manages two public housing sites with 80 units via contract in the City of Sedro-Woolley.

The financial performance discussed in the following analyses does not include tax credit partnerships. The tax credit partnerships, with 23 sites and 2,083 units, are owned by separate limited partnerships/corporations with the Authority acting as general partner/managing member. The tax credit properties are fee managed by outside private property management firms with the exception of Harrison House, Valley Park, Birch Creek, Egis, Zephyr, Green River Homes 2, Fairwind, and Vantage Point which are managed by KCHA's Housing Management department. Because they are legally separate entities, their operations are not carried directly on the books of the Authority but are listed as component units on the Statement of Net Position and Statement of Revenues, Expenses and Changes in Net Position. As a result, neither these units, nor their financial data, are included in the analysis and financial reports that follow. More information about the component units can be found in Notes 1 and 9.

2015 Financial Highlights

- KCHA's participation in HUD's Moving to Work (MTW) program gives the Authority the ability to receive most of its Housing Choice Voucher revenue as a block grant and gives KCHA flexibility in how the funds can be spent.

- Total assets and deferred outflows of resources of the Authority exceeded total liabilities and deferred inflows of resources at December 31, 2015 by $458.4 million.

- The change in net position for 2015 was a decrease of $9.1 million and includes approximately $7 million in capital grant contributions.

- Operating expenses were $205.2 million and include $119.2 million in housing assistance payments made to landlords, or 59 percent of operating expenses.

- MTW reserves continued to serve the low and very-low income populace through an array of innovative programs and the rehabilitation and construction of affordable housing.

Authority-wide Financial Statements

These Authority-wide financial statements include a *Statement of Net Position*. This statement reports all financial and capital resources for the Authority. The Statement of Net Position is presented in the format where assets, plus deferred outflows of resources, less liabilities, less deferred inflows of resources, equals net position. Assets and liabilities are presented in order of liquidity, and are classified as "current" (generally, those assets convertible into cash within one year), and "non-current".

Net position represents the difference between all other elements in a statement of financial position. It is reported in three broad categories:

Net Investment in Capital Assets: This component of net position consists of all capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted: This component of net position consists of restricted assets when constraints are placed on the asset by external forces such as creditors (e.g. debt covenants), grantors, contributors, laws, regulations, etc., net of any offsetting, associated liabilities and/or deferred inflows of resources. Restrictions on assets imposed voluntarily by KCHA do not result in a restricted net position.

Unrestricted: This component of net position consists of assets, deferred outflow of resources, liabilities, and deferred inflows of resources that are not included in the determination of "Net Investment in Capital Assets" or "Restricted".

The Authority-wide financial statements also include a *Statement of Revenues, Expenses and Changes in Net Position* (similar to an income statement). This statement includes operating revenues, such as rental income, operating expenses such as administrative, utilities, and maintenance, and non-operating revenue and expenses, such as grant revenue, investment income and interest expense. The focus of the Statement of Revenues, Expenses and Changes in Net Position is the "Change in Net Position" which is similar to Net Income or Loss.

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

Financial Analysis of the Authority

Condensed Statement of Net Position

Table A-1 presents the Authority's *Condensed Statement of Net Position* as of December 31, 2015 and 2014. The purpose of the statement is to provide a snapshot of the financial condition of the Authority at a certain point in time. Presented are the assets, liabilities, and net position of the Authority at the end of the year. Supplementary information is provided in the accompanying notes that further explain and support the data presented in table A-1.

	2015	2014
Assets:		
Current and other assets	$ 418,501,995	$ 415,232,606
Capital assets	411,679,492	384,992,197
Total Assets	830,181,487	800,224,803
Deferred Outflows of Resources:		
Deferred charge for defeasance of debt	960,540	1,042,288
Related to pensions	2,329,839	-
	3,290,379	1,042,288
Liabilities:		
Current and other liabilities	61,028,555	28,411,663
Long-term debt, net of current	309,672,042	282,843,438
Total Liabilities	370,700,597	311,255,101
Deferred Inflows of Resources:		
Unavailable revenue	1,467,000	1,467,000
Related to pensions	2,927,456	-
	4,394,456	1,467,000
Net Position:		
Net Investment in Capital Assets	187,844,170	198,453,108
Restricted	25,166,439	37,641,243
Unrestricted	245,366,204	252,450,639
Total Net Position	**$ 458,376,813**	**$ 488,544,990**

(1) Component units are not included.

Current and other assets, excluding capital assets, for the year ended December 31, 2015 total $418.5 million and are comprised of $132.2 million in cash, cash equivalents, and investments and $284.8 million in accounts, interest, notes and financing lease receivables, and $1.5 million of other assets. The $3.3 million increase from the prior year is primarily due a $5.3 million decrease in cash, cash equivalents, and investments and a $1.1 million decrease in Other Assets combined with a $9.7 million increase in accounts, notes, and financing leases receivable. The increase in receivables was mainly attributable to the issuance of a $17.4 million bridge loan to Vantage Point Apartments Tax Credit Partnership related to the development of the Vantage Point property combined with the payment of lease receivables upon termination of the KCHA – Kona Village tax credit partnership in 2015.

Capital assets for the year ended December 31, 2015 are $411.7 million. Included in this category are land and improvements, buildings and improvements, personal property, and construction-in-progress. Capital asset additions of $124.5 million include acquisition of land and buildings from the KCHA – Kona Village tax credit partnership as well as the purchases of Villages at South Station, Corinthian Apartments, and Woodcreek Lane Apartments. $56.6 million of additions represents the completion of various construction projects related to building upgrades. Of this amount, $44.3 was capitalized out of construction-in-process.

Capital asset disposals of $86.3 million includes $38.1 million of disposals that fall into two broad categories, both attributable to the two large HOPE VI re-development projects undertaken by the Authority over the past decade. First, infrastructure, such as streets, alleyways, and retention ponds were turned over or "donated" to King County, as is standard in such developments. Second, Low Income Housing Tax Credit (LIHTC) rules prevented the tax credit partnerships that acquired the rental housing developments from the Authority from including all development costs in the "basis", i.e. what the partnership could pay for the properties. As a result of these two issues, $38.1 million of construction-in-process left on the Authority's books was expensed in 2015. It is important to note that this write-off is an accounting treatment only and is not a cash loss. The related construction-in-process that was written off had specific funding sources that were drawn in prior years. Remaining capital asset disposals included $44.3 million of completed construction projects that were disposed from construction-in-process and capitalized to the building assets category in 2015. More detailed information about the Authority's capital assets is presented in the notes to the financial statements.

Total liabilities, excluding the non-current portion of long-term debt, totaled $61 million at December 31, 2015, an increase of $32.6 million from 2014. $19.4 million of the increase resulted from the implementation of a new standard issued by the Government Accounting Standards Board (GASB) that requires the Authority, beginning in 2015, to report a Net Pension Liability on the Statement of Net Position. The increase in the current portion of long-term debt is mainly attributable to a new line of credit related to the financing of the Vantage Point development as well as bonds assumed from the KCHA – Kona Village tax credit partnership that mature in 2016.

Total net position decreased by $30.2 million during 2015. Net position represents the Authority's equity, a portion of which is restricted for certain uses. Restricted Net Position decreased $12.5 million from 2014 primarily due to the release of restriction on $11.8 million that had been previously collateralized. The release of restriction on $11.8 million also contributed to a $13.7 million increase in unrestricted investments. This increase combined with a new $19.4 million net pension liability as well as a $1.2 million decrease in Other Noncurrent Assets contributed to a $7.1 million decrease in Unrestricted Net Position in 2015.

Condensed Statement of Revenues, Expenses, and Changes in Net Position

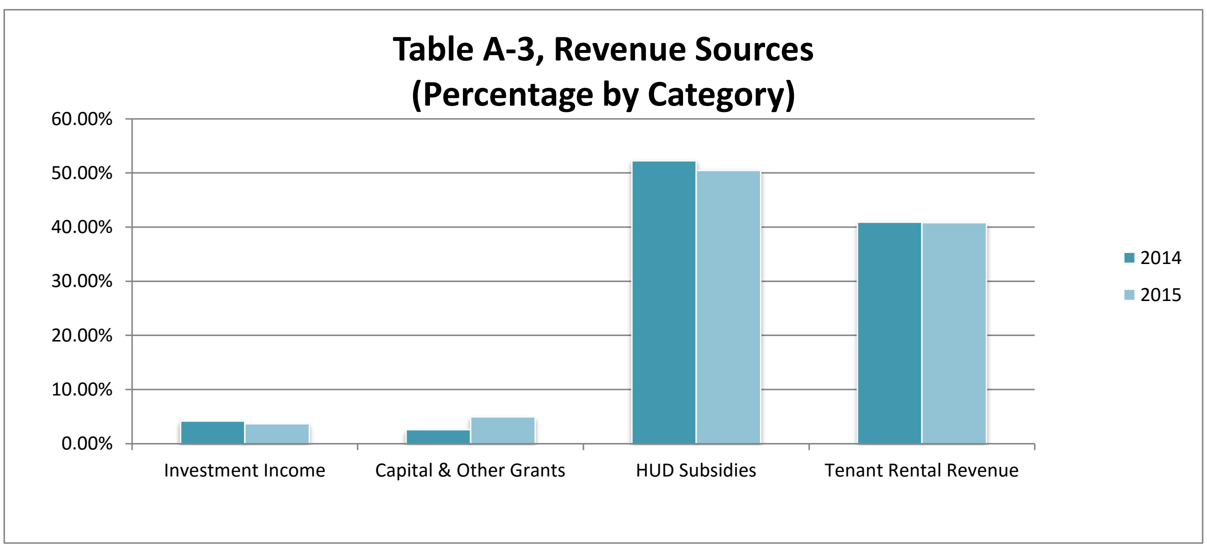
The purpose of the "Condensed Statement of Revenues, Expenses and Changes in Net Position" is to present the revenues earned by the Authority (both operating and non-operating) and the expenses incurred (operating and non-operating), and any other revenues, expenses, gains and losses received or spent by the Authority.

Table A-2 represents the Authority's *Condensed Statement of Revenues, Expenses, and Changes in Net Position* for 2015 and 2014:

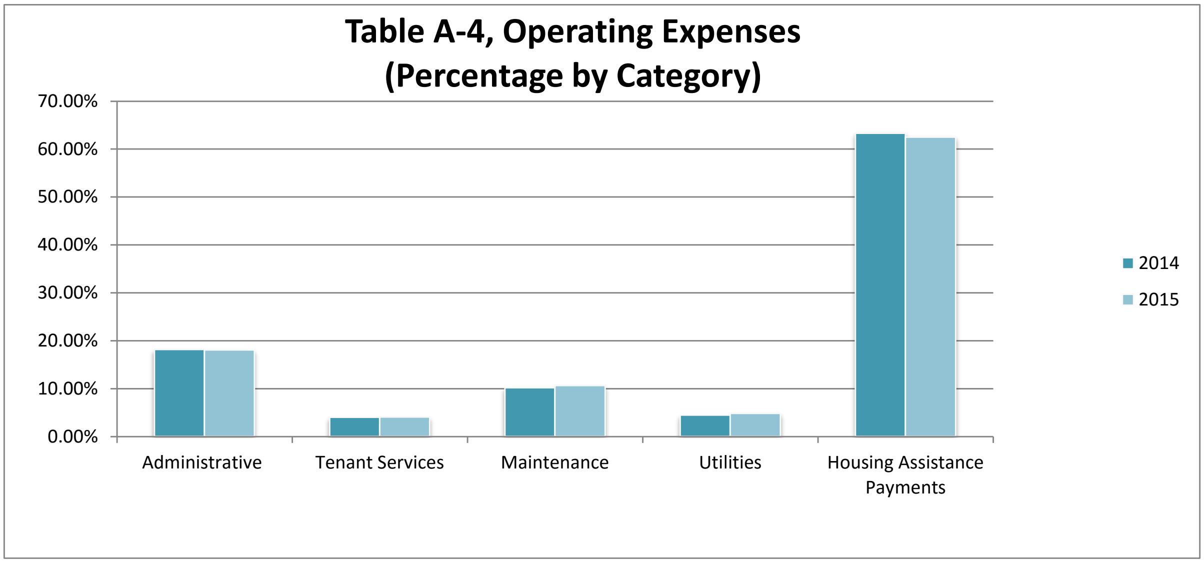
	2015	2014
Operating Revenues	$ 100,102,029	$ 94,882,300
Nonoperating revenues	138,017,608	135,931,482
Total Revenues	238,119,637	230,813,782
Operating expenses	205,213,160	194,247,413
Nonoperating expenses	9,915,021	10,613,660
Total Expenses	215,128,181	204,861,073
Excess or deficiency before contributions	22,991,456	25,952,709
Capital grant contributions	7,021,315	996,480
Special item	(39,117,550)	-
Change in Net Position	(9,104,779)	26,949,189
Beginning Net Position	488,544,990	461,595,801
Change in Accounting Principle	(21,063,398)	-
Ending Net Position	**$ 458,376,813**	**$ 488,544,990**

(1) Component units are not included.

Revenues are classified as operating, non-operating or capital grant contributions. Table A-3 shows the sources of revenues for 2015 and 2014 as a percentage of all revenues. The overall contribution for each revenue type remained relatively constant from 2014 to 2015. An increase in capital grant revenues results from the Authority in prior periods expending MTW funds in lieu of Capital Fund Program grant funds.



Operating expenses are amounts paid for providing housing services to the Authority's tenants and for administering the various programs. Total operating expenses for 2015 were $193.1 million (excluding depreciation), a 4.9 percent increase from 2014. Each category remained relatively constant from 2014 to 2015.



Net Capital Assets

During 2015, net capital assets increased by $26.7 million. This net increase is primarily attributable to $112.4 million in capital asset additions (net of accumulated depreciation) offset by $85.7 million of disposals (net of accumulated depreciation.)

Capital asset additions include:

- $29.3 million related to the purchase of Villages at South Station,
- $10.1 million related to the purchase of Corinthian Apartments,
- $4.6 million related to the purchase of Woodcreek Lane Apartments,
- $8.9 million related to the acquisition of assets from tax credit partnerships,
- $12.6 million of construction-in-process,
- $56.6 million related to building upgrades at various properties.

Capital asset disposals include:

- $45.4 million of construction-in-process representing capitalized work related to construction projects completed in 2015,
- $38.1 million of HOPE VI project construction-in-process released to King County after project completion
- $2.7 million in lot sales to private builders for the construction of market-rate for-sale homes

Information about the Authority's capital assets is further presented in the financial statements Note 6 – Capital Assets.

Table A-5, Capital Assets, net of Accumulated Depreciation

	2015	2014
Land	$ 113,988,877	$ 99,437,615
Buildings and improvements	425,024,834	328,513,836
Furniture, equipment & machinery	5,433,233	5,286,420
Construction in progress	24,107,786	97,096,786
	568,554,730	530,334,657
Total accumulated depreciation and amortization	(156,875,238)	(145,342,460)
Net Capital Assets	**$ 411,679,492**	**$ 384,992,197**

Long-term Debt

The Authority has issued various forms of debt for the purpose of acquiring and rehabilitating projects located throughout King County. At year-end, the Authority had $309.7 million in net long-term bonds and notes outstanding (as shown in table A-6) which represents a $26.8 million increase over the prior year-end balance. For more information on the Authority's long-term debt, please see Note 7.

Table A-6, Long Term Debt

	2015	2014
Long-term, net of current portion	$ 309,672,042	$ 282,843,438

Additions to long-term debt include $47.1 million in new lines of credit used to finance the development of Vantage Point Apartments as well as the purchase of Woodcreek Lane Apartments, Villages at South Station, and Corinthian Apartments. A new $41.2 million note was used to refinance a previous revenue bond for Windsor Heights and lines of credit for Meadowbrook Apartments and Gilman Square.

Economic Factors Affecting the Authority's Future

The Authority receives the bulk of its operational funding from the United States Department of Housing and Urban Development (HUD) which, like all federal agencies, depends upon congressional appropriations. As 2016 is a presidential election year it is unknown what impact a new administration will have on congressional priorities and appropriations.

Over the last three years, the two bedroom 40th percentile rent in King County has increased by 15 percent, a trend that has had serious impacts on families participating in the Housing Choice Voucher (HCV) program. While KCHA raised its payment standards (the maximum value of a voucher) in December of 2014, these increases have been outpaced by the rising market. Many new voucher holders are unable to find housing and existing program participants have taken on an increased shelter burden, with 30 percent of tenant-based voucher holders now spending more than 40 percent of their income on rent and utilities. In an effort to address the increasing rental costs, payments standards were increased once again in early 2016.

Although there was concern that the increase in payment standards will not fully address increases in the private rental market, HUD funding levels have limited the degree to which payment standards could be raised. While HUD's Fair Market Rental (FMR) metric for the region increased 36 percent between 2014 and 2016, actual funding has been stagnant. In 2012, HUD adopted a new formula for determining yearly inflation increases (the Replacement Funding Inflation Factor or RFIF) which relies on national data rather than local market conditions. As a result, despite the large FMR increases in Seattle and King County, KCHA had not received a funding increase since 2012.

In March of 2016, however, KCHA received a 12 percent RFIF from HUD, supplying a needed revenue boost to agency operations. Executive management will decide how to deploy these additional resources.

The cost of home ownership is also increasing in the region. The Seattle Times reported that the median price of a single-family home in December 2015 was $508,000; a 15 percent increase from the previous year. Condominium prices rose eight percent as well over the same period. In addition to housing prices, the Federal Reserve also raised interest rates slightly in December 2015. Though it is uncertain whether interest rates will be raised again in 2016, overall housing costs are increasing which should result in increased demand for the Authority's services.

The Authority has received a 10-year extension from HUD of the Moving-to-Work contract which will now continue to provide the Authority substantial financial flexibility to the year 2028.

Contacting the Authority's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Housing Authority's finances and to demonstrate KCHA's accountability for its resources. Any questions about this report, or requests for additional information, should be directed to the Director of Finance of the King County Housing Authority.

Housing Authority of the County of King
Statement of Net Position
As of December 31, 2015

	AUTHORITY	COMPONENT UNITS
ASSETS:		
Current Assets		
Cash and cash equivalents	$ 56,852,610	$ 6,617,846
Restricted cash and cash equivalents	20,939,226	6,480,852
Receivables, net	5,085,469	172,343
Notes and leases receivable - current portion	20,517,871	-
Investments	47,137,970	364,490
Restricted investments	5,759,078	-
Other current assets	1,042,351	269,919
Total Current Assets	157,334,575	13,905,450
Noncurrent Assets		
Restricted cash and cash equivalents	1,493,125	-
Land, buildings and equipment, net		
Nondepreciable	111,587,772	31,259,642
Depreciable	300,091,720	319,449,568
Intangible assets, net	-	1,130,915
Interest receivable	16,703,646	-
Notes and leases receivable	242,488,768	-
Other noncurrent assets	481,881	-
Total Noncurrent Assets	672,846,912	351,840,125
Total Assets	830,181,487	365,745,575
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charge for defeasance of debt	960,540	-
Related to pensions	2,329,839	-
Total Deferred Outflows	3,290,379	-
LIABILITIES:		
Current Liabilities		
Current portion of long-term debt	19,837,177	18,040,000
Other current liabilities	17,981,076	2,853,964
Total Current Liabilities	37,818,253	20,893,964
Noncurrent Liabilities		
Interest rate swaps - fair value	2,348,860	-
Long-term debt, net of current	309,672,042	237,574,334
Net pension liability	19,367,496	-
Other noncurrent liabilities	1,493,946	20,380,985
Total Noncurrent Liabilities	332,882,344	257,955,319
Total Liabilities	370,700,597	278,849,283
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue	1,467,000	-
Related to pensions	2,927,456	-
Total Deferred Inflows	4,394,456	-
NET POSITION:		
Net investment in capital assets	187,844,170	95,094,876
Restricted	25,166,439	5,935,042
Unrestricted	245,366,204	(14,133,626)
Total Net Position	$ 458,376,813	$ 86,896,292

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

Housing Authority of the County of King
Statement of Revenues, Expenses, and Changes in Net Position
For the 12 Month Period Ended December 31, 2015

	AUTHORITY	COMPONENT UNITS
OPERATING REVENUES		
Tenant revenue	$ 63,178,408	$ 18,606,053
Other revenue	36,923,621	1,094,348
Total Operating Revenues	100,102,029	19,700,401
OPERATING EXPENSES		
Administrative	34,423,172	3,756,528
Tenant services	7,699,248	25
Maintenance	20,303,173	4,169,851
Utilities	9,211,993	2,655,159
Housing assistance payments	119,192,881	-
Depreciation and amortization	12,134,932	11,722,231
Other expenses	2,247,761	1,342,583
Total Operating Expenses	205,213,160	23,646,377
Operating Income (Loss)	(105,111,131)	(3,945,976)
NONOPERATING REVENUE (EXPENSE)		
HUD subsidies and grant revenue	123,794,849	-
Other government grants	5,127,865	-
Investment income	9,047,747	17,790
Interest expense	(9,915,021)	(7,089,325)
Net gain (loss) on disposal of capital assets	47,147	-
Net Nonoperating Revenues (Expenses)	128,102,587	(7,071,535)
INCOME (LOSS) before contributions and special items	22,991,456	(11,017,511)
Capital grant contributions	7,021,315	-
Partner contributions (disbursements)	-	200,459
Special item - disposition of assets(1)	(39,117,550)	-
CHANGE IN NET POSITION	(9,104,779)	(10,817,052)
Beginning Net Position	488,544,990	101,992,753
Change in Accounting Principle	(21,063,398)	-
Change in Reporting Entity (2)	-	(4,279,409)
Ending Net Position	$ 458,376,813	$ 86,896,292

(1) Please see Footnote 17 for more information
(2) Please see Footnote 1 for more information

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

Housing Authority of the County of King
Statement of Cash Flows
For the 12 Month Period Ended December 31, 2015

	AUTHORITY	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from tenants	$ 64,463,979	
Payments to employees	(26,875,665)	
Payments to suppliers of goods and services	(44,367,788)	
Payments to landlords	(114,796,574)	
Payments received from (made to) other housing authorities	(2,898,402)	
Other receipts (payments)	30,843,344	
Net cash provided by (used in) operating activities	(93,631,106)	
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Receipts from HUD	123,156,722	
Receipts from other governments	5,415,893	
Net cash provided by noncapital financing activities	128,572,615	
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Capital grant contributions	7,021,315	
Purchase of capital assets	(67,250,602)	a)
Net proceeds from capital asset disposal	47,147	
Proceeds from issuance of capital debt	89,505,403	
Principal payments on capital debt	(52,376,149)	
Interest paid on capital debt	(10,102,790)	
Other receipts (payments)	(86,745)	
Net cash used in capital and related financing activities	(33,242,421)	
CASH FLOWS FROM INVESTING ACTIVITIES:		
Net sale (purchase) of investments	52,288	
Investment in notes and financing leases	(18,770,000)	
Payments received on notes and financing leases	3,772,669	a)
Investment income -- notes and financing leases	5,435,454	
Investment income -- other	1,468,178	
Other receipts (payments)	1,123,217	
Net cash provided by investing activities	(6,918,194)	
Net Decrease in Cash and Cash Equivalents	(5,219,106)	
Cash and cash equivalents -- beginning of the year	84,504,067	
Cash and cash equivalents -- end of the year	$ 79,284,961	
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	(105,111,131)	
Adjustment to reconcile operating income to net cash:		
Depreciation expense	12,134,932	
Change in assets and liabilities:		
Receivables and other assets	(797,360)	
Accounts and other payables	142,453	
Net cash provided by (used in) operating activities	$ (93,631,106)	

Non-cash transactions that would have been reported in the capital and investing sections if the transactions had involved a cash exchange.
a) Excludes $9 million of capital assets received from the Kona Village tax credit partnership in exchange for notes and financing leases.

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

Note 1 – Reporting Entity and Summary of Significant Accounting Policies

Reporting Entity

Primary Government

The Housing Authority of the County of King (the “Authority”) was created in 1939 as a municipal corporation under the provisions of the State Housing Authorities Law (RCW 35.82) and the Housing Cooperation Law (RCW 35.83) in response to the Federal Housing Act of 1937. The Act created the United States Housing Authority, empowering it to make loans and annual contributions to local public housing agencies to assist in the development, acquisition and administration of low rent projects. The programs authorized under the Act, as amended, are now administered by the Department of Housing and Urban Development (HUD). The Authority is not a component unit of King County.

The Authority operates in all of King County (except within the city of Seattle) and in the city of Olympia. The Authority also serves as the management agent for the Housing Authority of the City of Sedro-Woolley in Skagit County. Of the State’s 39 counties, King County ranks eleventh in geographical size and first in population. The County is the financial, economic and industrial center of the entire Pacific Northwest region. The Authority’s jurisdiction encompasses an area of over 2,134 square miles and a population estimated at 1.9 million representing almost 30 percent of the state’s total population. The Authority has its central office in Tukwila. A five-member Board of Commissioners, appointed for five-year terms by the Metropolitan-King County Council, governs the Authority. Commissioners serve without pay.

Summary of Significant Programs

The Authority has been granted a broad range of powers to provide housing assistance to low-income households. The nationally recognized definition of a low-income family is a household earning less than 80 percent of the area’s median income, adjusted for family size. The Authority administers federally and locally financed housing programs that serve a variety of housing needs including the following:

Federally Assisted Housing Programs

Low Rent Public Housing –The Authority owns, operates or maintains 39 housing projects consisting of 2,189 units of public housing of which 1,268 units are for the low-income elderly and disabled. The properties were acquired through bonds and notes guaranteed by HUD and through grants from HUD. Revenues consist of rents and other fees collected from tenants and an operating subsidy received from HUD. Typically residents pay 28.3 percent of their adjusted income in rents. Two thirds of public housing residents earn less than 20 percent of the area median income, with almost 80 percent having some form of entitlement payment as their main source of income. The Authority’s subsidy is received under an Annual Contributions Contract to offset the cost of operating the units. HUD also provides funds to maintain and improve the public housing projects under the Capital Fund Program. Historically, all additions to land, structures and equipment of public housing are accomplished through these capital grant funds.

Tenant Based Housing Choice Vouchers–The Authority provides rental assistance payments on behalf of over 7,400 households who live in private rental housing. Funded by HUD pursuant to Section 8 of the U.S. Housing Act, this program allows participating families and individuals to choose their own housing with the use of a housing voucher. Generally the participant pays no more than 28.3 percent of income towards rent and the Authority pays the remainder. The Authority targets this program to the elderly, disabled households and families that are homeless or at the risk of homelessness. Program participants average 15 percent of area median income.

Project Based Section 8 Housing - The Authority owns several developments where some or all of the units are subsidized under the Section 8 program. Under this program, subsidies attach to qualifying housing units rather than to qualifying individuals or families. There are currently 1,767 units subsidized under this program; 719 units owned by the Authority, 508 units leased to Moving King County Residents forward, and 540 units owned by tax credit partnerships.

Unassisted Locally Financed Housing Programs

Tax-Exempt Bond Financed - The Authority owns 34 apartment complexes totaling 4,077 units through the issuance of tax-exempt bonds. These properties receive no operating subsidy from the Federal government or any other State or local source. The Authority acquired the properties in order to place selected housing developments within the public domain so that rents could be maintained as low as possible over time. Typically these units have a broad mix of residents with the majority having income below 80 percent of area median.

Homeownership - The Authority owns two mobile home parks located in South King County comprising 195 manufactured home sites. Under this program, the residents own their manufactured homes and pay rent to the Authority for the land on which the home sits.

Tax Credit - In 1994, the Authority began partnering with limited partnerships and limited liability corporations (hereafter referred to as "partnerships") to acquire and develop additional affordable housing. The Authority is general partner/managing member (hereafter referred to as "general partner") in 16 partnerships representing 23 housing complexes comprising 2,083 units.

Miscellaneous Local Programs - The Authority has an inventory of 15 different housing developments comprising 144 units of housing. The units are generally leased to non-profit service providers for the benefit of the economically disadvantaged, developmentally disabled, transitional, homeless and other groups who have traditionally experienced barriers in finding housing.

Other Programs

Housing Repair and Weatherization **-** The Authority receives federal and state money to provide housing rehabilitation loans and weatherization grants to low-income homeowners and renters. The Authority has been administering these types of programs since 1975. In 2015, the Authority assisted 485 homes with structural upgrades, air quality improvements and energy efficiencies.

Social and Human Service Programs **-** The Authority serves a wide variety of people including families with children as well as individuals with special needs such as the elderly, the physically and developmentally disabled, the homeless and the mentally ill. The Authority KCHA's programs and services are designed around a commitment to support and partner with individuals and families served by KCHA in ways that promote successful life outcomes with dignity and respect. Provided directly by KCHA staff or through nearly 20 contracts with services providers, these services and programs fall into the following five broad categories: Housing Stability; Workforce Development and Economic Stability; Independent Living; Education Programs and Initiatives; and Community Building & Engagement. For example, Head Start classrooms operate at two sites, Boys and Girls Club programs operate at four sites, and five career/computer centers are located in the Authority's developments. Counseling, educational, recreational, nutrition and transportation services are provided by community-based organizations like the YWCA, Senior Services, and Neighborhood House. These contracted services are partially funded using federal and private grants, which the Authority receives in a competitive process for periods of one to three years.

Component Units

The governmental reporting entity consists of the Authority (the Primary Government) and its component units. Component units are legally separate organizations for which the Board is financially accountable, or other organizations whose nature and significant relationship with the Authority are such that exclusion would cause the Authority's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and (i) either the Authority's ability to impose its will on the organization or (ii) there is potential for the organization to provide a financial benefit to or impose a financial burden on the Authority.

The basic financial statements include both a blended component unit and discretely presented component units. The blended component unit is a legally separate entity, and should be, in substance, part of the Authority's operations, and so data from this unit is combined with data of the primary government. The discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the government.

Complete financial statements of individual component units can be obtained from the Finance Department of the Authority. Although the limited partnerships, limited liability companies, and non-profit corporations do not follow government accounting for presentation purposes, certain transactions may be reflected differently in these financial statements than in the separately issued information in order to conform to the presentation of the primary government.

Blended Component Unit

Moving King County Residents Forward (MKCRF) - A legally separate, 501(c)(3), non-profit organization. During 2012, the Authority leased property to MKCRF through a 30-year capital lease with lease payments of one dollar per year. As a result of this transaction, the Authority swapped subsidy from the Public Housing program for subsidy from the Section 8 program. The increased Section 8 subsidy was leveraged to complete $18 million of capital improvements at all 22 housing locations. Due to the fact that the governing body of MKCRF is identical to the governing body of the Authority and the management of the Authority has operational responsibility for MKCRF, MKCRF's balances and transactions are "blended" into the Authority's financial statements.

Discretely Presented Component Units

The discretely presented component units are low income housing tax credit partnerships whose limited partners or members have limited rights regarding the operations of the partnerships and the Authority as General Partner or Managing Member controls the day-to-day operations of the partnerships. As such, the Authority has certain rights and responsibilities which enable it to impose its will on the partnerships due to its significant influence as the General Partner or Managing Member and also its financial relationships with the partnerships. It is for this reason that they are discretely presented on the Authority's financial statements.

The partnerships are required to be operated in a manner necessary to qualify for federal low income housing tax credits and to be in compliance with regulations for tax exempt bonds as provided under Section 42 and 142 of the Internal Revenue Code. The Authority is allocated about .01 percent of all profits, losses, and tax credits pursuant to the terms of the partnership or operating agreement with the partnerships.

The following discretely presented component units have a December 31, 2015 year end:

- **Eastbridge Apartments LLC –** A Washington State limited liability company formed in March 2009 to construct and operate a 26-building, 91-unit housing project, known as Eastbridge Apartments in unincorporated King County, Washington. The Authority serves as sole Managing Member. Pursuant to the Amended and Restated Operating Agreement dated March 3, 2009, Bank of America, N.A. as the Investor Member and Banc of America CDC Special Holding Company, Inc. as the Special Member were admitted to the company.

- **Egis Housing Limited Partnership –** A Washington State partnership that was formed in May 2007, to acquire, develop, rehabilitate, maintain and operate a 439-unit apartment project, known as Egis Housing in King County and Thurston County, Washington. The project consists of Paramount House (70 units), Munro Manor (60 units), Brittany Park (43 units), Riverton Terrace (30 units), Mardi Gras (61 units), Plaza 17 (70 units), Casa Madrona (70 units), and Gustaves Manor (35 units). The Authority serves as the sole general partner, the Limited Partner is Egis-Apollo Housing Capital, LLC and the Special Limited Partner is RBC Tax Credit Manager II, Inc.

- **Fairwind Apartments LLLP –** A Washington State limited liability limited partnership that was formed in March 2012 to construct and operate an 87-unit apartment project, known as Fairwind Apartments in unincorporated King County, Washington. The Authority serves as its sole General Partner. Pursuant to the Partnership Agreement, BCP/Fairwind, LLC is the Investment Limited Partner and BCCC, Inc. is the Special Limited Partner.

- **Green River Homes LLC –** A Washington State limited liability company which was formed in June 2004 to acquire, rehabilitate and operate a 60-unit apartment project, known as Valley Park East and Valley Park West in Auburn, Washington. The Authority serves as the sole Managing Member. Its Investor Member is NEF Assignment Corporation.

- **Green River Homes 2 LLC –** A Washington State limited liability company that was formed on October 7, 2011 to acquire, construct, rehabilitate, develop, improve, maintain, operate, and lease a 59-unit apartment complex, known as Green River Homes in Auburn, Washington. The Authority serves as sole Managing Member. The Investor Member is RBC-Green River, LLC, a Delaware limited liability company and the Special Investor Member is RBC Tax Credit Manager II, Inc., a Delaware corporation.

- **Harrison House LLC –** A Washington State limited liability company which was formed in May 2004 to acquire, rehabilitate and operate a 94-unit apartment project, known as Harrison House Apartments in Kent, Washington. The Authority serves as its sole Managing Member. Its Investor Member is NEF Assignment Corporation.

- **KCHA – Cones Limited Partnership –** A Washington State limited partnership that was formed in May 2002 to acquire, rehabilitate and operate a 96-unit apartment project, known as Arbor Heights Apartments in Burien, Washington. The Authority serves as its sole General Partner. John Hancock Corporate Tax Credit Fund VIII, L.P. serves as the Investor Limited Partner while John Hancock Realty Management, Inc. is a limited partner.

- **KCHA – Southwood Square Limited Partnership –** A Washington State limited partnership that was formed in March 2001, to acquire, rehabilitate, and operate a 104-unit apartment project, known as Southwood Square Apartments in Kent, Washington. The Authority serves as the sole General Partner. Its initial Limited Partner was Common Ground, a Washington nonprofit corporation. Pursuant to the Amended and Restated Limited Partnership Agreement dated December 28, 2001, Common Ground withdrew from the partnership and John Hancock Realty Management, Inc. (the Special Limited Partner) and John Hancock Corporate Tax Credit Fund VI Limited Partnership (the Investor Limited Partner) were admitted to the partnership.

- **Nia Apartments LLC –** A Washington State limited liability company that was formed in March 2007 to construct and operate an 82-unit apartment project, known as Nia Apartments in the unincorporated King County, Washington. The Authority serves as its sole managing member. Pursuant to the Operating Agreement dated March 15, 2007, NIA-Apollo Housing Capital, LLC as the Investor Member and Apollo Housing Manager II, Inc. as the Special Member, were admitted to the company. Subsequently, Apollo Housing Manager II, Inc. changed its name to RBC Tax Credit Manager II, Inc.

- **Overlake TOD Housing Limited Partnership –** Overlake TOD Housing Limited Partnership is a Washington State limited partnership formed in July 2000 to construct and operate a 308-unit apartment complex known as The Village at Overlake Station, and a "Park and Ride" facility in Redmond, Washington. The Authority serves as its sole general partner. Its Limited Partners are Columbia Housing/PNC Institutional Fund V Limited Partnership (the Investment Limited Partner) and Columbia Housing SLP Corporation (the Special Limited Partner).

- **Salmon Creek Housing LLC –** Salmon Creek Housing LLC is a Washington State limited liability company formed in March 2008, to construct and operate an 88-unit apartment project, known as Salmon Creek Apartments in unincorporated King County, Washington. The Authority serves as its sole managing member. Pursuant to the Operating Agreement dated March 25, 2008, Salmon Creek-Apollo Housing Capital, LLC as the Investor Member and Apollo Housing Manager II, Inc., (which changed its name to RBC Tax Credit Manager II, Inc.) as the Special Member, were admitted to the company.

- **Seola Crossing LLC –** A Washington State limited liability company formed in November 2005 to construct and operate a 187-unit apartment project, known as Seola Crossing Apartments in unincorporated King County, Washington. Phase I of the project includes 82 units and Phase II includes 105 units. The Authority serves as the sole Managing Member. Pursuant to the Amended and Restated Operating Agreement dated March 23, 2006, Boston Financial Housing Investments VIII Limited Partnership as the Investor Member and BFIM Special Limited Partner, Inc. as the Special Member were admitted to the company.

- **Sixth Place Apartments LLLP –** A Washington State limited liability limited partnership that was formed in June 2010 to acquire, construct, rehabilitate, develop, improve, maintain, operate, and lease a 24-unit apartment complex, known as Sixth Place Apartments in unincorporated King County, Washington. The Authority serves as sole General Partner. The Investment Limited Partner is Boston Capital Corporate Tax Credit Fund XXXIII, A Limited Partnership, a Massachusetts limited partnership and the Special Limited Partner is BCCC, Inc., a Massachusetts corporation.

- **Soosette Creek LLC –** A Washington State limited liability company formed in October 2007, to lease, renovate, maintain and operate a 262-unit apartment complex in Kent, Washington, known as Birch Creek Apartments (formerly Springwood Apartments). The Authority serves as its sole Managing Member. Pursuant to the Operating Agreement dated April 1, 2008 and amended September 1, 2008, Soosette Creek-Apollo Housing Capital, LLC, a Delaware limited liability company as the Investor Member and RBC Tax Credit Manager II, Inc., a Delaware corporation as the Special Member were admitted to the company.

- **Vantage Point Apartments LLC –** A Washington State limited liability company formed in March 2013, to construct, lease, maintain and operate a 77-unit apartment complex in Renton, Washington, known as Vantage Point Apartments. The Authority serves as its sole Managing Member. Pursuant to the Operating Agreement dated June 2, 2014 and amended September 1, 2014, RBC-Vantage Point, LLC, a Delaware limited liability company as the Investor Member and RBC Tax Credit Manager II, Inc., a Delaware corporation as the Special Investor Member were admitted to the company.

- **Zephyr Apartments LLLP –** A Washington State limited liability limited partnership that was formed in January 29, 2010 to acquire, hold, invest in, secure financing for, construct, rehabilitate, develop, improve, maintain, operate, and lease a 25-unit apartment complex, known as Zephyr Apartments in unincorporated King County, Washington. Pursuant to the partnership Agreement dated January 29, 2010, the Authority serves as sole General Partner. The Investment Limited Partner is Boston Capital Corporate Tax Credit Fund XXXII, a Limited Partnership, a Massachusetts limited partnership, and the Special Limited Partner is BCCC, Inc., a Massachusetts corporation.

Change in Component Units
Changes to the Beginning Net Position on the Statement of Revenues, Expenses, and Changes in Net Position include:

- A decrease of $4,279,409 resulting from the dissolution of the KCHA – Kona Village Limited Partnership in 2015.

Summary of Significant Accounting Policies

The financial statements of the Authority have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies are described below.

Basis of Accounting
Accounting records are maintained according to the proprietary fund model that is similar to private business enterprises. The Authority applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Authority are tenant revenues. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The basis for recognition of revenues and expenses is the accrual basis of accounting. Revenues are recorded when earned. Expenses are recorded when incurred. Revenue from operating subsidies and grants is classified as non-operating revenue. Revenue from capital grants is classified as capital grant contributions.

Cash, Cash Equivalents, and Investments

Cash consists of Federal Depository Insurance Corporation (FDIC) insurable deposits with original maturities of less than three months. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash. Investments include deposits with original maturities exceeding three months, and securities and other assets held by trustees.

Restricted Assets

In accordance with bond resolutions (and certain related agreements) separate restricted accounts are required to be established. The assets held in these accounts are restricted for specific uses, including construction, debt service and other special reserve requirements. Restricted resources at December 31, 2015 include the following:

	Restricted		
	Cash & Cash Equivalents	Investments	Total
Replacement Reserves	$ 6,908,323	$ -	$ 6,908,323
Debt Service Reserves	1,084,825	673,248	1,758,073
Tenant Security Deposits	2,171,671	-	2,171,671
Collateral Reserves	7,773,229	4,919,284	12,692,513
Excess Cash Reserves	2,232,191	-	2,232,191
Other	2,262,112	166,546	2,428,658
	$ 22,432,351	$ 5,759,078	$ 28,191,429

Receivables

Receivables consist primarily of rents due from tenants, cost reimbursements due from grantors, and loans and accrued interest due from the tax credit properties. Annually, tenant receivables are analyzed and the allowance for doubtful accounts adjusted. Other receivable allowances are established for uncertain collectibles. No allowances existed at December 31 other than the allowance for tenant accounts receivable.

Capital Assets

Capital assets are recorded at historical cost in the land, structures, and equipment accounts and at appraised fair market value at date of receipt if contributed. The Authority defines capital assets as tangible items with an initial individual cost of at least $5,000 if the item is equipment and $100,000 if the item is real property or a capital improvement. Capital assets are depreciated using the straight-line method with depreciation commencing in the acquisition year and ceasing in the disposal year. Capital project costs clearly associated with the acquisition, development, and construction of a real estate project, including indirect costs and interest, are capitalized as a cost of that project. See Note 6 for the capital asset components and balances at December 31, 2015 and fiscal year activity.

Depreciable lives for the capital asset categories follow:

Land	No depreciation
Buildings	20 – 40 years
Improvements	15 years
Equipment	3 – 10 years
Construction-in-process	No depreciation

Maintenance and repairs are charged to expense when incurred. At year-end some maintenance may be capitalized in accordance with the Authority's capital asset policy. Management reviews land, structures, and equipment for possible impairment whenever events or circumstances indicate the carrying amount of an asset may not be recoverable. If there is an indication of impairment, management prepares an estimate of future cash flows expected to result from the use of the asset and its eventual disposition. If these cash flows are less than the carrying amount of the asset, an impairment loss is recognized to write down the asset to its estimated fair value. Preparation of estimated expected future cash flows is inherently subjective and is based on management's best estimate of assumptions concerning expected future conditions.

Pensions
For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of all state sponsored pension plans and additions to/deductions from those plans' fiduciary net position have been determined on the same basis as they are reported by the Washington State Department of Retirement Systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Tax Liability
The Authority is by law exempt from all federal, state, and local taxes and assessments. Several developments make a Payment in Lieu of Taxes (PILOT) based on contracts with local jurisdictions.

Compensated Absences
It is the Authority's policy to pay 100 percent of accumulated annual leave when an employee terminates employment from the Authority. As such, the value of annual leave earned but not used at year-end is accrued. Sick leave does not vest and a portion of sick leave is paid to those separating from the Authority as retirees as defined by the state pension system. Because the amount of such payments is difficult to estimate, an accrual is made only when an employee becomes eligible for retirement.

Inter-fund Accounts
The Authority maintains a master paying and receiving account. All cash receipts and disbursements flow through this master account, except for disbursements to landlords under the Section 8 Voucher program, which flows through a separate checking account (Section 8 Fund). Inter-fund payables and receivables (due to/from relationships) are created and used to account for ownership of the funds.

Deferred Outflows/Inflows of Resources
Transactions that result in the consumption or acquisition of net assets in one period that are applicable to future periods are presented as *deferred outflows of resources* and *deferred inflows of resources*, respectively, on the Statement of Net Position.

Derivative Financials Instruments
The fair value of interest rate swap agreements (See Note 8) is determined by dealer quote. These values represent the estimated amount the Authority would receive or pay to terminate the agreements taking into consideration current interest rates.

Commitments
The Authority has entered into various long-term contracts for the development of various housing projects. As of December 31, 2015, the Authority was obligated under these contracts to purchase approximately $2.5 million of goods and services.

Note 2 – Accounting and Reporting Changes

During 2015, the Authority has implemented the following new accounting standards issued by the GASB:

Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* improves financial reporting by state and local governmental pension plans to provide decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. This statement became effective for financial statements with fiscal years beginning after June 15, 2014. Impact of the adoption of this statement is shown on the face of the Authority's financial statements as a change in accounting principle and is further described in Note 3.

Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB No. 68*. This statement relates to amounts associated with contributions, if any, made by a state or local government employer to non-employer contributing entity to a defined benefit pension plan after the measurement date of the governments' beginning net pension liability. Provisions of this statement were applied simultaneously with the provisions of Statement 68. Impact of the adoption of this statement is shown on the face of the Authority's financial statements as a change in accounting principle and is further explained in Note 3.

Note 3 – Change in Accounting Principle

The Authority implemented GASB Statement 68, *Accounting and Financial Reporting for Pensions (an amendment of GASB Statement No. 27)* and GASB Statement 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB No. 68* in the fiscal year ending December 31, 2015. The implementation of the statement required the Authority to record beginning net pension liability, the effects on net position of contributions made by the Authority during the prior period but subsequent to the measurement date (June 30, 2014), and the Authority's proportionate share of the pension plan's net difference between projected and actual investment earnings. As a result, net position for the Authority decreased by $21,063,398.

Note 4 – Cash Deposits and Investments

The Authority is restricted in its cash deposits and investments to those allowed by RCW 35.82.070(6). In general, deposits must be made with qualified financial institutions whose deposits are insured by the Federal Deposit Insurance Corporation (FDIC).

Insurance and Collateralization
Deposits that are in excess of the $250,000 insured amount must be continuously and fully (100%) secured. Collateral comprised of identifiable U.S. Government securities as prescribed by HUD are pledged or set aside to secure these deposits. The Public Deposit Protection Act in effect in the State of Washington set up a multiple financial institution collateral pool to insure public deposits. This protection is in the form of securities pledged as collateral to the Public Deposit Protection Commission (PDPC) by all qualified depositories. In 1994, the Authority received a waiver from HUD that enabled it to make deposits in excess of $250,000 in a qualified public depository because HUD determined that there were "adequate safeguards against the loss of Public Housing Authority funds."

Interest Rate Risk
As a means of limiting its exposure to fair value losses arising from rising interest rates, the Authority's investment policy limits the maximum maturity of an investment to not greater than three years. Exceptions may be made for collateralization of repurchase agreements using investments not exceeding 30 years and for the investment of reserve funds, which can be invested up to 30 years if matched to an anticipated future cash flow.

Credit Risk
The Department of Housing and Urban Development (HUD), Washington State law, and the Authority's investment policy all limit the instruments in which the Authority may invest. Not all Authority funds have the same restrictions. Following are some of the instruments in which any Authority funds, including Federal funds, may be invested:

1) Direct obligations of the Federal government backed by the full faith and credit of the United States
    a) U.S. Treasury Bills.
    b) U.S. Treasury Notes and Bonds.
2) Obligations of Federal government agencies, such as:
    a) Government National Mortgage Association (GNMA) mortgage-backed securities.
    b) GNMA participation securities.
    c) Maritime Administration Bonds.
    d) Small Business Administration Bonds.
3) Securities of Government Sponsored Agencies, such as:
    a) Federal Home Loan Mortgage Corporation (FHLMC) notes and bonds.
    b) Federal National Mortgage Association (FNMA) notes and bonds.
    c) Federal Home Loan Bank (FHLB) notes and bonds.
    d) Federal Farm Credit Bank (FFCB) notes and bonds.
    e) Student Loan Marketing Association (SLMA) notes and bonds.
4) Demand and savings accounts.
5) Money Market Deposit accounts.
6) Certain mutual funds.

In addition to the above, non-federal funds and federal funds subject to the Authority's Moving To Work Agreement with HUD may be invested in the following which are allowed by the State of Washington:

7) Banker's acceptances purchased on the secondary market.
8) Commercial paper.
9) Bonds of the State of Washington or any local government of the State of Washington that have one of the three highest credit ratings of a nationally recognized rating agency.
10) General obligation bonds of a state other than the State of Washington and general obligation bonds of a local government of a state other than the State of Washington that have one of the three highest credit ratings of a nationally recognized rating agency.
11) Utility revenues bonds or warrants of any city of town in the State of Washington.
12) Bonds or warrants of a local improvement district that is within the protection of the local improvement guaranty fund law.

Concentration of Credit Risk

The Authority diversifies its investments by security type and institution. The investment policy states: "With the exception of U.S. Treasury securities, investment agreements for trustee held funds, and authorized pools, no more than 15% of the Authority's total investment portfolio will be invested in a single security type or with a single financial institution." There is no custodial credit risk for cash and investments.

In 2013, Moving King County Residents Forward made an 18-month, $12 million investment in US Bank Commercial Paper. As a blended component unit and legally separate organization, this investment is exception from the preceding policy statement.

Other Information:

The Authority has established arrangements with Federal Home Loan Bank for safekeeping of investments.

Valuation and Classification

Cash equivalents include deposits and investments that are readily convertible to cash. Instruments with an original maturity date of over 3 months are classified as investments. Cash and investments held for the future payment of long-term liabilities are classified as non-current assets. Cash and investments legally or contractually restricted as to use are classified as restricted.

Cash equivalents include an investment in a Local Government Investment Pool (the Pool). The Pool is not registered with the Securities and Exchange Commission (SEC), but adheres to SEC Rule 2(a)(7) of the Investment Company Act of 1940 that requires portfolio diversification, divestiture considerations and action if the market value of the portfolio deviates more than .5 percent from the amortized costs. Government pools that adhere to the SEC rule can report their investments at amortized costs if the remaining maturities of the debt securities are 90 days or less. As of December 31, 2015, the pool had an average days-to-maturity of 35 days and therefore is reported at cost. Government securities are reported at fair value.

A summary of cash and investments at December 31, 2015 follows:

	Unrestricted	Restricted	Total
Cash and cash equivalents:			
Cash on hand	$ 12,326	$ -	$ 12,326
Depository	24,503,434	3,653,207	28,156,641
WA State Pool Investment	32,336,850	2,908,185	35,245,035
U.S. Treasury Money Market	-	8,097,730	8,097,730
B of A Municipal Reserves Capital	-	7,773,229	7,773,229
Total Cash & Cash Equivalents	$ 56,852,610	$ 22,432,351	$ 79,284,961
Investments:			
Government-Sponsored Entities	$ 47,137,970	$ 5,159,047	$ 52,297,017
Certificates of Deposit	-	443,871	443,871
Westdeutshe Landesbank Investment Agreement	-	156,160	156,160
Total Investments	$ 47,137,970	$ 5,759,078	$ 52,897,048
Total	**$ 103,990,580**	**$ 28,191,429**	**$ 132,182,009**

Note 5 - Notes and Financing Lease Receivables

The notes and financing leases held by the Authority are primarily the result of the Authority's transactions with the tax credit partnerships. At December 31, 2015, all of the developer fee notes, all of the financing leases, and $192.5 million of the other notes were receivable from tax credit partnerships. The notes are received for fees earned by the Authority from developing the rental properties and for funds advanced to the partnerships to purchase and rehabilitate the properties. The notes earn interest at varying rates up 8.5 percent per annum. The Authority acquires financing leases when it purchases or develops rental properties then transfers substantially all of the risks and benefits of ownership to the partnerships under financing lease. See Note 9 – Component Units, for further discussion of the Authority's financial relationship with the partnerships.

A summary of the notes and direct financing leases receivable at December 31, 2015 follows:

	Beginning Balance	Additions	Payments	Ending Balance	*Current Portion*
Developer fee notes	$ 555,829	$ 600,000	$ (282,720)	873,109	*$ 73,110*
Other Notes					
Real Estate:					
Residential	-	-	-	-	-
Multifamily	184,334,243	17,345,000	(2,325,874)	199,353,369	*19,014,317*
Other	13,473,336	825,000	-	14,298,336	-
Total Notes	198,363,408	18,770,000	(2,608,594)	214,524,814	*19,087,427*
Financing Leases, net					
Real Estate: Multifamily	58,128,128	-	(9,646,303)	48,481,825	*1,430,444*
Notes & Financing Leases Receivable	**$ 256,491,536**	**$ 18,770,000**	**$ (12,254,897)**	**$ 263,006,639**	***$ 20,517,871***

The construction of Vantage Point Apartments resulted in an additional $17,345,000 bridge loan receivable from tax credit partner Vantage Point Apts LLC. KCHA loaned $825,000 to Plum Court Housing Associates LLC to finance the renovation of Plum Court Apartments.

The maturity schedule for notes receivables is as follows:

FISCAL YEAR	PRINCIPAL	INTEREST **	TOTAL
2016	19,087,428	2,215,596	21,303,024
2017	68,249,784	2,204,851	70,454,635
2018	454,084	2,153,492	2,607,576
2019	1,026,893	2,176,196	3,203,088
2020	1,067,102	2,184,143	3,251,245
2021-2025	6,204,497	10,498,093	16,702,590
2026-2030	25,728,146	9,042,303	34,770,449
2031-2035	9,747,290	7,039,286	16,786,575
2036-2040	13,694,058	5,532,911	19,226,969
2041-2045	17,322,758	3,144,140	20,466,897
2046-2050	9,843,213	165,378	10,008,592
2051-2055	1,309,541	5,729,268	7,038,809
2056-2060	40,790,022	972,736	41,762,758
2061-2065	-	-	-
NOTE RECEIVABLE BALANCE	**$ 214,524,814**	**$ 53,058,393**	**$ 267,583,207**

** On amortizing notes.

The maturity schedule for financing lease receivables is as follows:

FISCAL YEAR	PRINCIPAL	INTEREST **	TOTAL
2016	1,430,445	226,531	1,656,976
2017	1,812,285	215,370	2,027,655
2018	357,629	203,572	561,201
2019	240,000	191,288	431,288
2020	175,000	180,918	355,918
2021-2025	1,065,000	721,430	1,786,430
2026-2030	16,626,619	336,970	16,963,589
2031-2035	340,000	10,540	350,540
2036-2040	18,979,847	-	18,979,847
2041-2045	3,000,000	-	3,000,000
2046-2050	-	-	-
2051-2055	955,000	-	955,000
2056-2060	3,500,000	-	3,500,000
FINANCING LEASE RECEIVABLE BALANCE	**$ 48,481,825**	**$ 2,086,618**	**$ 50,568,443**

** Unearned interest.

Note 6 – Capital Assets

Primary Government

The components and fiscal year activity of land, structures and equipment follow.

	Beginning Balances	Additions	Disposals	Ending Balances
NONDEPRECIABLE:				
Land	$ 74,785,160	$ 9,980,529	$ (60,675)	$ 84,705,014
Land Improvements	2,774,972	-	-	2,774,972
Construction-in-progress				
Greenbridge Project	43,137,177	496,885	(28,588,297)	15,045,765
Seola Gardens Project	10,548,867	1,687,345	(12,236,212)	-
Other	43,410,742	10,462,492	(44,811,213)	9,062,021
Total Nondepreciable	174,656,918	22,627,251	(85,696,397)	111,587,772
DEPRECIABLE:				
Land Improvements	21,877,484	4,631,407	-	26,508,891
Buildings	327,747,741	96,801,557	(290,559)	424,258,739
Equipment	5,286,419	464,904	(318,090)	5,433,233
Leasehold Improvements	766,095	-	-	766,095
Total Depreciable	355,677,739	101,897,868	(608,649)	456,966,958
TOTAL CAPITAL ASSETS	530,334,657	124,525,119	(86,305,046)	568,554,730
Accumulated Depreciation	(145,125,322)	(11,879,567)	602,154	(156,402,734)
Accumulated Amortization	(217,138)	(255,365)	-	(472,503)
Total accumulated depreciation and amortization	(145,342,460)	(12,134,932)	602,154	(156,875,238)
NET CAPITAL ASSETS	**$ 384,992,197**	**$ 112,390,187**	**$ (85,702,892)**	**$ 411,679,492**

Capital asset activity resulted primarily from the acquisition of assets from the KCHA – Kona Village Limited Partnership, the purchase of Corinthian Apartments, Villages at South Station and Woodcreek Lane Apartments and the release of construction-in-process to King County of Greenbridge and Seola Gardens infrastructures.

Of the $124.5 million of additions to the capital assets, $54 million was related to the acquisition of land and buildings resulting from the following transactions: the acquisition of assets from KCHA – Kona Village Limited Partnership ($8.9 million), the purchase of Corinthian Apartments ($10.1 million), the purchase of Villages at South Station ($29.3 million), the purchase of Woodcreek Lane Apartments ($4.6 million) and the acquisition of the Joseph House common area and Headstart building ($1.1 million). $12.6 million of additions was attributable to the increase in construction-in-process. Another $56.6 million of additions was the result of upgrades and rehabilitation at various properties.

Of the $86.3 million net capital asset dispositions, $45.4 million represents capitalized building upgrades reclassified from construction-in-progress and $2.7 million represents lot sales to private builders for the construction of market-rate for-sale homes.

Capital asset disposals also include disposals that fall into two broad categories, both attributable to the two large HOPE VI re-development projects undertaken by the Authority over the past decade. First, infrastructure, such as streets, alleyways, and retention ponds were turned over or “donated” to King County, as is standard in such developments. Second, Low Income Housing Tax Credit (LIHTC) rules prevented the tax credit partnerships that acquired the rental housing developments from the Authority from including all development costs in the “basis”, i.e. what the partnership could pay for the properties. As a result of these two issues, $38.1 million of construction-in-process left on the Authority’s books was expensed in 2015.

There was no interest on qualifying assets in 2015.

Discretely Presented Component Units

	Beginning Balances	Additions	Disposals	Ending Balances
NONDEPRECIABLE:				
Land	$ 32,774,147	$ 1,647,483	$ (3,397,320)	$ 31,024,310
Construction-in-progress	14,456	229,988	(9,112)	235,332
Total Nondepreciable	32,788,603	1,877,471	(3,406,432)	31,259,642
DEPRECIABLE:				
Land Improvements	23,371,716	-	-	23,371,716
Buildings	364,872,101	21,700,208	(15,540,780)	371,031,529
Equipment	8,773,290	176,730	(483,762)	8,466,258
Off-site Work	5,846,645	3,990,496		9,837,141
Total Depreciable	402,863,752	25,867,434	(16,024,542)	412,706,644
Intangible Assets	1,737,183	154,681	-	1,891,864
Total Capital Assets	437,389,538	27,899,586	(19,430,974)	445,858,150
Accumulated Depreciation	(87,724,851)	(11,601,406)	6,069,181	(93,257,076)
Accumulated Amortization	(640,124)	(120,825)	-	(760,949)
	$ 349,024,563	**$ 16,177,355**	**$ (13,361,793)**	**$ 351,840,125**

Additions to capital assets resulted primarily from the addition of Vantage Point Apartments ($26.4 million) and rehabilitation work at properties belonging to the Egis Housing Limited Partnership and Soosette Creek LLC. Vantage Point Apartments capital assets include $227,665 of capitalized interest.

Disposals of capital assets resulted primarily from the dissolution of the KHCA- Kona Village Limited Partnership. The assets belonging to the partnership were acquired by the Primary Government.

Intangible asset consist of Low Income Housing Tax Credit fees. Each intangible asset is amortized on a straight-line basis.

Note 7 – Long Term Debt Obligations

Changes to the Authority's long-term obligations are as follows:

	Beginning Balance	Additions	Retirements/ Payments	Ending Balance	*Current Portion*
Revenue Bonds	$ 74,622,086	$ -	$ (10,581,861)	$ 64,040,225	*$ 7,358,636*
Demand Bonds	65,120,000	-	(1,590,292)	63,529,708	*1,305,984*
Mortgage Notes	1,047,939	-	(31,046)	1,016,893	*32,210*
Financing Lease	581,048	-	(180,935)	400,113	*180,349*
Lines of Credit	44,746,704	47,105,044	(35,525,906)	56,325,841	*5,919,006*
Notes Payable	106,262,189	41,943,979	(4,009,729)	144,196,439	*5,040,993*
	$ 292,379,966	**$ 89,049,023**	**$ (51,919,769)**	**$ 329,509,219**	***$ 19,837,177***

Additional debt incurred in 2015 consists of the following:

- $41.7 million issuance of the 2015 Pool Note from Columbia Bank. The note has an original 10-year term and an interest rate of 2.68 percent. Proceeds from the note were used to refinance Gilman Square, Windsor Heights and Meadowbrook debt.
- $47 million drawn on a $50 million Key Bank line of credit to purchase Woodcreek Lane Apartments, Villages at South Station Apartments and Corinthian Apartments. This line of credit matures in June 2017 and has a 1.193 percent interest rate.

	Fiscal Year Issued	Amount Issued	Interest Rates	Fiscal Year Maturity	Amount Outstanding	Current Portion
Revenue Bonds:						
Tax Credit:						
Somerset	1999	$ 3,605,000	0	2016	$ 3,605,000	3,605,000
Somerset (Kv)	1999	2,535,000	4.80-6.80%	2031	1,810,252	75,000
Somerset	2001	3,895,000	5.00%	2033	2,910,000	105,000
Southwood Square	2001	5,000,000	2.25-6.00%	2032	3,625,000	140,000
Greenbridge - Nia	2006	3,000,000	5.41-5.87%	2037	2,795,000	40,000
Seola Crossing 1	2006	1,650,000	6.38%	2047	1,595,821	8,619
Seola Crossing 2	2006	5,050,000	6.38%	2047	4,884,179	26,381
Soosette Creek	2008	37,500,000	0.00-0.65%	2058	26,795,000	2,350,000
Eastbridge Apts.	2008	7,120,000	5.65%	2029	6,860,000	70,000
Green River Homes II	2011	9,500,000	.75 -2%	2021	7,772,728	863,636
Total tax credit		$ 78,855,000			$ 62,652,980	$ 7,283,636
Other:						
Rural Housing	1997	$ 2,230,000	4.50-5.75%	2028	$ 1,387,246	$ 75,000
Total other		$ 2,230,000			$ 1,387,246	$ 75,000
Total revenue bonds		$ 81,085,000			$ 64,040,225	$ 7,358,636
Demand Bonds:						
Tax Credit:						
Overlake	2000	$ 23,725,000	0.05-2.61%	2040	$ 23,015,000	$ 110,000
Salmon Creek	2008	4,250,000	0.05-2.61%	2047	3,995,000	55,000
Total tax credit		$ 27,975,000			$ 27,010,000	$ 165,000
Other:						
2005 Pool	2005	$ 46,290,000	0.05%	2035	$ 36,519,708	1,140,984
Total other		$ 46,290,000			$ 36,519,708	$ 1,140,984
Total demand bonds		$ 74,265,000			$ 63,529,708	$ 1,305,984
Mortgage Notes:						
Rural Housing	1998	$ 1,350,949	7.25%	2033	$ 1,016,893	$ 32,210
Total mortgage notes		$ 1,350,949			$ 1,016,893	$ 32,210
Financing Lease:						
ESCO	2005	$ 3,900,000	3.90%	2018	$ 400,113	$ 180,349
Total financing leases		$ 3,900,000			$ 400,113	$ 180,349

	Fiscal Year Issued		Amount Issued	Interest Rates	Fiscal Year Maturity		Amount Outstanding		Current Portion
Lines of Credit:									
Tax Credit:									
New Market Tax Credit	2011	$	11,500,000	2.25%	2017	$	6,301,792	$	-
Vantage Point	2015		3,000,000	2.44%	2017		3,000,000		3,000,000
Total tax credit		$	14,500,000			$	9,301,792	$	3,000,000
Other:									
Bank of America Line of Credit	2013	$	5,000,000	1.69%	2016	$	2,919,006	$	2,919,006
Chaussee							*19,823*		*19,823*
Vashon Terrace							*1,539,800*		*1,539,800*
Charter House							*1,359,383*		*1,359,383*
Key Bank Line of Credit	*2015*		50,000,000		*2017*		44,105,044		-
Woodcreek Lane				1.08%			*4,669,491*		
Villages at South Station				1.08%			*29,309,176*		
Corinthian				1.38%			*10,126,377*		
Total Other		$	55,000,000			$	47,024,050	$	2,919,006
Total lines of credit		$	69,500,000			$	56,325,841	$	5,919,006
Notes Payable:									
Tax Credit:									
Somerset - Bellevue	2000	$	700,000	1.00%	2030	$	656,513	$	43,922
Somerset	2000		400,000	1.00%	2032		352,230		3,445
Overlake - 4	2001		1,500,000	1.00%	2050		1,500,000		-
Overlake - 5	2001		500,000	1.00%	2050		500,000		-
Southwood Square	2001		380,000	1.00%	2053		380,000		-
Greenbridge - Nia	2008		328,000	4.75%	2058		328,000		-
Seola Crossing II	2007		250,000	4.75%	2058		250,000		-
Soosette Creek	2010		1,950,000	0.65%	2060		1,950,000		-
Total tax credit		$	6,008,000			$	5,916,743	$	47,367
Other:									
Hidden Village - State	1992	$	292,157	5.00%	2044	$	292,157	$	-
Windsor Heights - State	1999		1,040,000	1.00%	2039		1,003,177		37,191
Windsor Heights - King County	1999		950,000	1.00%	2049		950,000		-
Windsor Heights - SeaTac	1999		90,000	1.00%	2049		90,000		-
Si View - DOC	1999		93,860	1.00%	2049		67,154		1,728
Rainier View 1 - DOC	1999		227,240	1.00%	2049		161,169		4,148
Rainier View 2 - DOC	1999		172,900	1.00%	2049		120,877		3,111
FHLB	2013		18,000,000	3.97%	2033		15,962,903		900,000
2013 Pool	2013		83,281,749	3.57%	2033		77,688,278		3,116,197
2015 Pool	2015		41,700,000	2.68%	2035		41,243,620		931,249
Bellevue Manor ARCH Loan	2015		476,357	1.00%	2054		476,357		-
Patricia Harris ARCH Loan	2015		224,002	1.00%	2054		224,002		-
Total other		$	146,548,265			$	138,279,696	$	4,993,626
Total notes payable		$	152,556,265			$	144,196,439	$	5,040,993
TOTAL LONG-TERM OBLIGATIONS		**$**	**382,657,214**			**$**	**329,509,219**	**$**	**19,837,177**

The schedule of principal payments follows:

Debt Service - Principal	Revenue Bonds	Demand Bonds	Mortgage Notes	Financing Lease	Lines of Credit	Notes	Total
2016	7,358,636	1,305,984	32,210	180,349	5,919,006	5,040,993	19,837,178
2017	3,558,638	1,435,217	37,440	194,955	50,406,836	5,520,374	61,153,460
2018	3,758,636	1,518,694	40,246	24,810	-	5,331,909	10,674,295
2019	3,973,636	1,749,907	43,263	-	-	5,490,231	11,257,037
2020	2,848,636	1,833,982	46,506	-	-	5,639,821	10,368,945
2021-2025	10,629,546	10,655,990	290,347	-	-	31,107,685	52,683,568
2026-2030	14,802,497	13,617,228	360,377	-	-	35,759,270	64,539,372
2031-2035	7,615,000	15,827,706	166,504	-	-	26,132,930	49,742,140
2036-2040	6,945,000	5,960,000	-	-	-	18,313,273	31,218,273
2041-2045	2,055,000	8,995,000	-	-	-	345,511	11,395,511
2046-2050	495,000	630,000	-	-	-	3,142,202	4,267,202
2051-2055	-	-	-	-	-	172,238	172,238
2056-2060	-	-	-	-	-	2,200,000	2,200,000
2061-2065	-	-	-	-	-	-	-
Total	**$ 64,040,225**	**$ 63,529,708**	**$ 1,016,893**	**$ 400,114**	**$ 56,325,842**	**$ 144,196,437**	**$ 329,509,219**

The schedule of interest payments follows:

Debt Service - Interest	Revenue Bonds	Demand Bonds	Mortgage Notes	Financing Lease	Lines of Credit	Notes	Total
2016	2,954,722	871,254	72,286	12,884	-	4,541,219	8,452,365
2017	2,855,610	869,816	69,675	5,439	-	4,358,418	8,158,958
2018	2,721,879	868,316	66,869	162	-	4,172,083	7,829,309
2019	2,572,956	866,753	63,852	-	-	3,985,071	7,488,632
2020	2,415,217	865,128	60,609	-	-	3,801,017	7,141,971
2021-2025	10,407,227	4,298,390	265,472	-	-	15,956,317	30,927,406
2026-2030	7,426,123	4,245,012	206,222	-	-	10,400,970	22,278,327
2031-2035	3,956,654	4,178,320	26,634	-	-	4,044,034	12,205,642
2036-2040	1,642,516	3,332,828	-	-	-	408,753	5,384,097
2041-2045	551,244	1,994,040	-	-	-	458,224	3,003,508
2046-2050	27,671	19,228	-	-	-	548,907	595,806
2051-2055	-	-	-	-	-	698,232	698,232
2056-2060	-	-	-	-	-	511,911	511,911
2061-2065	-	-	-	-	-	-	-
Total	**$ 37,531,819**	**$ 22,409,085**	**$ 831,619**	**$ 18,485**	**$ -**	**$ 53,885,156**	**$ 114,676,164**

The schedule of debt service payments follows:

Debt Service - Total	Revenue Bonds	Demand Bonds	Mortgage Notes	Financing Lease	Lines of Credit	Notes	Total
2016	10,313,358	2,177,238	104,496	193,233	5,919,006	9,582,212	28,289,543
2017	6,414,248	2,305,033	107,115	200,394	50,406,836	9,878,792	69,312,418
2018	6,480,515	2,387,010	107,115	24,972	-	9,503,992	18,503,604
2019	6,546,592	2,616,660	107,115	-	-	9,475,302	18,745,669
2020	5,263,853	2,699,110	107,115	-	-	9,440,838	17,510,916
2021-2025	21,036,773	14,954,380	555,819	-	-	47,064,002	83,610,974
2026-2030	22,228,620	17,862,240	566,599	-	-	46,160,240	86,817,699
2031-2035	11,571,654	20,006,026	193,138	-	-	30,176,964	61,947,782
2036-2040	8,587,516	9,292,828	-	-	-	18,722,026	36,602,370
2041-2045	2,606,244	10,989,040	-	-	-	803,735	14,399,019
2046-2050	522,671	649,228	-	-	-	3,691,109	4,863,008
2051-2055	-	-	-	-	-	870,470	870,470
2056-2060	-	-	-	-	-	2,711,911	2,711,911
2061-2065	-	-	-	-	-	-	-
Total	**$ 101,572,044**	**$ 85,938,793**	**$ 1,848,512**	**$ 418,599**	**$ 56,325,842**	**$ 198,081,593**	**$ 444,185,383**

Demand Bonds

The Authority had $63.530 million in outstanding variable rate demand bonds on two projects and one 8-project bond pool. The Village at Overlake Station (Overlake) had $23.015 million, Salmon Creek Apartments had $3.995 million and the 2005 bond pool (comprised of the Carriage House, Cottonwood, Newporter, Timberwood, Cove East, Woodside East, Aspen Ridge and Bellepark East projects) had $36.520 million outstanding, respectively, at December 31, 2015. The bonds for each have the following common characteristics:

- Credit enhancements have been obtained for each of the bond issuances. For Overlake the credit enhancement is in the form of a Letter of Credit (LOC) and is equal to the outstanding bond balance plus one interest payment, priced at 0.20 percent of the facility. For the 2005 Pool, the credit enhancement is in the form of a direct pay credit enhancement agreement issued by the Federal Home Loan Mortgage Corporation priced at 0.30 percent of the facility.

- The credit enhancements are intended to not only provide security to bondholders, but also to make periodic interest payments for which the Authority regularly reimburses the credit enhancement providers.

- The Banc of America Securities LLC acts as remarketing agent, reselling at market rates any bonds sold by bondholders. It has committed to repurchasing bonds for its own portfolio if the bonds cannot be resold on the open market.

- Interest rates are recalculated weekly, based on the rate at which bonds can be remarketed.

- The bonds are subject to an annual remarketing fee of 0.05 percent of the outstanding amount of the bonds or $5,000 whichever is greater.

- Underlying source of repayment for the bonds is the revenues produced by the respective properties.

- In conjunction with the sale of these bonds, the Authority entered into interest rate swap agreements as a cash flow hedge to reduce the volatility related to variable rate interest debt.

- Bonds are convertible to fixed rate at the Authority's option.

The Overlake bonds mature in 2040. At December 31, 2015 the variable rate on the bonds was 0.0618 percent. The Overlake variable rate demand note bonds have a year-end principal balance of $23,015,000. The Letter of Credit expires on July 1, 2016 and supports the variable rate bonds only. The swap agreement expired on January 1, 2013 and was not renewed.

Salmon Creek Apartments bond matures in 2047. At December 31, 2015 the variable rate on the bond was 0.04 percent. The Salmon Creek variable rate demand bond had a year-end principal balance of $3,995,000. This bond has a swap agreement in place, but not held by the Authority. The interest the Authority pays through the swap agreement is 3.988 percent.

The 2005 bond pool bonds mature in 2035. At December 31, 2015 the variable rate on the bonds was 0.01 percent. The credit enhancement agreement is for a fixed term of 15 years and, upon maturity of the credit facility, the Authority will either refinance the bond issue or obtain another credit enhancement. The Authority has entered into three swap contracts with respect to the bonds. Two of the swaps matured during 2015. Under the remaining swap contract terms, the Authority pays a fixed rate of 3.87 percent and receives a variable rate equal to the weekly weighted average of SIFMA resets for the respective period on the applicable notional amounts. As of December 31, 2015, the notional amount of the remaining swap was $20,602,000 and the fair market value was ($2,348,860). The remaining swap will mature in 2020. KCHA will maintain all required cap agreements.

In 2005, the Authority entered into a lease agreement (the ESCO lease) for the financing of energy efficiency equipment. The lease agreement qualifies as a capital lease for accounting purposes and had been recorded at the present value of the future minimum lease payments as of the inception date.

Recoverable Grants

Overlake 4 - Washington State Convention and Trade Center

In 2001, the Authority received a $1,500,000 recoverable grant from the Washington State Convention and Trade Center which was conditional on the Overlake Transit-Oriented Development constructing 300 units of affordable housing for low income households with annual gross income at or below 80 percent of the local median income for the Seattle, Bellevue, and Everett Primary Metropolitan Statistical Area. The length of commitment to serve the target population will be fifty years ending February 28, 2051. All funds are recoverable if the conditions are not met.

Overlake 5 - King County Department of Community and Health Services

In 2001, the Authority received a $500,000 recoverable grant from the King County Department of Community and Health Services which is conditional on the Overlake project renting a minimum of 40 percent of their units to households that make less than 60 percent of area median income. Rents charged to tenants may not exceed 30 percent of the monthly income of the target population. This commitment to serve the target population matures on January 1, 2052. All funds are recoverable if conditions are not met.

Forgivable Loans

Birch Creek

In 2010, the Authority received a forgivable loan of $1,950,000 from the King County Department of Community and Human Services which is conditional on the Birch Creek project renting a minimum of 40 percent of their units to households that make less than 60% of area median income. Rents charged to tenants may not exceed 30 percent of the monthly income of the target population. This commitment to serve the target population matures on August 31, 2064. The full amount of the loan is to be repaid if the conditions for forgiveness are not met.

Greenbridge - Nia

In 2008, the Authority received a $328,000 forgivable loan from Bank of America which is conditional on the Nia project renting units as follows: (a) at least 50 percent of the project's rental units to tenants whose income at the time of their initial occupancy of a unit in the project is no greater than 30 percent of the Area Median Income (the "AMI") in King County, Washington as published by HUD; (b) at least 10 percent of the project's rental units to tenants whose income at the time of their initial occupancy of a unit in the project is no greater than 50 percent of AMI; and (c) at least 40 percent of the project's rental units to tenants whose income at the time of their initial occupancy of a unit in the project is no greater than 60 percent of AMI. This commitment to serve the target population matures on April 1, 2022. The full amount of the loan is to be repaid if the conditions for forgiveness are not met.

Seola Crossing II

In 2007, the Authority received a $250,000 forgivable loan from Bank of America which is conditional on the Seola Crossing project renting as follows: (a) at least 50 percent of the Project's rental units to tenants whose income at the time of their initial occupancy of a unit in the Project is no greater than 30 percent of the Area Median Income in King County, Washington as published by HUD; (b) at least 10 percent of the Project's rental units to tenants whose income at the time of their initial occupancy of a unit in the project is no greater than 50 percent of AMI; and (c) at least 40 percent of the project's rental units to tenants whose income at the time of their initial occupancy of a unit in the project is no greater than 60 percent of AMI. This commitment to serve the target population matures on April 1, 2022. The full amount of the loan is to be repaid if the conditions for forgiveness are not met.

Windsor Heights

In 1999, the Authority received a forgivable loan of $1,040,000 from the King County Department of Community and Human Services which is conditional on the Windsor Heights project renting a minimum of 40 percent of their units to households that make less than 60 percent of area median income. Rents charged to tenants may not exceed 30 percent of the monthly income of the target population. This commitment to serve the target population matures on June 15, 2049. The full amount of the loan is to be repaid if the conditions for forgiveness are not met.

Capital Lease

The gross amount of assets acquired by the Authority via a capital lease in 2005 was $2,951,266. Accumulated depreciation on the assets at December 31, 2015 was $1,156,432.

Note 8 - Derivative Instruments

Summary of Derivative Instruments

At December 31, 2015, the Authority had the following derivative instruments outstanding:

	Changes in Fair Value		Fair Value at December 31, 2015		Notional
	Classification	Amount	Classification	Amount	
Business-type Activities					
Investment derivatives:					
Pay-fixed interest rate swaps					
Wachovia, 2005 Pool A	Investment Income	231,605	Investment	(2,348,860)	$ 20,602,000
		$ 231,605		$ (2,348,860)	

1. Fair Value of deriviatves is recorded in "Interest Rate Swaps - Fair Value" on Statement of Net Position
2. Changes in Fair Value of derivatives are recorded in "Investment Income"
   in Statement of Revenues, Expenses, and Changes in Net Position

Investment Derivative Risks

- The credit ratings of the swap counterparties are as follows: Wells Fargo Bank, N.A. (Aa2-/AA-/AA)
- There is no potential loss if the counterparties fail to fulfill their obligations.
- The swap providers' obligations under the swap are supported by contractual obligations of Wells Fargo Bank, N.A, as successor in interest to Wachovia Bank, N.A.

Note 9 – Component Units

Blended Component Units

Moving King County Residents Forward (MKCRF)

As the governing body of MKCRF is identical to the governing body of the Authority and the management of the Authority has operational responsibility for MKCRF, MKCRF's balances and transactions are "blended" with those of the Authority pursuant to GASB Statement 14, *The Financial Reporting Entity* and GASB Statement 61*The Financial Reporting Entity: Omnibus*.

When combining MKCRF and the Authority's financial data, the capital lease was eliminated, as well as other payables to the Authority, in order to prevent overstatement of debt and receivables.

Following are the condensed financial statements of MKCRF:

Moving King County Residents Forward

Condensed Statement of Net Position
As of December 31, 2015

	2015	2014
Assets:		
Current and other assets	$ 1,517,646	$ 6,056,033
Capital assets	33,490,957	31,198,934
Total Assets	35,008,603	37,254,967
Liabilities:		
Current and other liabilities	762,026	2,103,895
Long-term debt, net of current	16,364,133	16,882,192
Total Liabilities	17,126,159	18,986,087
Net Position:		
Net Investment in Capital Assets	17,126,824	14,316,742
Restricted	-	-
Unrestricted	755,620	3,952,138
Total Net Position	$ 17,882,444	$ 18,268,880

Moving King County Residents Forward

Condensed Statement of Revenues, Expense, and Changes in Net Position
For the 12 Month Period Ended December 31, 2015

	2015	2014
Operating Revenues	$ 1,806,532	$ 2,274,850
Nonoperating revenues	27,017	9,241
Total Revenues	1,833,549	2,284,091
Operating expenses	34,864	108,576
Nonoperating expenses	2,185,121	1,949,947
Total Expenses	2,219,985	2,058,523
Excess or deficiency before contributions	(386,436)	225,568
Capital contributions	-	-
Change in Net Position	(386,436)	225,568
Beginning Net Position	18,268,880	18,043,312
Ending Net Position	$ 17,882,444	$ 18,268,880

Condensed Statement of Cash Flows
For the 12 Month Period Ended December 31, 2015

	2015	2014
Net cash provided by (used in):		
Operating activities	$ 1,795,850	$ 2,198,491
Capital and related financing activities	(5,307,152)	(10,456,669)
Investing activities	5,014,819	8,242,187
Net increase in cash and cash equivalents	1,503,517	(15,991)
Cash and cash equivalents - beginning of the year	14,129	30,120
Cash and cash equivalents - end of the year	$ 1,517,646	$ 14,129

Discretely Presented Component Units

The discretely presented component units are Low Income Housing Tax Credit partnerships whose limited partners or members have limited rights regarding the operations of the partnerships and the Authority as General Partner or Managing Member controls the day-to-day operations of the partnerships. As such, the Authority has certain rights and responsibilities which enable it to impose its will on the partnerships due to its significant influence as the General Partner or Managing Member and also its financial relationships with the partnerships. It is for this reason that they are discretely presented on the Authority's financial statements.

Partnership Name	Eastbridge Apartments LLC	Egis Housing Limited Partnership	Fairwind Apartments LLLP	Green River Homes LLC	Green River Homes 2 LLC
Fiscal Year Acquired / Sold	2010	2007	2013	2004	2012
ASSETS, LIABILITIES AND NET POSITION:					
ASSETS					
Cash and investments	$ 812,653	$ 1,337,245	$ 388,743	$ 471,484	$ 399,064
Receivables and other	121,121	215,418	141,270	38,215	51,152
Capital assets, net	17,504,244	59,107,667	18,832,884	5,956,747	16,326,370
Total Assets	**$ 18,438,018**	**$ 60,660,330**	**$ 19,362,897**	**$ 6,466,446**	**$ 16,776,586**
LIABILITIES & NET POSITION					
LIABILITIES					
Current liabilities	$ 37,505	$ 312,154	$ 27,240	$ 29,527	$ 26,701
Long-term liabilities	10,559,701	55,723,742	6,690,107	5,055,418	12,395,503
NET POSITION	**7,840,812**	**4,624,434**	**12,645,550**	**1,381,501**	**4,354,382**
Total Liabilities & Net Position	**$ 18,438,018**	**$ 60,660,330**	**$ 19,362,897**	**$ 6,466,446**	**$ 16,776,586**
REVENUE, EXPENSES AND CHANGE IN NET POSITION:					
OPERATING REVENUES	**$ 1,161,301**	**$ 2,648,823**	**$ 576,953**	**$ 676,054**	**$ 746,331**
OPERATING EXPENSES					
Administrative	200,522	688,655	221,268	153,921	142,565
Operating and maintenance	391,437	1,437,771	375,221	371,169	261,037
Depreciation and amortization	953,951	1,766,403	605,839	341,777	463,932
Total Operating Expense	**1,545,910**	**3,892,829**	**1,202,328**	**866,867**	**867,534**
Total Operating Income	**(384,609)**	**(1,244,006)**	**(625,375)**	**(190,813)**	**(121,203)**
NONOPERATING REVENUES (EXPENSES)					
Investment income	93	-	62	33	-
Interest expense	(618,222)	(1,034,591)	(232,209)	(195,020)	(74,175)
Other revenue (expense)	-	-	-	-	-
Total nonoperating revenues (expenses)	**(618,129)**	**(1,034,591)**	**(232,147)**	**(194,987)**	**(74,175)**
Total Net Income (Loss)	**(1,002,738)**	**(2,278,597)**	**(857,522)**	**(385,800)**	**(195,378)**
Contributions (distributions)	-	-		-	-
CHANGE IN NET POSITION	**(1,002,738)**	**(2,278,597)**	**(857,522)**	**(385,800)**	**(195,378)**
Beginning Net Position	8,843,550	6,903,031	13,503,072	1,767,301	4,549,760
Total Ending Net Position	**$ 7,840,812**	**$ 4,624,434**	**$ 12,645,550**	**$ 1,381,501**	**$ 4,354,382**

Partnership Name	Harrison House Apartments LLC	KCHA -Cones Limited Partnership	KCHA - Southwood Square Limited Partnership	Nia Apartments LLC	Overlake TOD Housing Limited Partnership	Salmon Creek Housing LLC
Fiscal Year Acquired / Sold	2004	2003	2001	2008	2000	2009
ASSETS, LIABILITIES AND NET POSITION:						
ASSETS						
Cash and investments	$ 759,625	$ 401,002	$ 817,069	$ 408,045	$ 2,515,373	$ 564,789
Receivables and other	29,346	6,897	14,461	92,099	42,024	122,733
Capital assets, net	5,644,999	7,968,991	6,403,365	15,455,186	27,532,986	18,080,025
Total Assets	**$ 6,433,970**	**$ 8,376,890**	**$ 7,234,895**	**$ 15,955,330**	**$ 30,090,383**	**$ 18,767,547**
LIABILITIES & NET POSITION						
LIABILITIES						
Current liabilities	$ 29,503	$ 76,432	$ 173,298	$ 34,676	$ 390,954	$ 89,161
Long-term liabilities	6,263,054	5,291,870	4,896,961	9,091,581	25,466,041	9,644,402
NET POSITION	**141,413**	**3,008,588**	**2,164,636**	**6,829,073**	**4,233,388**	**9,033,984**
Total Liabilities & Net Position	**$ 6,433,970**	**$ 8,376,890**	**$ 7,234,895**	**$ 15,955,330**	**$ 30,090,383**	**$ 18,767,547**
REVENUE, EXPENSES AND CHANGE IN NET POSITION:						
OPERATING REVENUES	**$ 697,227**	**$ 869,005**	**$ 1,115,187**	**$ 707,952**	**$ 3,501,745**	**$ 943,302**
OPERATING EXPENSES						
Administrative	140,490	184,548	172,765	171,386	384,477	192,734
Operating and maintenance	256,036	492,401	474,331	302,272	1,042,622	424,563
Depreciation and amortization	317,442	281,086	232,264	581,152	1,094,028	571,240
Total Operating Expense	**713,968**	**958,035**	**879,360**	**1,054,810**	**2,521,127**	**1,188,537**
Total Operating Income	**(16,741)**	**(89,030)**	**235,827**	**(346,858)**	**980,618**	**(245,235)**
NONOPERATING REVENUES (EXPENSES)						
Investment income	37	-	17,181	9	-	152
Interest expense	(250,465)	(185,441)	(247,264)	(358,719)	(1,176,504)	(425,790)
Other revenue (expense)	-	-	-	-	-	-
Total nonoperating revenues (expenses)	**(250,428)**	**(185,441)**	**(230,083)**	**(358,710)**	**(1,176,504)**	**(425,638)**
Total Net Income (Loss)	**(267,169)**	**(274,471)**	**5,744**	**(705,568)**	**(195,886)**	**(670,873)**
Contributions (distributions)	-	(6,720)	(6,921)	-	-	-
CHANGE IN NET POSITION	**(267,169)**	**(281,191)**	**(1,177)**	**(705,568)**	**(195,886)**	**(670,873)**
Beginning Net Position	408,582	3,289,779	2,165,813	7,534,641	4,429,274	9,704,857
Total Ending Net Position	**$ 141,413**	**$ 3,008,588**	**$ 2,164,636**	**$ 6,829,073**	**$ 4,233,388**	**$ 9,033,984**

Partnership Name	Seola Crossing LLC	Sixth Place Apartments LLLP	Soosette Creek LLC	Vantage Point Apartments LLC	Zephyr Apartments LLLP	GRAND TOTAL
Fiscal Year Acquired / Sold	2007	2010	2008	2013	2010	
ASSETS, LIABILITIES AND NET POSITION:						
ASSETS						
Cash and investments	$ 1,182,011	$ 301,036	$ 2,840,678	$ 95,487	$ 168,884	$ 13,463,188
Receivables and other	119,755	35,703	332,211	165,624	45,148	1,573,177
Capital assets, net	30,058,347	8,054,213	81,052,577	26,210,147	6,520,462	350,709,210
Total Assets	**$ 31,360,113**	**$ 8,390,952**	**$ 84,225,466**	**$ 26,471,258**	**$ 6,734,494**	**$ 365,745,575**
LIABILITIES & NET POSITION						
LIABILITIES						
Current liabilities	$ 139,349	$ 32,348	$ 284,477	$ 19,199,372	$ 11,267	$ 20,893,964
Long-term liabilities	20,948,155	6,792,654	65,526,404	7,476,115	6,133,611	257,955,319
NET POSITION	**10,272,609**	**1,565,950**	**18,414,585**	**(204,229)**	**589,616**	**86,896,292**
Total Liabilities & Net Position	**$ 31,360,113**	**$ 8,390,952**	**$ 84,225,466**	**$ 26,471,258**	**$ 6,734,494**	**$ 365,745,575**
REVENUE, EXPENSES AND CHANGE IN NET POSITION:						
OPERATING REVENUES	**$ 1,783,762**	**$ 140,037**	**$ 3,892,099**	**$ 77,744**	**$ 162,879**	**$ 19,700,401**
OPERATING EXPENSES						
Administrative	379,167	52,060	461,757	146,312	63,901	3,756,528
Operating and maintenance	802,222	130,472	1,142,154	125,338	138,572	8,167,618
Depreciation and amortization	1,298,949	364,575	2,449,938	162,581	237,074	11,722,231
Total Operating Expense	**2,480,338**	**547,107**	**4,053,849**	**434,231**	**439,547**	**23,646,377**
Total Operating Income	**(696,576)**	**(407,070)**	**(161,750)**	**(356,487)**	**(276,668)**	**(3,945,976)**
NONOPERATING REVENUES (EXPENSES)						
Investment income	47	-	162	-	14	17,790
Interest expense	(1,012,379)	(5,010)	(1,200,544)	(61,842)	(11,150)	(7,089,325)
Other revenue (expense)	-	-	-	-	-	-
Total nonoperating revenues (expenses)	**(1,012,332)**	**(5,010)**	**(1,200,382)**	**(61,842)**	**(11,136)**	**(7,071,535)**
Total Net Income (Loss)	**(1,708,908)**	**(412,080)**	**(1,362,132)**	**(418,329)**	**(287,804)**	**(11,017,511)**
Contributions (distributions)	-	-	-	214,100	-	200,459
CHANGE IN NET POSITION	**(1,708,908)**	**(412,080)**	**(1,362,132)**	**(204,229)**	**(287,804)**	**(10,817,052)**
Beginning Net Position	11,981,517	1,978,030	19,776,717	-	877,420	97,713,344
Total Ending Net Position	**$ 10,272,609**	**$ 1,565,950**	**$ 18,414,585**	**$ (204,229)**	**$ 589,616**	**$ 86,896,292**

Note 10 – Related Party Transactions

Low Income Housing Tax Credit (LIHTC)

The tax credit program is the result of Federal legislation, which allows investors certain tax incentives for investing in low-income housing. Investors also are allowed to deduct any losses passed through to them from the partnerships. The Authority is allocated about .01 percent of all profits, losses, and tax credits pursuant to the terms of the partnership or operating agreement. Under terms of the tax code, the buildings must continue to serve the targeted population for 15 years. The Authority has the option to purchase them at the expiration of this compliance period.

Typically, at the time of closing, the Authority will earn a developer's fee for its role in bringing the project to fruition. Developer fees are paid primarily from available cash flows and development proceeds. Under the various partnership agreements, any outstanding developer fees are generally required to be paid within 10 to 15 years of the project's placed-in-service date and may accrue interest on unpaid balances. Certain tax credit projects also incur a management fee and sometimes a construction management fee owed to the general partner. These incurred fees and interest are reflected in the Authority's operating income and totaled $962,454 in 2015.

The financing for the tax credit partnerships was structured as direct financing leases from the Authority to the partnerships. Upon issuance of the bonds, the Authority purchases the projects. The Authority retains ownership of the buildings, and leases them to the partnerships under terms of a long term financing lease, which is treated as a sale for tax purposes. Payments from the Partnerships are sufficient to pay the outstanding bonds, but the Authority remains contingently liable for their payment. The debt interest expense and an offsetting amount of interest income are reflected on the Authority's books and total $1,461,169 for the year.

Although the bonds are the primary source of funds for the purchase of the developments, other funding is usually required. Lines of credit, both taxable and non-taxable, are secured by the Authority to pay some of the acquisition costs and most of the rehabilitation costs. These lines are retired primarily using proceeds from the sale of Low Income Housing Tax Credits to the limited partners usually within two to three years of the partnership's inception. The Authority also may receive grant funds or other loans to assist in purchasing the properties and in preserving affordability within the projects. Because of limitations posed by the Internal Revenue Service, all such funds are lent to the partnerships. These advances are accounted for as part of the financing lease if the proceeds are used for purchasing the property and are accounted for as notes receivable from the partnerships if the proceeds are used for rehabilitating the property. A summary of the Authority's long-term debt is presented in Note 7. A summary of notes receivable and investments in direct financing leases with the partnerships is presented in Note 5.

Eastbridge Apartments, LLC

<u>Financing Lease</u>

On March 3, 2009, Eastbridge Apartments, LLC ("the Company") entered into a financing lease agreement with the Authority to lease the buildings and other improvements constructed or to be constructed thereon comprising the project. The lease agreement was amended on December 30, 2010 and February 9, 2011 (collectively, the "Lease Agreement"). The Lease Agreement is for the period from March 3, 2009 (inception) through December 31, 2097. The Lease Agreement is treated as a capital lease.

Pursuant to the Lease Agreement, the base rent is one dollar ($1) per year. Eastbridge Apartments agreed to make additional payments of up to $24,885,000 in installments tied to the possession of the project. The required additional lease payments were paid in full in 2011.

<u>Bonds Payable</u>

In November 2008, the Authority as Managing Member entered into a tax-exempt revenue bond trust indenture (the "Revenue Bonds") with The Bank of New York Mellon Trust Company, N.A. The aggregate principal amount of the Revenue Bonds is $7,120,000, with an interest rate equal to approximately 3.50 to 5.625 percent per annum. The Revenue Bonds proceeds were loaned to Eastbridge Apartments, LLC by the Authority through the Financing Agreement (the "Financing Agreement"). The Financing Agreement is secured by a leasehold deed of trust encumbering Eastbridge Apartments' interests in the property and will be nonrecourse to the Company and its members. Interest is payable semiannually on each June 1 and December 1, commencing June 1, 2009, to maturity or earlier redemption of the Revenue Bonds, as set forth in the trust indenture.

As of December 31, 2015, the outstanding principal balance on the Bonds Payable, net of unamortized original issue discount was $6,762,124. Minimum future annual principal payments are as follows:

Year Ending December 31,	
2016	$ 70,000
2017	75,000
2018	75,000
2019	80,000
2020	85,000
Thereafter	6,475,000
Subtotal	$ 6,860,000
Less: Bond issue discount;net	(97,876)
Total	$ 6,762,124

Loan

On March 9, 2009, the Company received a loan of $3,800,000 from the Authority to finance the construction of the project. The loan accrues interest at an annual rate of 6.5 percent and is compounded annually if interest is not paid in full. Interest is payable from Net Cash Flow, as defined in the Operating Agreement, in the order set forth in the Operating Agreement. The principal and accrued interests are due and payable on the maturity date of March 31, 2059. The KCHA Loan is secured by a single leasehold deed of trust encumbering the Company's interests in the property and will be nonrecourse to the Company and its members. As of December 31, 2015, the outstanding balance on the loan was $2,811,182.

Hope VI Loan

The Authority received a HOPE VI grant of $470,556 from the Department of Housing and Urban Development. On February 19, 2010, the Authority loaned the proceeds of the HOPE VI grant (the “Hope VI Loan”) to the Company. The loan accrues interest at an annual rate of 6.5 percent and is compounded if interest is not paid in full. Interest is payable from Net Cash Flow, as defined in the Operating Agreement, in the order set forth in the Operating Agreement. The principal and accrued interests are due and payable at maturity. The Hope VI Loan matures on March 31, 2059. The Hope VI Loan is secured by a single leasehold deed of trust encumbering the Company's interests in the property and is nonrecourse to the Company and its members.

As of December 31, 2015, the outstanding balance on the Hope VI Loan was $470,556.

Project-based rental assistance payment contract

In 2009, the Company entered into a project-based rental assistance payment contract (the “HAP Contract”) with the Authority for a period of ten years. Pursuant to the HAP Contract, the Authority will make rental assistance payments on behalf of residents for 31 units. The rental assistance payments are included in rental income in the accompanying statement of operations.

Regulatory and Operating Agreement

On March 3, 2009, the Company entered into a Regulatory and Operating Agreement (the "R&O Agreement") with the Authority. Pursuant to the R&O Agreement, 13 units are obligated to be maintained and operated continuously as public housing units in accordance with applicable public housing requirements, as defined in the R&O Agreement. The Authority will make operating subsidy payments to the Project up to the amount it receives from U.S. Department of Housing of Urban Development with respect to the project, provided the units remain in compliance with applicable public housing requirements. For the year ended December 31, 2015, operating subsidy payments of $26,000 was received by the Company from the Authority.

Egis Housing Limited Partnership

Lease Agreement

On May 25, 2007, Egis Housing Limited Partnership ("the Partnership") entered into a financing lease agreement with the Authority to lease the land, buildings, land improvements, and personal property, comprising the Project. The Lease Agreement is for the period from May 25, 2007 through December 31, 2096. Pursuant to the guidance for accounting for leases, the Lease Agreement is treated as an operating lease from May 25, 2007 to July 25, 2007, the date of HUD approval of the transfer and the termination of a reversionary interest in favor of the Authority as Authority, and as a capital lease thereafter.

Pursuant to the Lease Agreement, the base rent is one dollar ($1) per year. The Partnership agrees to make additional lease payments of $34,740,000 in installments (the "Lease Payable").

The Partnership's Lease Payable bears interest at a rate of 5.15 percent per annum, compounded annually. As of December 31, 2015, the outstanding Lease Payable balance was $15,196,619. The principal and accrued interest is payable out of equity contribution and cash flows as defined in the Operating Agreement. For the year ended December 31, 2015, accrued interest on the Lease Payable was $5,927,123. For the year ended December 31, 2015, interest paid to the Authority on the Lease Payable was $1,034,591.

Rehabilitation Loan A

During September 2007, the Partnership entered into a loan agreement in the maximum amount of $3,768,000 (the "Rehabilitation Loan A") with the Authority to finance the rehabilitation of the Project. The Authority will make the loan in installments, with an initial installment in the amount of $2,800,000 and the subsequent installments made from the requests of the Partnership for documented project costs approved by the Authority. The Rehabilitation Loan A bears no interest. Payments of principal are to be made annually from cash flow as defined by the Partnership Agreement. The Rehabilitation Loan A matures on December 31, 2057, and is secured by the project.

As of December 31, 2015, the outstanding principal balance on the Rehabilitation Loan A was $2,800,000.

Rehabilitation Loan B

During September 2007, the Partnership entered into a loan agreement in the amount of $22,550,000 (the "Rehabilitation Loan B") with the Authority to finance the rehabilitation of the Project. The Rehabilitation Loan B bears no interest. Payments of principal are to be made annually from cash flow as defined by the Partnership Agreement. The Rehabilitation Loan B matures on December 31, 2057 and is secured by the project.

As of December 31, 2015, the outstanding principal balance on the Rehabilitation Loan B was $22,550,000.

Rehabilitation Loan C

During September 2007, the Partnership entered into a loan agreement in the amount of $9,250,000 (the “Rehabilitation Loan C”) with the Authority to finance the rehabilitation of the project. The Rehabilitation Loan C bears no interest. Payments of principal are to be made annually from cash flow as defined by the Partnership Agreement. The Rehabilitation Loan C matures on December 31, 2057 and is secured by the Project.

As of December 31, 2015, the outstanding principal balance on the Rehabilitation Loan C was $9,250,000.

Property management fee

Pursuant to the property management agreement, the Authority as Authority will receive a monthly fee for its management services. The monthly property management fee will be $40 for each unit or such other amount as permitted by HUD and will be paid on the 15th of the month following the month in which the services were rendered. For the year ended December 31, 2015, the property management fee was $258,000.

Advances payable

The Authority paid expenses on behalf of the Partnership. The advances were unsecured and did not bear interest. As of December 31, 2014, the balance payable to the Authority was $81,748.

Regulatory and Operating Agreement

On July 30, 2007, the Partnership entered a Regulatory and Operating Agreement with the Authority. Pursuant to the R&O Agreement, all of the Project units shall be maintained and operated continuously as public housing units in conformity with applicable public housing requirements, as defined in the R&O Agreement. The Authority will make operating subsidy payments to the Project up to the amount it receives from HUD with respect to the Project, provided the units remain in compliance with applicable public housing requirements. For the year ended December 31, 2015, the Partnership received operating subsidy of $1,443,624.

Fairwind Apartments LLLP

Hope VI Loan

The Authority received a HOPE VI grant of $3,600,000 from the Department of Housing and Urban Development. On March 30, 2012, the Authority loaned the proceeds of the HOPE VI grant (the “Hope VI Loan”) to the Partnership. The loan accrues interest at an annual rate of 5.75 percent and is compounded if interest is not paid in full. Payments of principal and interest shall be made annually from cash flow available for such purpose in accordance with the Partnership agreement. The principal and accrued interests are due and payable at maturity. The Hope VI Loan matures on March 30, 2062. The Hope VI Loan is secured by a single leasehold deed of trust encumbering the Partnership's interests in the property and is nonrecourse to the Partnership and its partners.

As of December 31, 2015, the outstanding balance on the Hope VI Loan was $3,600,000. For the year ended December 31, 2015, interest expense on the Hope VI Loan was $207,000.

Advances payable

The Authority paid expenses on behalf of the Partnership. The advances were unsecured and did not bear interest. As of December 31, 2015, the balance payable to the Authority was $30,637.

Regulatory and Operating Agreement

On March 30, 2012, the Partnership entered a Regulatory and Operating Agreement with the Authority. Pursuant to the R&O Agreement, all of the Project units shall be maintained and operated continuously as public housing units in conformity with applicable public housing requirements, as defined in the R&O Agreement. The Authority will make operating subsidy payments to the Project up to the amount it receives from HUD with respect to the Project, provided the units remain in compliance with applicable public housing requirements. For the year ended December 31, 2015, the Partnership received operating subsidy of $262,560.

Green River Homes LLC

Financing lease

During June 2004, Green River Homes LLC ("the Company") entered into a $3,000,000 financing lease (the "Financing Lease") with the Authority to acquire, develop, and rehabilitate the project for its use as a low income housing project. Interest shall accrue on the unpaid balance of $3,000,000 at an interest rate equal to 4.65 percent per annum, compounded annually. Within 90 days following the end of each calendar year commencing on December 31, 2004 through December 31, 2019, the Company shall make interest only payments from Available Cash Flow, if any, as defined by the Operating Agreement and in the order set forth in the Operating Agreement. Within 90 days following the end of each calendar year commencing on December 31, 2020 through December 31, 2044, payments of principal and interest in the amount sufficient to amortize the remaining principal and interest balance are due and payable. Within 90 days following the end of each calendar year commencing December 31, 2044, through the maturity date the Company shall make a minimum rent payment in the amount of $100. The maturity date on the Financing Lease is June 1, 2079. As of December 31, 2015 the outstanding principal balance on the Financing Lease was $3,000,000.

Weatherization note

During 2005 the Company entered into a $126,742 Weatherization Loan agreement with the Authority. The note bears interest at the rate of 4.35 percent compounded annually. Payments of principal and interest commence on July 31, 2020 and are due in full on July 31, 2045. As of December 31, 2015 the outstanding principal balance on the note was $126,742.

Development fee note

During June 2004 the Company entered into a Developer Services Agreement with the Authority. The Company is obligated to pay a development fee of $886,493 for services performed in connection with the development of the project. Any unpaid portion of the fee is unsecured and bears no interest. The development fee is to be repaid only to the extent of available project development proceeds as defined by the Operating Agreement. Any balance of the developer fee shall be paid in equal amounts over a period of ten years commencing in 2006 from Cash Flow, if any, as defined in the Operating Agreement and in the order set forth in the Operating Agreement. Any unpaid deferred developer fee shall be paid in full no later than March 15, 2017. As of December 31, 2015 the outstanding balance on the developer fee was $36,500.

Master loan and regulatory agreement

During June 2004 the Company entered into a master loan and regulatory agreement regarding the subordinate loans (the “Master Loan Agreement”) with the Authority. The loan is secured by a deed of trust on the project. Pursuant to the terms of the Master Loan Agreement, interest accrues on the Term Loan at a rate equal to 4.65 percent per annum, compounded annually. Within ninety days following the end of the each calendar year commencing on December 31, 2005, the Company shall make a payment within 90 days of year-end of principal and accrued interest from Cash Flow, if any, as defined by the Operating Agreement and in the order set forth in the Operating Agreement. The balance of the Term Loan is due on or before December 31, 2055. As of December 31, 2015 the Company had drawn $49,900 on the Term Loan.

Advances payable to the Authority

As of December 31, 2015, advances payable to the Authority totaled $28,761. The Authority periodically advances to the Company to finance various operating and development costs. The advances do not bear interest and are unsecured.

Property management fee

During June 2004 the Company and the Authority entered into a Property Management Agreement (the “Property Management Agreement”). Pursuant to the Property Management Agreement the Authority is entitled to an annual management fee equal to 7 percent of the gross revenues received, as defined in the Property Management Agreement. For the year ended December 31, 2015, the Company’s property management fee expense was $46,872.

Green River Homes 2 LLC

KCHA Loan 1

On December 29, 2011, the Authority issued tax-exempt bonds in the amount of $9,500,000 (the “KCHA Loan 1”) and loaned the proceeds to the Company. The KCHA Loan 1 bears simple interest rate equal to 0.6 percent per annum with a maturity date of January 1, 2067. The KCHA Loan 1 is not secured by the property. As of December 31, 2015, the outstanding principal on the KCHA Loan 1 was $9,500,000.

KCHA Loan 2

On December 29, 2011, the Authority loaned $3,500,000 (the “KCHA Loan 2”) to the Company. The KCHA Loan 2 bears simple interest rate equal 0.6 percent per annum with a maturity date of January 1, 2067. The KCHA Loan 2 is not secured by the property. As of December 31, 2015, the outstanding principal on the KCHA Loan 2 was $2,816,557.

Property management fee

On May 1, 2012 the Company entered into a property management agreement with the Authority (the “Property Management Agreement”). Pursuant to the Property Management Agreement, the Company will pay the Authority for its management services. The fee will be paid by the 15th of the month following the month in which the services were rendered. The monthly fee will be the greater of 7 percent of collected rents. For the year ended December 31, 2015, the property management fee was $52,060.

Property purchase option

The Authority has an option to purchase the project at the end of the low-income housing tax compliance period at a price specified in the Operating Agreement. In order to exercise this option, the Authority must meet certain requirements outlined in the Operating Agreement.

Housing assistance subsidy

On February 1, 2013, the Company entered into a Project-based Rental Assistance Contract (the "Assistance Contract") with the Authority. Under the terms of the contract, the Authority will provide rental assistance on behalf of all 59 units at the property. The rental assistance is included in rental revenue on the accompanying statements of operations.

Due to KCHA

The Authority pays certain miscellaneous expenses on behalf of the Company. The advances bear no interest and are repayable on demand. The advances are not secured. As of December 31, 2015, $18,586 was due to the Authority.

Harrison House Apartments LLC

Financing lease

During May 2004, Harrison House Apartments LLC ("the Company") entered into a $4,100,000 financing lease (the "Financing Lease") with the Authority to acquire, develop, and rehabilitate the project for its use as a low-income housing project. Upon execution of the Financing Lease the Company made an initial payment of $600,000. Interest shall accrue on the unpaid balance of $3,500,000 at an interest rate equal to 4.65 percent per annum, compounded annually. Within 90 days following the end of each calendar year commencing on December 31, 2005 through December 31, 2020 the Company shall make interest only payments from Cash Flow, as defined by the Operating Agreement and in the order set forth in the Operating Agreement. Within 90 days following the end of each calendar year commencing on December 31, 2021 through December 31, 2044, payments of principal and interest in the amount sufficient to amortize the remaining principal and interest balance are due and payable. Within 90 days following the end of each calendar year commencing December 31, 2044, through the maturity date the Company shall make a minimum rent payment in the amount of $100. The maturity date on the Financing Lease is June 1, 2079. As of December 31, 2015 the outstanding principal balance on the Financing Lease was $3,500,000. For the year ended December 31, 2015, total interest incurred on the Financing Lease was $193,412. As of December 31, 2015, interest payable was $767,767.

Weatherization note

During April 2005 the Company entered into a weatherization note payable with the Authority. The note accrued interest equal to 4.75 percent per annum, compounded annually. No payments are required until February 15, 2020 at which time the note requires annual payments of $17,233. As of December 31, 2015 the outstanding principal balance on the note was $125,445.

Development fee note

During May 2004 the Company entered into a Developer Services Agreement with the Authority. The Company is obligated to pay a development fee of $915,541 for services performed in connection with the development of the project. Any unpaid portion of the fee is unsecured and bears no interest. The development fee is to be repaid only to the extent of available project development proceeds as defined by the Operating Agreement. Any balance of the developer fee shall be paid in equal amounts over a period of ten years commencing in 2006 from Cash Flow, if any, as defined in the Operating Agreement and in the order set forth in the Operating Agreement. Any unpaid deferred developer fee shall be paid in full no later than March 15, 2017. As of December 31, 2015 the outstanding balance on the developer fee was $36,609.

Master loan and regulatory agreement

The Company entered into a master loan and regulatory agreement regarding the subordinate loans (the "Master Loan Agreement") with the Authority. The loan is secured by a deed of trust on the project. Pursuant to the terms of the Master Loan Agreement, interest accrues on the $550,000 Term Loan at a rate equal to 4.65 percent per annum, compounded annually. Within ninety days following the end of the each calendar year commencing on December 31, 2013, the Company shall make a payment within 90 days of year-end of principal and accrued interest from Cash Flow, if any, as defined by the Operating Agreement and in the order set forth in the Operating Agreement. The balance of the Term Loan is due on or before December 31, 2055. As of December 31, 2015 the Company had drawn $550,000 on the Term Loan.

Advances and Fees payable to the Authority

The Authority periodically advances funds to the Company to finance various operating costs. The Authority is also entitled to certain property management and asset management fees. The advances and fees payable do not bear interest and are unsecured. As of December 31, 2015, advances and fees payable to the Authority totaled $32,670.

Property management fee

During May 2004 the Company and the Authority entered into a Property Management Agreement (the "Property Management Agreement"). Pursuant to the Property Management Agreement the Authority is entitled to an annual management fee equal to 7 percent of the gross revenues received, as defined in the Property Management Agreement. For the year ending December 31, 2015, property management fee paid to the Authority was $48,480.

KCHA – Cones Limited Partnership

Weatherization/Energy Loans

During October 2003, the Authority as General Partner made loans to KCHA – Cones Limited Partnership ("the Partnership") in the total maximum principal amount of $362,116 to finance the rehabilitation of the Project (the "Weatherization/Energy Loans"). One loan in the amount of $124,116 bears interest at a rate of 1 percent per annum, compounded annually. The other loan in the amount of $238,000 bears interest at a rate of 4.75 percent per annum, compounded annually. Beginning in March of 2019, the Partnership is required to make annual principal and interest payments to the Authority in the amount of $43,061. However, this amount will be adjusted due to pre-payment of loan principal from net cash flow. The loans mature on March 15, 2044, and are secured by a subordinated deed of trust against the Project.

As of December 31, 2015, the outstanding principal balance on the loans was $362,115. For the year ended December 31, 2015, interest expense on the loans was $17,151.

Notes Payable

During July 2004, the Authority issued a $3,200,000 loan to the Partnership to finance the acquisition and rehabilitation of the Project. The note bears interest at a rate of 4.75 percent per annum, compounded annually. The Partnership is required to make annual interest only payments to the Authority beginning January 5, 2005, until the maturity date, at which date the Partnership must repay the outstanding balance and all accrued interest. The note matures on July 30, 2044, and is secured by a deed of trust against the Project.

As of December 31, 2015, the outstanding balance on the note was $3,200,000. For the year ended December 31, 2015, interest expense on the KCHA Loan was $152,000.

KCHA – Southwood Square Limited Partnership

Financing lease

In October 2001, KCHA – Southwood Square ("the Partnership") entered into a capital lease agreement (the "Financing Lease") with the Authority to lease the land, building and improvements, and personal property. The Financing Lease period is from October 2001 through December 2099. The Partnership has an option to purchase the property at any time.

Pursuant to the Financing Lease and the Loan and Regulatory Agreement, the Partnership is required to pay in full all sources of funds obtained by the Authority for the purpose of financing the acquisition and rehabilitation of the Project.

Revenue Bonds

During October 2001, the Authority issued revenue bonds on behalf of the Partnership in an original principal amount of $5,000,000 (the "Revenue Bonds") to finance the acquisition and rehabilitation of the Project. $4,115,000 of the Revenue Bonds were issued at a discount, priced to yield varying rates of interest from 6.2 percent to 6.3 percent, with a total original issuance discount of $52,416. During the year ended December 31, 2014, amortization of original issuance discount included in interest expense was $1,752. The Revenue Bonds accrue interest, beginning on October 1, 2001, at varying rates from 3.25 percent per annum to 6.20 percent per annum. The terms of the Revenue Bonds call for annual principal payments on October 1 of each year made in increasing amounts over the term of the bonds, and for semiannual interest payments on April 1 and October 1 of each year. The Revenue Bonds mature on October 1, 2031. The Revenue Bonds are secured by a deed of trust on the Partnership's interest in the project, certain partnership trust accounts and a noncurrent debt security.

As of December 31, 2015, the principal balance, net of unamortized original issuance discount was $3,597,392. For the year ended December 31, 2015, interest expense was $229,946.

Notes Payable

The Partnership secured two notes payable (the "Notes Payable") from the Authority to finance the acquisition and rehabilitation of the Project. The first note (the "First Note") is in the amount of $380,000, and bears simple interest at a rate of 1 percent per annum. The First Note repayment terms call for interest only payments for the first 15 years, and payment of principal and interest over the remaining 35 years of the loan. The First Note matures in January 2052. As of December 31, 2015, the principal balance on the First Note was $380,000 and accrued interest payable was $950. For the year ended December 31, 2015, interest expense was $3,800.

The second loan from the Authority (the “Second Note”) is in the amount of $575,000 and bears interest at a rate of 1 percent per annum, compounded annually. The Second Note requires principal and interest payments to commence in the 16th year of the note term. The Second Note matures in January 2052. As of December 31, 2015, the principal balance on the Second Note was $575,000. For the year ended December 31, 2015, interest expense was $6,544.

Minimum revenue bond and note payable payments

Minimum future lease payments on the Revenue Bonds and the Notes Payable pursuant to the Financing Lease and the Loan and Regulatory Agreement are as follows:

	Revenue Bonds	Notes Payable	Total
Year Ending December 31,			
2016	$ 363,770	$ 3,800	$ 367,570
2017	365,230	3,800	369,030
2018	366,080	32,621	398,701
2019	361,320	32,621	393,941
2020	361,255	32,621	393,876
Thereafter	3,991,730	1,177,942	5,169,672
Total	5,809,385	1,283,405	7,092,790
Less: Interest	(2,184,385)	(242,457)	(2,426,842)
Less: Bond Issue Discount	(27,608)		(27,608)
Total minimum future lease payments	$ 3,597,392	$ 1,040,948	$4,638,340

Development note

The Partnership is obligated to pay the Authority a development fee of $1,100,000 for services rendered in connection with the acquisition and rehabilitation of the Project. The development note bears compound interest at 6 percent. Principal and interest payments are to be made from net cash flow and net proceeds, as defined in the Partnership Agreement. In the event any portion of the development note remains unpaid by the thirteenth anniversary of the completion date, as defined in the Partnership Agreement, such amount is to be paid from the proceeds of the additional capital contributions required by the Authority. During 2015, the unpaid principal on the development note and all accrued interest were paid off in full. As of December 31, 2015, unpaid principal on the development note was $0. For the year ended December 31, 2015, interest expense was $5,222.

Nia Apartments LLC

Financing Lease

In March 2007, Nia Apartments LLC (“the Company”) entered into a capital lease agreement (the “Financing Lease”) with the Authority for the land, building and improvements, and personal property. The Financing Lease is for the period from March 15, 2007 through December 31, 2096. The Financing Lease is secured by the property. The Financing Lease is treated as a capital lease. Pursuant to the Financing Lease, the Company is required to pay rent in the amount of $1 per annum commencing in January 2008. In addition, the Company is responsible for all cost related to construction of the property.

Revenue Bonds

During December 2006, the Authority entered into tax-exempt revenue bond trust indenture (the "Revenue Bonds") with U.S. Bank National Association. The aggregate principal amount of the Revenue Bonds is $3,000,000, with a simple interest ranging from 4.45 percent to 4.75 percent per annum. The weighted average interest rate at December 31, 2014 was 4.71 percent per annum. The Revenue Bonds are secured by the general revenue of the Authority and bond proceeds were loaned to the Company by the Authority through the Financing Agreement. Interest is payable on each January 1 and July 1 through the later of the maturity date or redemption as set forth in the trust indenture of the Revenue Bonds. Interest payments commenced on July 1, 2007. The maturity date is January 1, 2037.

As of December 31, 2015, the outstanding balance on the Revenue Bonds was $2,795,000. For the year ended December 31, 2015, interest expense on the Revenue Bonds was $131,817.

Future minimum principal payments over each of the next five years and thereafter are due as follows:

Year Ending December 31,		
2016	$	40,000
2017		40,000
2018		45,000
2019		45,000
2020		45,000
Thereafter		2,580,000
Total	$	2,795,000

Note Payable

The Company obtained a note payable (the "Note Payable") from the Authority to finance the construction of the project. The Note Payable is in the amount of $328,000 and bears compounded interest at the greater of 4.75 percent or the long term applicable federal rate in effect as of the day of this loan, which was 4.60 percent. The Note Payable requires principal and interest payments to be deferred until the maturity date of March 15, 2058. The Note Payable is secured by the Project. As of December 31, 2015, the principal balance on the Note Payable was $328,000. For the year ended December 31, 2015, interest expense was $21,035.

HOPE VI Loan

The Authority received a HOPE VI grant of $3,200,000 from the Department of Housing and Urban Development and loaned the proceeds of the HOPE VI grant (the "HOPE VI Loan") to the Company through a Master Loan Agreement dated March 15, 2007. The Hope VI Loan bears compounded interest at a rate of 4.60 percent per annum. Interest is payable from Cash Flow, as defined in the Operating Agreement, in the order set forth in the Operating Agreement. The principal and accrued interest is to be payable at the end of the loan term at March 1, 2059. The HOPE VI Loan is secured by the project. As of December 31, 2015, the outstanding balance on the HOPE VI Loan was $3,200,000. For the year ended December 31, 2015, interest expense on the HOPE VI Loan was $193,367.

Project-based rental assistance payment contract

In 2007, the Company entered a project-based rental assistance payment contract (the "HAP Contract") with the Authority for an initial minimum term of 10 years. Pursuant to the HAP Contract, the Authority will make rental assistance payments on behalf of residents for 41 units. The rental assistance payments are included in rental income in the accompanying statement of operations.

Regulatory and Operating Agreement

In 2007 the Company entered into a Regulatory and Operating Agreement (the "R&O Agreement") with the Authority. Pursuant to the R&O Agreement, 40 of the total 82 units will be maintained and operated continuously as public housing units in accordance with Applicable Public Housing requirements, as defined in the R&O Agreement. The Authority will make operating subsidy payments to the project up to the amount it receives from the U.S. Department of Housing and Urban Development with respect to the project, provided the 40 units remain in compliance with Applicable Public Housing Requirements. For the year ended December 31, 2015, operating subsidy payments of $154,600 were received each year from the Authority.

Overlake TOD Housing Limited Partnership

Lease agreement

In July 2000, the Authority as General Partner entered into a lease agreement (the "Ground Lease") with King County, Washington for the land. The Authority subsequently leased the land to Overlake TOD Housing Limited Partnership ("the Partnership") through a sub-lease agreement (the "Sub-lease") for construction and operation of the project. Both the Ground Lease and Sub-lease are for the period of July 2002 through July 2050 with an option to extend them for one additional 25-year term. A minimum lease payment is due to King County in the amount of $30,000 beginning in 2003, increasing thereafter by 3 percent per annum. Payments are to be made from net cash flow and net proceeds, as defined in the Ground Lease. As of December 31, 2015, the Sub-lease payable was $42,773. For the year ended December 31, 2015, Sub-lease expense was $42,773.

Notes payable to General Partner

The Authority has loaned to the Partnership various notes payable detailed below. As of December 31, 2015, the total outstanding balance of notes payable due to the Authority was $2,380,604.

The Washington State Convention Center Award Loan in the amount of $1,500,000 accrues simple interest at a rate of 1 percent per annum, compounded annually. Payment of principal and interest is deferred until April 1, 2016. Beginning on April 1, 2017, the Partnership is obligated to pay to the Authority annual principal and interest payments in the amount of $58,416 payable solely from net cash flow. The full balance will be due and payable on or before April 1, 2051. As of December 31, 2015, the outstanding principal balance was $1,220,604.

The County Award Loan in the amount of $500,000 accrues simple interest at a rate of 1 percent per annum, compounded annually. Payment of principal and interest is deferred until April 1, 2016. Beginning on April 1, 2017, the Partnership is obligated pay to the Authority annual principal and interest payments in the amount of $19,552 payable solely from net cash flow. The full balance will be due and payable on or before April 1, 2051. As of December 31, 2015, the outstanding principal balance was $500,000.

The King County Housing Authority Loan in the amount of $660,000 accrues simple interest at a rate of 1 percent per annum. Payments are payable solely from net cash flow pursuant to the Partnership Agreement. The full balance will be due and payable on or before January 1, 2042. As of December 31, 2015, the outstanding principal balance was $660,000.

The above payables are secured by a mortgage or deed of trust against the project. For the year ended December 31, 2015, interest expense for the above loans was $25,754.

Revenue bonds

In July 2000 and June 2001, the Authority as General Partner issued Variable Rate Demand Revenue Bonds, 2000 in the principal amount of $21,525,000 and Variable Rate Demand Revenue Bonds, 2001, Series B in the principal amount of $6,475,000 (collectively, the “Revenue Bonds”). The Authority used the proceeds of the Revenue Bonds to make a loan to the Partnership. The Revenue Bonds mature on January 1, 2043 and the loan from the Authority accrues interest at a rate of 6.3 percent per year. Beginning November 1, 2003, the interest rate was decreased to 5 percent, and effective November 2003, the Authority forgave interest payable of $303,333, which is equal to the difference between the previous interest rate of 6.3 percent and the currently prevailing rate of 5 percent for the period from January 1, 2003 through October 31, 2003. To secure the payment of the Revenue Bonds, the Authority has assigned its rights, title and interests in the loan and regulatory agreement to the U.S. Bank Trust National Association (the “Trustee”). The Revenue Bonds are also secured by a deed of trust against the project. Monthly payments of principal and interest on the Revenue Bonds are due to the Authority, with the principal payments made to a sinking fund, as outlined below.

As of December 31, 2015, principal on the Revenue Bonds was $23,015,000. For the year ended December 31, 2015, interest expense was $1,150,750.

Pursuant to the First Amendment to the Loan and Regulatory Agreement dated December 23, 2003, and the First Amendment to Reimbursement Agreement dated December 18, 2003, the Partnership is required to make monthly mandatory sinking fund payments into the Interest Rate Stabilization Fund beginning November 2005 in the amount of 1/12 of the principal amount of the Revenue Bonds coming due on the next January 1. The Interest Rate Stabilization Fund is owned by the Authority, and payments made by the Partnership are pledged irrevocably to repay the principal of the Revenue Bonds as they come due. The mandatory sinking fund payments made by the Partnership but not yet used by the Authority to repay the Revenue Bonds are classified as sinking fund deposits. As of December 31, 2015, the balance in the sinking fund deposits account was $122,904.

Future minimum principal payments on the Revenue Bonds are due as follows:

Year Ending December 31,	
2016	$ 110,000
2017	125,000
2018	150,000
2019	150,000
2020	150,000
Thereafter	22,330,000
Total	$ 23,015,000

Section 8 contract

The Authority has contracted with the Partnership to make housing assistance payments to the Partnership on behalf of qualified tenants under two contracts. The first contract includes a combination of 8 studio and one-bedroom units and expired on April 30, 2008. In 2008, the first contract was extended for an additional 5 years to 2013. In 2013, the first contract was extended for an additional 3 years to May 1, 2016. The second contract includes 12 two-bedroom units and has an initial term of ten years, automatically renewed for successive terms of ten years, not to exceed 30 years.

Salmon Creek Housing LLC

Bonds Payable

During March 2008, the Authority as Managing Member entered into tax-exempt revenue bond trust indenture (the “Revenue Bond”) with U.S. Bank National Association. The aggregate principal amount of the Revenue Bond is $4,250,000. The Revenue Bond is secured by the general revenue of the Authority. The Revenue Bonds proceeds were loaned to Salmon Creek Housing LLC (“the Company”) by the Authority (the “Bonds Payable”) through the Financing Agreement (the “Financing Agreement”). The Financing Agreement is secured by the project. The Bonds Payable bears interest at a variable rate and interest is payable on the first business day of each month. Interest was subsequently fixed at 3.988 percent through an interest rate swap agreement. The Bonds Payable matures on December 1, 2047. The Company is required to reimburse the Authority for all out of pocket expenses in connection with the Bonds Payable. For the year ended December 31, 2015, the were no reimbursements made to the Authority.

As of December 31, 2015, the outstanding balance on the Bonds Payable was $3,995,000. For the year ended December 31, 2015, interest expense on the Bonds Payable was $160,542.

Future minimum principal payment requirements over the next five years are as follows:

Year Ending December 31,	
2016	$ 55,000
2017	60,000
2018	60,000
2019	65,000
2020	65,000
Thereafter	3,690,000
Total	$ 3,995,000

Note payable

The Company obtained a note payable (the “Note Payable”) dated March 26, 2008, from the Authority to finance the construction of the project. The Note Payable is in the amount up to $5,650,000 and bears interest at the greater of the Applicable Federal Rate at the time the proceeds of the Note Payable are disbursed to the Company or 5.75 percent compounded annually. The Note Payable matures on December 31, 2058. The Note Payable is payable from Net Cash Flow, as defined in the Operating Agreement, and is secured by the project. As of December 31, 2015, the outstanding principal balance on the Note Payable was $2,530,000. For the year ended December 31, 2015, interest expense was $192,056.

HOPE VI Loan

The Authority received a HOPE VI grant of $1,045,595 from the Department of Housing and Urban Development and loaned the proceeds of the HOPE VI grant (the “HOPE VI Loan”) to the Company. The HOPE VI Loan bears interest at the greater of the Applicable Federal Rate or 5.75 percent compounded annually. Interest is payable from Net Cash Flow, as defined in the Operating Agreement, and the principal and accrued interest is due and payable at the end of the loan term, December 31, 2058. The HOPE VI Loan is secured by the Project. As of December 31, 2015, the outstanding principal balance on the HOPE VI Loan was $1,045,595. For the year ended December 31, 2015, interest expense on the HOPE VI Loan was $73,192.

Project-based rental assistance payment contract

On July 15, 2009, the Company entered into a project-based rental assistance payment contract (the HAP Contract) with the Authority for a period of ten years. Pursuant to the HAP Contract, the Authority will make rental assistance payments on behalf of residents for nine units, which has been included in rental income on the accompanying statement of operations.

Regulatory and Operating Agreement

In 2008, the Company entered a Regulatory and Operating Agreement (the “R&O Agreement”) with the Authority. Pursuant to the R&O Agreement, 50 of the total 88 units are to be maintained and operated continuously as public housing units in accordance with Applicable Public Housing Requirements, as defined in the R&O Agreement. The Authority will make operating subsidy payments to the project up to the amount it receives from HUD with respect to the project, provided the 50 units remain in compliance with Applicable Public Housing Requirements. For the year ended December 31, 2015, operating subsidy payments of $200,200 was received from the Authority.

Seola Crossing LLC

Master Loan Agreement

On March 23, 2006, the Company entered into a master loan agreement with the Authority (the “Master Loan Agreement”). Pursuant to the Master Loan Agreement, the Authority will issue revenue bonds and loan the bond proceeds and a portion of its HOPE VI grant to the Company.

Revenue Bond

During April 2006, the Authority entered into taxable revenue bond trust indenture (the “Revenue Bond”) with U.S. Bank National Association. The aggregate principal amount of the Revenue Bond is $6,700,000, with an interest equal to 6.375 percent per annum. The Revenue Bond is secured by the project and bond proceeds are loaned to the Company through the Master Loan Agreement. Interest is payable semiannually on each June 30 and December 31, commencing on December 31, 2006. Annual principal payments are required in increasing amounts beginning December 31, 2008. Pursuant to the Master Loan Agreement, the Company is required to reimburse the Authority for all out of pocket expenses in connection with the loan. The Revenue Bond matures on December 31, 2046. For the year ended December 31, 2015, the amount reimbursed to the managing member was $0.

As of December 31, 2015, the outstanding principal balance on the Revenue Bond was $6,480,000. As of December 31, 2015, accrued interest on the Revenue Bond was $0. For the year ended December 31, 2015, interest expense on the Revenue Bond was $415,331.

Minimum future principal payments are as follows:

Year Ending December 31,		
2016	$	35,000
2017		40,000
2018		40,000
2019		45,000
2020		45,000
Thereafter		6,275,000
Total	$	6,480,000

Note payable

The Company secured a note payable (the “Note Payable”) from the Authority to finance the acquisition and construction of the project. The Note Payable is in the amount of $250,000 and bears interest at the greater of 4.75 percent compounded annually or the long term applicable federal rate as of the day of the loan. As of the day of the loan, the long term applicable federal rate was 5.31 percent.

The Note Payable requires principal and interest payments to be deferred until the maturity date of December 2058. The Note Payable is secured by the project. As of December 31, 2015, the principal balance on the Note Payable was $250,000. For the year ended December 31, 2015, interest expense was $19,407.

HOPE VI loan

The Authority received a HOPE VI grant from the Department of Housing and Urban Development. Pursuant to the Master Loan Agreement, the Authority will loan up to $7,925,000 of the proceeds of the HOPE VI grant (the “HOPE VI Loan”) to the Company. The loan bears compound interest at the long term applicable federal rate as of the date of each loan draw. Interest rates range from 5.02 percent to 5.36 percent. Interest is payable from cash flow, and the principal and accrued interest are due and payable at the end of the loan term, December 31, 2058. The HOPE VI Loan is secured by the project. As of December 31, 2015, the outstanding principal balance was $7,925,000. For the year ended December 31, 2015, interest expense on the HOPE VI Loan was $547,641.

Project-based rental assistance payment contract

In 2006, the Company entered a project-based rental assistance payment contract (the “HAP

Contract”) with the Authority. Pursuant to the HAP Contract, the Authority will make temporary rental assistance payments on behalf of residents for 71 units and permanent payments for 39 units. As of December 31, 2015, there were 38 units receiving temporary rental assistance.

Regulatory and operating agreement

On March 23, 2006, the Company entered a Regulatory and Operating Agreement (the "R&O Agreement") with the Authority. Pursuant to the R&O Agreement, 77 of the total 187 units are obligated to be maintained and operated continuously as public housing units in accordance with applicable public housing requirements, as defined in the R&O Agreement. The Authority will make operating subsidy payments to the project up to the amount it receives from HUD with respect to the project, provided the 77 units remain in compliance with applicable public housing requirements. For the year ended December 31, 2015, operating subsidy payments of $169,300 were received from the Authority.

Sixth Place Apartments LLLP

Lease Agreement

On June 22, 2010, Sixth Place Apartments LLLP ("the Partnership") entered into a financing lease agreement (the "Lease Agreement") with the Authority to lease buildings and other improvements comprising the project. The Lease Agreement is for the period from January 29, 2010 through December 31, 2098. The Lease Agreement is treated as a capital lease.

Pursuant to the Lease Agreement, the base rent is one dollar ($1) per year, payable on January 1 of each year commencing January 1, 2011. In addition, the Partnership is responsible for all cost related to constructing the project.

KCHA First Loan and KCHA Second Loan

The Authority received a grant from the Department of Housing and Urban Development. On June 22, 2010, the Authority entered into a master loan agreement (the "Master Loan Agreement") with the Partnership. Pursuant to the Master Loan Agreement, the Authority made two loans (the "KCHA First Loan" and the "KCHA Second Loan") to the Partnership in an amount not to exceed $300,000 and $6,679,129, respectively. The KCHA First Loan and the KCHA Second Loan are evidenced by two promissory notes and are secured by a single leasehold deed of trust. The KCHA First Loan accrues interest at 4.0 percent compounded annually. The KCHA First Loan is payable from the available Cash Flow, as defined in the Partnership Agreement. The KCHA First Loan matures on June 22, 2060. The KCHA Second Loan accrues no interest and the outstanding principal is due on June 22, 2060.

As of December 31, 2015, the outstanding principal balance and accrued interest on the KCHA First Loan was $113,525 and $16,729, respectively. For the year ended December 31, 2015, interest expense on the KCHA First Loan was $5,010. As of December 31, 2015, the outstanding principal balance on the KCHA Second Loan was $6,679,129.

Regulatory and Operating Agreement

On June 22, 2010, the Partnership entered into a Regulatory and Operating Agreement ("R&O Agreement") with the Authority. Pursuant to the R&O Agreement, all of the project units are obligated to be maintained and operated continuously as public housing units in accordance with applicable public housing requirements, as defined in the R&O Agreement. The Authority will make operating subsidy payments to the project up to the amount it receives from U.S. Department of Housing and Urban Development with respect to the project, provided the units remain in compliance with applicable public housing requirements. For the year ended December 31, 2015, operating subsidy payments of $45,000 was received from the Authority.

Soosette Creek LLC

Lease Agreement

On April 30, 2008, Soosette Creek LLC ("the Company") entered into a financing lease agreement (the "Lease Agreement") with the Authority to lease the land, building, land improvements, off-site work, and personal property, constructed or to be constructed thereon, comprising the project. The Lease Agreement is for the period from April 30, 2008 through December 31, 2097. Pursuant to the Lease Agreement, the base rent is one dollar ($1) per year. The Company agrees to make additional payments of up to $24,675,000 in installments equal to $2,500,000 on or before April 30, 2008, and the remaining balance is payable annually from the net cash flow no later than April 1, 2039. As of December 31, 2015, the outstanding principal balance was $20,077,323. As of December 31, 2015, accrued interest on the lease payable to the Authority was $671,586. The Lease bears simple interest at a rate of 4.46 percent per annum, compounded annually. For the year ended December 31, 2015, interest expense on the lease liability was $914,054.

Loan A

During August 2008, the Authority entered into tax-exempt revenue bond trust indenture (Housing Authority of the County of King, Revenue Bonds, 2008 Birch Creek Apartments Project) (the "Revenue Bonds") with The Bank of New York Mellon Trust Company, N.A. The proceeds of the Revenue Bonds were loaned by the Authority to the Company ("Loan A"). Loan A is secured by the project. The principal amount of Loan A is $37,500,000. Loan A bears simple interest on the unpaid principal balance at a rate equal to 0.65 percent per annum. Payments are made from available cash flow, as set forth in the Operating Agreement. Loan A was issued at a discount of $36,178. For the year ended December 31, 2014, amortization of the issuance discount included in interest expense was $724. All unpaid principal and accrued interest on Loan A is due and payable on September 1, 2058. As of December 31, 2015, the outstanding balance, net of unamortized original issuance discount, was $37,469,131. For the year ended December 31, 2015, interest expense on Loan A was $243,750.

Loan B

During 2009, the Company entered into a master loan agreement from the Authority ("Loan B") in the maximum amount of $6,000,000 for a term not to exceed 55 years. Loan B accrues simple interest at 0.65 percent per annum. As of December 31, 2015, the outstanding balance was $3,387,037. For the year ended December 31, 2015, interest expense on Loan B was $22,016.

DOC Loan

During 2009, the Authority entered into a master loan agreement ("DOC Loan") with the State of Washington in the amount of $2,000,000. The Authority then loaned the amount to the Company. The DOC Loan accrues simple interest at 1.00 percent per annum, commencing July 1, 2010 and continuing through June 30, 2045, at which point interest is accrued at 1.00 percent, compounded annually through June 30, 2050. Payments of simple interest in the amount of $20,000 are due and payable beginning June 30, 2011 and each June 30th thereafter through June 30, 2045. Annual payments in the amount of $412,079.60 are due and payable beginning June 30, 2046, and each June 30 thereafter through June 30, 2050. As of December 31, 2015, the outstanding balance was $2,000,000. For the year ended December 31, 2015, interest expense on the DOC Loan was $20,000.

HAP contract

In 2008, the Company entered a project-based rental assistance payment contract ("HAP Contract") with the Authority. Pursuant to the HAP Contract, the Authority will make rental assistance payments on behalf of residents for up to 262 units. The contract was executed in stages as the units were renovated and occupied by eligible households. The term of the HAP Contract is ten (10) years from the date of the first stage. The HAP Contract is renewable subject to the availability of sufficient appropriated federal funds and program requirement. As of December 31, 2015, 262 units were under contract. For the year ended December 31, 2015, payments received under the HAP Contract were $2,825,376.

Due to Managing Member

The Authority as Managing Member pays certain miscellaneous expenses on behalf of the Company. The advances bear no interest and are repayable on demand. The advances are not secured. As of December 31, 2015, due to the Authority was $124,382.

Vantage Point Apartments LLC

Lease agreement

On June 2, 2014, the Vantage Point Apartments ("the Company") entered into a financing lease agreement (the "Lease Agreement") with the Managing Member to lease land, buildings, and other improvements comprising the project. The Lease Agreement is for the period from June 2, 2014 through December 31, 2113. The Lease Agreement is treated as a capital lease. The assets and liabilities under capital leases are recorded at the lower of the present value of the minimum lease payments or the fair market value of the asset. The assets are depreciated over their estimated useful lives. Pursuant to the Lease Agreement, the base rent is ten dollars ($10) per year, payable on January 1 of each year commencing January 1,2018.

In addition to the annual base rent, the Company is required to make an additional lease payment in the total amount of $1,630,000. The Company made a payment of $163,000 upon the commencement of the Lease Agreement with the remaining balance of $1,467,000 (the "Financing Lease Payable") due and payable no later than May 31, 2017. The Financing Lease Payable bears interest at a compounding rate of 0.32%, which is the short-term Applicable Federal Rate as of the date of the Lease Agreement, commencing on the lease term start date. As of December 31, 2015, the outstanding balance and accrued interest on the Financing Lease Payable were $1,467,000 and $7,389, respectively. For the period beginning March 7, 2013 (inception) and ending December 31, 2015, total interest on the Financing Lease Payable was $7,389, which was expensed.

Bridge Loan

On September 19, 2014, the Company entered into a bridge loan agreement with King County Housing Authority (the Managing Member), in the maximum principal amount of $20,500,000 (the "Bridge Loan"). The Bridge Loan bears interest at a compounding fixed rate of 0.7%. The Bridge Loan matures on September 19, 2016, with the Company's option to extend for 180 days. The Bridge Loan is secured by the Leasehold Deed of Trust, as defined in the Bridge Loan Agreement. The Bridge Loan will be repaid from the proceeds of the Second Capital Contribution and Master Loan in accordance with the terms of the Operating Agreement.

As of December 31, 2015, the outstanding principal and accrued interest on the Bridge Loan was $17,895,000 and $73,004, respectively. For the period beginning March 7, 2013 (inception) and ending December 31, 2015, interest on the Bridge Loan was $73,004, of which $22,027 was expensed and $50,977 was capitalized into fixed assets on the accompanying balance sheet.

Master loans

On September 19, 2014, the Company entered into a master loan agreement (the "Master Loan Agreement") with the Managing Member. The Master Loan Agreement consists of four loans ("Master Loans"): Master Loan A in the amount of $5,000,000 bearing 3.75% annual interest; Master Loan B in the amount of $3,000,000 bearing 0.1% annual interest; Master Loan C in the amount of $2,000,000 bearing 0.1% annual interest; and Master Loan D in the amount of up to $2,500,000 bearing 0.1% annual interest. The Master Loans will be repaid from Net Cash Flow, as defined and in accordance with the Operating Agreement.

As of December 31, 2015, the outstanding principal and accrued interest on the Master Loan A was $5,000,000 and $209,114, respectively. For the period beginning March 7, 2013 (inception) and ending December 31, 2015, interest on the Master Loan A was $209,114, of which $32,426 was expensed and $176,688 was capitalized into fixed assets on the accompanying balance sheet.

As of December 31, 2015, Master Loan B, Master Loan C, and Master Loan D had not been drawn on and no interest had been incurred.

Due to KCHA

The Authority advanced funds to the Company to pay certain operational costs. Advances from the Managing Member do not bear interest and are to be reimbursed by operations. As of December 31, 2015, the total amount due to the Managing Member was $121,179.

Regulatory and Operating Agreement

On December 1, 2015, the Company entered a Regulatory and Operating Agreement ("R&O Agreement") with the Authority. Pursuant to the R&O Agreement, all of the Project units will be maintained and operated continuously as public housing units in accordance with Applicable Public Housing Requirements, as defined in the R&O Agreement. The Managing Member will make operating subsidy payments (the "Operating Subsidy") to the project up to the amount it receives from HUD with respect to the project, provided the units remain in compliance with Applicable Public Housing Requirements. For the period beginning March 7, 2013 (inception) and ending December 31, 2015, Operating Subsidy of $51,282 was received from the Authority.

Zephyr Apartments LLLP

Lease Agreement

On January 29, 2010, Zephyr Apartments LLLP ("the Partnership") entered into a financing lease agreement (the "Lease Agreement") with the Authority to lease buildings and other improvements comprising the project. The Lease Agreement is for the period from January 29, 2010 through December 31, 2098. The Lease Agreement is treated as a capital lease.

Pursuant to the Lease Agreement, the base rent is one dollar ($1) per year. In addition, the Partnership is responsible for all cost related to constructing the Project.

HOPE VI Funds

The Authority received a HOPE VI grant in the amount of $20,000,000 from the Department of Housing and Urban Development. On January 29, 2010, the Authority entered into a master loan agreement (the “Master Loan Agreement”) with the Partnership. Pursuant to the Master Loan Agreement, the Authority made two loans (the “KCHA Second Loan” and the “KCHA Third Loan”) to the Partnership in an amount not to exceed $5,300,000 and $500,000, respectively. The KCHA Second Loan and the KCHA Third Loan mature on January 31, 2050 and are secured by a single leasehold deed of trust. The KCHA Second Loan and the KCHA Third Loan are evidenced by two promissory notes and accrue interest at 0.2 percent annually. Interest is paid from available cash flow, as defined in the Partnership Agreement.

As of December 31, 2015, the outstanding principal balance and accrued interest on the KCHA Second Loan was $5,300,000 and $45,894, respectively. For the year ended December 31, 2015, interest expense on the KCHA Second Loan was $10,600.

As of December 31, 2015, the outstanding principal balance and accrued interest on the KCHA Third Loan was $275,000 and $1,931, respectively. For the year ended December 31, 2015, interest expense on the KCHA Third Loan was $550.

Regulatory and Operating Agreement

On January 29, 2010, the Partnership entered a Regulatory and Operating Agreement (“R&O Agreement”) with the Authority. Pursuant to the R&O Agreement, all of the project units shall be maintained and operated continuously as public housing units in accordance with applicable public housing requirements, as defined in the R&O Agreement. The Authority will make operating subsidy payments to the project up to the amount it receives from HUD with respect to the project, provided the units remain in compliance with applicable public housing requirements. For the year ended December 31, 2015, operating subsidy payments of $52,500 was received from the Authority.

Note 11 – Supplemental Financial Information

Current Receivables:			
Grants: DOE		$	28,888
Grants: HUD, Section 8 program			95,594
Grants: HUD, ROSS			61,505
Grants: HUD, Capital Funds Program			533,278
Grants: HUD, Multi-family Service Coordinators			13,716
Grants: HHS			196,970
Grants: USDA			11,147
Grants: State of Washington Matchmaker			22,612
Grants: State and Local - HASP			23,318
Grants: State - Miscellaneous			28,768
Grants: Bellevue CDBG			118,273
Grants: Puget Sound Energy			337,449
Interest: Notes and financing lease			1,644,535
Other Housing Authorities - Portability			426,727
Tenants			201,641
Tax Credit Partnerships			569,354
Other			771,694
	Total	**$**	**5,085,469**
Other Current Assets:			
Prepaid expense		$	939,354
Materials & mobile home inventory			102,997
	Total	**$**	**1,042,351**
Other Noncurrent Assets:			
Investment in tax credit properties		$	6,305
Prepaid Expense			420,538
Other			55,038
		$	**481,881**
Other Current Liabilities:			
Accounts payable		$	5,789,423
Interest payable			929,297
Accrued compensated absences			2,356,248
Tenant security deposits			2,187,241
Accrued wages and benefits			653,170
Family Self Sufficiency escrow			196,995
Contract Retentions			421,560
Unearned rent			92,330
Unearned Revenue			42,022
Other			5,312,790
	Total	**$**	**17,981,076**

Other Noncurrent Liabilities:

Noncurrent interest		316,302
Family Self Sufficiency escrow		640,755
Unearned revenue		536,889
Total	**$**	**1,493,946**

Other Revenue:

Portability administrative fee from other authorities	$	1,721,865
Other portability income		27,940,995
Non-dwell rent		602,443
Home and lot sales revenue		689,471
Property management fees		1,040,699
Developer fees		600,000
Conduit loan fees		132,642
Unit upgrade		2,819,994
Weatherization owner contributions		255,565
Other		1,119,947
Total		**36,923,621**

Net Gain (Loss) on Disposal of Capital Assets:

Vehicles and Equipment	$	47,147
Total	**$**	**47,147**

Note 12 – Pension Plans

The following table represents the aggregate pension amounts for all plans subject to the requirements of the GASB Statement 68, *Accounting and Financial Reporting for Pensions* for the year 2015:

Aggregate Pension Amounts – All Plans		
Pension liabilities	$	19,367,496
Pension assets	$	-
Deferred outflows of resources	$	2,329,839
Deferred inflows of resources	$	2,927,456
Pension expense/expenditures	$	987,596

State Sponsored Pension Plans

Substantially all the Authority's full-time and qualifying part-time employees participate in one of the following statewide retirement systems administered by the Washington State Department of Retirement Systems, under cost-sharing, multiple-employer public employee defined benefit and defined contribution retirement plans. The state Legislature establishes, and amends, laws pertaining to the creation and administration of all public retirement systems.

The Department of Retirement Systems (DRS), a department within the primary government of the State of Washington, issues a publicly available comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for each plan. The DRS CAFR may be obtained by writing to:

Department of Retirement Systems
Communications Unit
P.O. Box 48380
Olympia, WA 98540-8380

Or the DRS CAFR may be downloaded from the DRS website at www.drs.wa.gov.

Public Employees' Retirement System (PERS)

PERS members include elected officials; state employees; employees of the Supreme, Appeals and Superior Courts; employees of the legislature; employees of district and municipal courts; employees of local governments; and higher education employees not participating in higher education retirement programs. PERS is comprised of three separate pension plans for membership purposes. PERS plans 1 and 2 are defined benefit plans, and PERS plan 3 is a defined benefit plan with a defined contribution component.

PERS Plan 1 provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the member's average final compensation (AFC) times the member's years of service. The AFC is the average of the member's 24 highest consecutive service months. Members are eligible for retirement from active status at any age with at least 30 years of service, at age 55 with at least 25 years of service, or at age 60 with at least five years of service. Members retiring from active status prior to the age of 65 may receive actuarially reduced benefits. Retirement benefits are actuarially reduced to reflect the choice of a survivor benefit. Other benefits include duty and non-duty disability payments, an optional cost-of-living adjustment (COLA), and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. PERS 1 members were vested after the completion of five years of eligible service. The plan was closed to new entrants on September 30, 1977.

<u>Contributions</u>

The **PERS Plan 1** member contribution rate is established by State statute at 6 percent. The employer contribution rate is developed by the Office of the State Actuary and includes an administrative expense component that is currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 1 employer contribution rates. The PERS Plan 1 required contribution rates (expressed as a percentage of covered payroll) for 2015 were as follows:

PERS Plan 1		
Actual Contribution Rates:	**Employer**	**Employee***
January through June 2015	9.21%	6.00%
July through December 2015	11.18%	6.00%

* For employees participating in JBM, the contribution rate was 12.26 percent

The Authority's actual contributions to the plan were $1,044,161 for the year ended December 31, 2015.

PERS Plan 2/3 provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the member's average final compensation (AFC) times the member's years of service for Plan 2 and 1 percent of AFC for Plan 3. The AFC is the average of the member's 60 highest-paid consecutive service months. There is no cap on years of service credit. Members are eligible for retirement with a full benefit at 65 with at least five years of service credit. Retirement before age 65 is considered an early retirement. PERS Plan 2/3 members who have at least 20 years of service credit and are 55 years of age or older, are eligible for early retirement with a benefit that is reduced by a factor that varies according to age for each year before age 65. PERS Plan 2/3 members who have 30 or more years of service credit and are at least 55 years old can retire under one of two provisions:

- With a benefit that is reduced by three percent for each year before age 65; or

- With a benefit that has a smaller (or no) reduction (depending on age) that imposes stricter return-to-work rules.

PERS Plan 2/3 members hired on or after May 1, 2013 have the option to retire early by accepting a reduction of five percent for each year of retirement before age 65. This option is available only to those who are age 55 or older and have at least 30 years of service credit. PERS Plan 2/3 retirement benefits are also actuarially reduced to reflect the choice of a survivor benefit. Other PERS Plan 2/3 benefits include duty and non-duty disability payments, a cost-of-living allowance (based on the CPI), capped at three percent annually and a one-time duty related death benefit, if found eligible by the Department of Labor and Industries. PERS 2 members are vested after completing five years of eligible service. Plan 3 members are vested in the defined benefit portion of their plan after ten years of service; or after five years of service if 12 months of that service are earned after age 44.

PERS Plan 3 defined contribution benefits are totally dependent on employee contributions and investment earnings on those contributions. PERS Plan 3 members choose their contribution rate upon joining membership and have a chance to change rates upon changing employers. As established by statute, Plan 3 required defined contribution rates are set at a minimum of 5 percent and escalate to 15 percent with a choice of six options. Employers do not contribute to the defined contribution benefits. PERS Plan 3 members are immediately vested in the defined contribution portion of their plan.

Contributions

The **PERS Plan 2/3** employer and employee contribution rates are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. The Plan 2/3 employer rates include a component to address the PERS Plan 1 UAAL and an administrative expense that is currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 2 employer and employee contribution rates and Plan 3 contribution rates. The PERS Plan 2/3 required contribution rates (expressed as a percentage of covered payroll) for 2015 were as follows:

PERS Plan 2/3		
Actual Contribution Rates:	**Employer 2/3**	**Employee 2***
January through June 2015	9.21%	4.92%
July through December 2015	11.18%	6.12%
Employee PERS Plan 3		varies

* For employees participating in JBM, the contribution rate was 15.30 percent

The Authority's actual contributions to the plan were $1,334,377 for the year ended December 31, 2015.

Actuarial Assumptions

The total pension liability (TPL) for each of the DRS plans was determined using the most recent actuarial valuation completed in 2015 with a valuation date of June 30, 2014. The actuarial assumptions used in the valuation were based on the results of the Office of the State Actuary's (OSA) *2007-2012 Experience Study*.

Additional assumptions for subsequent events and law changes are current as of the 2014 actuarial valuation report. The TPL was calculated as of the valuation date and rolled forward to the measurement date of June 30, 2015. Plan liabilities were rolled forward from June 30, 2014, to June 30, 2015, reflecting each plan's normal cost (using the entry-age cost method), assumed interest and actual benefit payments.

- **Inflation:** 3 percent total economic inflation; 3.75 percent salary inflation

- **Salary increases**: In addition to the base 3.75 percent salary inflation assumption, salaries are also expected to grow by promotions and longevity.

- **Investment rate of return:** 7.5 percent

Mortality rates were based on the RP-2000 report's Combined Healthy Table and Combined Disabled Table, published by the Society of Actuaries. The OSA applied offsets to the base table and recognized future improvements in mortality by projecting the mortality rates using 100 percent Scale BB. Mortality rates are applied on a generational basis; meaning, each member is assumed to receive additional mortality improvements in each future year throughout his or her lifetime.

There were minor changes in methods and assumptions since the last valuation.

- The OSA updated demographic assumptions, consistent with the changes from the *2007-2012 Experience Study Report*, used when valuing the PERS 1 and TERS 1 Basic Minimum COLA.

- The OSA corrected how valuation software calculates a member's entry age under the entry age normal actuarial cost method. Previously, the funding age was rounded, resulting in an entry age one year higher in some cases.

- For purposes of calculating the Plan 2/3 Entry Age Normal Cost contribution rates, the OSA now uses the current blend of Plan 2 and Plan 3 salaries rather than using a long-term membership assumption of two-thirds Plan 2 members and one-third Plan 3 members.

- The OSA changed the way it applies salary limits, as described in the *2007-2012 Experience Study Report*.

Discount Rate

The discount rate used to measure the total pension liability for all DRS plans was 7.5 percent.

To determine that rate, an asset sufficiency test included an assumed 7.7 percent long-term discount rate to determine funding liabilities for calculating future contribution rate requirements. (All plans use 7.7 percent except LEOFF 2, which has assumed 7.5 percent). Consistent with the long-term expected rate of return, a 7.5 percent future investment rate of return on invested assets was assumed for the test. Contributions from plan members and employers are assumed to continue being made at contractually required rates (including PERS 2/3, PSERS 2, SERS 2/3, and TRS 2/3 employers, whose rates include a component for the PERS 1, and TRS 1 plan liabilities). Based on these assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.5 percent was used to determine the total liability.

Long-Term Expected Rate of Return

The long-term expected rate of return on the DRS pension plan investments of 7.5 percent was determined using a building-block-method. The Washington State Investment Board (WSIB) used a best estimate of expected future rates of return (expected returns, net of pension plan investment expense, including inflation) to develop each major asset class. Those expected returns make up one component of WSIB's capital market assumptions. The WSIB uses the capital market assumptions and their target asset allocation to simulate future investment returns at various future times. The long-term expected rate of return of 7.5 percent approximately equals the median of the simulated investment returns over a 50-year time horizon.

Estimated Rates of Return by Asset Class

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2015, are summarized in the table below. The inflation component used to create the table is 2.2 percent and represents the WSIB's most recent long-term estimate of broad economic inflation.

Asset Class	**Target Allocation**	**% Long-Term Expected Real Rate of Return Arithmetic**
Fixed Income	20%	1.70%
Tangible Assets	5%	4.40%
Real Estate	15%	5.80%
Global Equity	37%	6.60%
Private Equity	23%	9.60%
	100%	

Sensitivity of NPL

The table below presents the Authority's proportionate share* of the net pension liability calculated using the discount rate of 7.5 percent, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.5 percent) or 1-percentage point higher (8.5 percent) than the current rate.

	1% Decrease (6.5%)	**Current Discount Rate (7.5%)**	**1% Increase (8.5%)**
PERS 1	$12,865,289	$10,566,949	$8,590,588
PERS 2/3	$25,733,255	$8.800.547	$(4,164,193)

Pension Plan Fiduciary Net Position

Detailed information about the State's pension plans' fiduciary net position is available in the separately issued DRS financial report.

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

At June 30, 2015, the Authority reported a total pension liability of $19,367,496 for its proportionate share of the net pension liabilities as follows:

	Liability (or Asset)
PERS 1	$ 10,566,949
PERS 2/3	$ 8,800,547

At June 30, the Authority's proportionate share of the collective net pension liabilities was as follows:

	Proportionate Share 6/30/14	Proportionate Share 6/30/15	Change in Proportion
PERS 1	% .209922	% .202009	% (.007911)
PERS 2/3	% .244505	% .246303	% .001798

Employer contribution transmittals received and processed by the DRS for the fiscal year ended June 30 are used as the basis for determining each employer's proportionate share of the collective pension amounts reported by the DRS in the *Schedules of Employer and Nonemployer Allocations* for all plans except LEOFF 1.

The collective net pension liability (asset) was measured as of June 30, 2015, and the actuarial valuation date on which the total pension liability (asset) is based was as of June 30, 2014, with update procedures used to roll forward the total pension liability to the measurement date.

Pension Expense

For the year ended December 31, 2015, the Authority recognized pension expense as follows:

	Pension Expense
PERS 1	$ (699,952)
PERS 2/3	$ 1,687,548

Deferred Outflows of Resources and Deferred Inflows of Resources

At December 31, 2015, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

PERS 1	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ -
Net difference between projected and actual investment earnings on pension plan investments	$ -	$ 578,128
Changes of assumptions	$ -	$ -
Changes in proportion and differences between contributions and proportionate share of contributions	$ -	$ -
Contributions subsequent to the measurement date	$ 27,340	$ -
TOTAL	$ 27,340	$ 578,128

PERS 2/3	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 935,501	$ -
Net difference between projected and actual investment earnings on pension plan investments	$ -	$ 2,349,329
Changes of assumptions	$ 14,180	$ -
Changes in proportion and differences between contributions and proportionate share of contributions	$ 57,648	$ -
Contributions subsequent to the measurement date	$ 1,295,170	$ -
TOTAL	$ 2,302,499	$ 2,349,329

Deferred outflows of resources related to pensions resulting from the Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	PERS 1	PERS 2/3
2016	$ (224,062)	$ (620,636)
2017	$ (224,062)	$ (620,633)
2018	$ (224,062)	$ (620,633)
2019	$ 94,058	$ 519,903
2020	$ -	$ -
Thereafter	$ -	$ -
Total	**$(578,128)**	**$(1,342,000)**

Note 13 – Risk Management

King County Housing Authority (KCHA) has the responsibility to systematically and continuously identify potential exposure to losses in terms of frequency and severity probability, and to apply sound risk control and financing techniques to minimize the impact of those potential losses. KCHA Risk Management has implemented programs to protect the Housing Authority against accidental and criminal losses that would significantly affect personnel, property, or budget by using a combination of loss control programs, purchased commercial insurance, voluntary self-insurance, participation in a risk-sharing pool or group, and contractual risk transfer via indemnification agreements.

For Public Housing, KCHA secures third-party liability insurance primarily through the Housing Authority Insurance Group (HAIG), a public entity risk-sharing pool. The General Liability limit, including Washington Stop-Gap or Employer’s Liability, is $5,000,000 per occurrence on an occurrence basis with a $1,000 deductible. Contractor’s Pollution Liability and Errors & Omissions limit is $1,000,000 on a claims-made basis with a $5,000 per claim deductible provided through Crum & Forster Specialty Insurance Company. Automobile Liability insurance is $5,000,000 in total limits provided through a combination of Continental Western Insurance Company with $1,000,000 liability limit and excess liability of $4,000,000 provided by Ohio Casualty Insurance Company. Property insurance including Rental Income coverage is placed through the Housing Authority Risk & Retention Pool (HARRP) which a standard limit of $3,000,000 replacement cost basis, with higher limits available upon request. Property deductible is $25,000 per loss. The Authority has secured Fidelity coverage through HARRP for $100,000 per occurrence for all employees, and $500,000 for employees with greater exposure.

Bond Financed Projects are covered for property insurance through HARRP. The general liability is covered through the Housing Authority Insurance Group (HAIG) with a $5,000,000 per occurrence limit. Additionally, liability sub-limits are provided for fire damage liability and athletic sports liability, at $50,000 and $250,000, respectively.

Tax Credit Partnership properties are covered for general liability with total limits of $5,000,000 per occurrence basis provided by Philadelphia Insurance ($1,000,000 each occurrence, $2,000,000 general aggregate, per designated location) on the primary level, and $4,000,000 aggregate limit excess of the primary, with a $10,000 self-insured retention. Lexington Insurance provides property insurance for buildings and Contents values on replacement cost basis, with Business Income including Extra Expense covered according to reported values, all subject to a $10,000 deductible, except as respects Flood at noted locations, for a deductible of $250,000 which are covered under National Flood Insurance Policies, subject to $1,000 deductibles.

Excess Liability limit of $15,000,000 is provided over all of the above liability coverage except the Contractors Pollution, which brings total liability coverage to a limit of $20,000,000. This coverage is placed with Lexington Insurance Company.

Public Officials Errors and Omissions and Employment Practices Liability is provided on all properties with a $5,000,000 limit and a $75,000 deductible for employment practices claims and a 50,000 deductible for all other covered claims from Ironshore Specialty Insurance Company.

No active claims are anticipated to exceed the applicable limits of insurance secured from any of the listed providers. Settled claims have not exceeded coverage purchased during the past three years.

Note 14 – Conduit Debt Obligations

The Authority has issued debt instruments for the purpose of providing capital financing for specific nongovernmental corporations that are not part of the Authority's financial reporting entity. In general, the Authority issues such conduit debt, but the Authority is not responsible for the payment of the original debt. That debt is secured solely by payments received by the Authority from the various non-governmental corporations, and by the Deeds of Trust to the underlying properties. Owners of the debt have no recourse to any other revenues of the Authority.

Non-governmental Corporation	Project Description	Date of Issue	Dec 31 Balance
Auburn North Associates Limited Partnership	Purchase of land and construction of a 296-unit complex for elderly or disabled, low-income persons in Auburn Washington, known as Auburn Court Apartments.	December 1, 1997	$11,445,000
Manufactured Housing Community Preservationists	Acquisition and rehabilitation of a 93-unit mobile home park in the city of Redmond, Washington, known as Avon Villa Mobile Home Park.	December 2, 1997	$1,509,606
Seaview Apartments Limited Partnership	Acquisition and rehabilitation of a 72-unit multifamily development in Des Moines, Washington.	December 1, 1998	$1,735,000
St. Andrews Housing Group	Acquisition of a 59-unit apartment complex located on Mercer Island, Washington, known as Ellsworth House.	October 20, 1999	$2,237,247
Evergreen Court Associates Ltd	Acquisition and rehabilitation of 111-unit Washington Court assisted living in Bellevue to be rehabilitated into a 82-unit complex known as Evergreen Court	September 7, 2001	$5,386,000
Angle Lake Apartments	Construction of an 80-unit independent living, senior housing facility located in SeaTac.	November 14, 2002	$3,310,213
Radcliffe Place, LLC	Construction of a 135 unit senior housing facility located in Kent know as Radcliffe Place Senior Apartments	December 22, 2004	$9,225,660
Wild Garden Housing LLC-DASH	Refinancing of three affordable housing projects owned by DASH that comprise a total of 136 apartment units in Bellevue known as Glendale, Wildwood Court and Garden Grove.	August 1, 2005	$6,746,739

Non-governmental Corporation	Project Description	Date of Issue	Dec 31 Balance
Eernisse Apartments	Construction of a 26 unit affordable rental townhouse project on Vashon Island known as Eernisse Apartments.	December 20, 2005	$1,487,530
280 Clark Limited Partnership	To finance or refinance a portion of the costs of acquiring, constructing and rehabilitating the 280 Clark Apartments to provide housing for low-income persons in King County	November 1, 2007	$2,485,405
Young Women's Association of Seattle, King and Snohomish County (YWCA)	Construction of 98 rental dwelling units as part of the YWCA Family Village in Issaquah	December 23, 2009	$8,275,000
Ashwood Community Redevelopment LLLP-DASH	Acquisition and rehabilitation of a 51 unit senior housing project in the City of Bellevue known as Ashwood Court Apartments	April 1, 2015	$5,500,000

Note 15 – Construction Commitments

At December 31, 2015 the Authority had the following contractual obligations on construction projects:

Project	Spent to Date	Remaining Commitment
Avondale Manor Sewer	31,448	1,720
Birch Creek Playground	244,165	35,813
Burien Park Surface Water Management	294,503	15,500
Burndale PSE Site Lighting	48,249	85,273
Burndale Site Improvements	119,321	748,443
Firwood Circle PSE Site Lighting	105,762	226,721
Firwood Circle Site Improvements	299,377	579,123
Forest Glen Site Improvements	14,742	74,516
Forest Grove Building Envelope	1,010,084	38,347
Hidden Village Fire Protection	276,432	100,579
Hillsview Roofing	36,375	13,825
Island Crest Building Envelope	285,431	9,373
Kirkland Place Electrical Upgrades	-	49,600
Lake House Site Upgrades	23,238	55,112
Northridge Bridge	-	115,498
Northridge Site Upgrades	804,936	49,484
Park Royal Stairway Replacement	81,632	4,296
Park Royal Water Intrusion Examination and Repair	7,035	352
Peppertree Fall Protection	-	29,000
Riverton Terrace Mgmt Office Envelope & Site Lighting	178,713	9,406
Valli Kee PSE Site Lighting	78,500	156,112
Wellswood Roofing & Indoor Air Quality/Envelope	461,001	61,971
Total	**$ 4,400,942**	**$ 2,460,065**

Note 16 – Subsequent Events

In January 2016, the Authority sold Spiritwood Manor to the Spiritwood Manor LLLP tax credit partnership in exchange for a $26.5 million financing lease.

Also in January 2016, the Authority sold Corinthian Apartments to the Corinthian TOD LLLP tax credit partnership in exchange for a $10.2 million financing lease.

In February 2016, the Authority issued $24 million and $5.5 million in revenue bonds to finance the acquisition and rehabilitation of Spiritwood Manor Apartments and Corinthian Apartments, respectively.

Note 17 – Special Items

Capital asset disposals included disposals that fall into two broad categories, both attributable to the two large HOPE VI re-development projects undertaken by the Authority over the past decade. First, infrastructure, such as streets, alleyways, and retention ponds were turned over or “donated” to King County, as is standard in such developments. Second, Low Income Housing Tax Credit (LIHTC) rules prevented the tax credit partnerships that acquired the rental housing developments from the Authority from including all development costs in the “basis”, i.e. what the partnership could pay for the properties. As a result of these two issues, $38.1 million of construction-in-process left on the Authority’s books was expensed in 2015.

Required Supplementary Information

Housing Authority of the County of King
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
As of June 30, 2015
Last 10 Fiscal Years*

PERS 1	2015	2014	2013
Housing Authority's proportion of the net pension liability (asset)	0.202009%	0.209922%	0.205670%
Housing Authority's proportionate share of the net pension liability (asset)	10,566,949	10,574,919	12,017,821
Housing Authority's covered-employee payroll	538,801	827,541	817,001
Housing Authority's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	1961.2%	1277.9%	1471.0%
Plan fiduciary net position as a percentage of the total pension liability	59.10%	61.19%	

PERS 2/3	2015	2014	2013
Housing Authority's proportion of the net pension liability (asset)	0.246303%	0.244505%	0.239726%
Housing Authority's proportionate share of the net pension liability (asset)	8,800,547	4,942,329	10,236,336
Housing Authority's covered-employee payroll	24,095,848	21,840,123	25,469,061
Housing Authority's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	36.5%	22.6%	40.2%
Plan fiduciary net position as a percentage of the total pension liability	89.20%	93.29%	

These schedules are presented to illustrate the requirement to show information for 10 years.
However, until a full 10-year trend is compiled, governments should present information for those years for which information is available

* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year •

Housing Authority of the County of King
SCHEDULE OF EMPLOYER CONTRIBUTIONS
As of December 31, 2015
Last 10 Fiscal Years*

PERS 1	2015	2014	2013
Contractually required contribution	928,430	929,180	533,382
Contributions in relation to the contractually required contribution	(928,430)	(929,180)	(533,382)
Contribution deficiency (excess}	-	-	-
Housing Authority's covered-employee payroll	538,801	827,541	817,001
Contributions as a percentage of covered-employee payroll	172.31%	112.28%	65.29%

PERS 2/3	2015	2014	2013
Contractually required contribution	1,097,162	1,032,888	930,271
Contributions in relation to the contractually required contribution	(1,097,162)	(1,032,888)	(930,271)
Contribution deficiency (excess}	-	-	-
Housing Authority's covered-employee payroll	24,095,848	21,840,123	25,469,061
Contributions as a percentage of covered-employee payroll	4.55%	4.73%	3.65%

Notes to Required Supplementary Information
for the Year Ended December 31, 2015

Changes of benefit terms: There were no changes in the benefit terms for the Pension Plans.

Changes of assumptions: There were no changes in the assumptions for the Pension Plans.

HOUSING AUTHORITY OF THE COUNTY OF KING
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2015

Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	Expenditures: From Pass-Through Awards	Expenditures: From Direct Awards	Expenditures: Total	Passed through to Subrecipients	Debt Liability Balance
Rural Housing Service, Department Of Agriculture	Rural Rental Housing Loans	**10.415**	56-017-647765210	$ -	$ 60,155	$ 60,155	$ -	$ 1,016,893
Rural Housing Service, Department Of Agriculture	Rural Rental Assistance Payments	**10.427**	56-017-647765210	-	586,484	586,484	-	-
			Total U.S. Department of Agriculture	**-**	**646,639**	**646,639**	**-**	**1,016,893**
Office Of Housing-Federal Housing Commissioner, Department Of Housing And Urban Development	Multifamily Housing Service Coordinators	**14.191**	WA19HS13001	-	66,861	66,861	-	-
Section 8 Project-Based Cluster Office Of Housing-federal Housing Commissioner, Department Of Housing And Urban Development	Section 8 Housing Assistance Payment Program	**14.195**	WA19M000203	-	391,951	391,951	-	-
Office Of Public And Indian Housing, Department Of Housing And Urban Development	Lower Income Housing Assistance Program-Section 8 Moderate Rehabilitation	**14.856**	WA002MR0002	-	96,207	96,207	-	-
	Total Section 8 Project-Based Programs Cluster			-	488,158	488,158	-	-
Office Of Community Planning And Development, Department Of Housing And Urban Development (via City of Bellevue, WA)	Community Development Block Grant/Entitlement Grants - 2014	**14.218**	CDBG-251	339,230	-	339,230	-	-
Office Of Community Planning And Development, Department Of Housing And Urban Development (via City of Bellevue, WA)	Community Development Block Grant/Entitlement Grants - 2015	**14.218**	CDBG-251	204,765	-	204,765	-	-
			Total CFDA 14.218	543,996	-	543,996	-	-
Housing Voucher Cluster Office Of Public And Indian Housing, Department Of Housing And Urban Development	Section 8 Housing Choice Vouchers	**14.871**	WA002	-	7,878,252	7,878,252	-	-
Office Of Public And Indian Housing, Department Of Housing And Urban Development	Mainstream Vouchers	**14.879**	WA002DV0022	-	2,821,860	2,821,860	-	-
	Total Housing Voucher Cluster			-	10,700,112	10,700,112	-	-
Office Of Public And Indian Housing, Department Of Housing And Urban Development	Moving To Work Demonstration Program	**14.881**	WA002	-	105,009,772	105,009,772	-	-
Office Of Public And Indian Housing, Department Of Housing And Urban Development	Moving To Work Demonstration Program	**14.881**	WA002	-	7,141,415	7,141,415	-	-
Office Of Public And Indian Housing, Department Of Housing And Urban Development	Moving To Work Demonstration Program	**14.881**	WA19P002501-11	-	2,815,963	2,815,963	-	-
Office Of Public And Indian Housing, Department Of Housing And Urban Development	Moving To Work Demonstration Program	**14.881**	WA19P002501-12	-	2,984,422	2,984,422	-	-
Office Of Public And Indian Housing, Department Of Housing And Urban Development	Moving To Work Demonstration Program	**14.881**	WA19P002501-14	-	42,619	42,619	-	-
Office Of Public And Indian Housing, Department Of Housing And Urban Development	Moving To Work Demonstration Program	**14.881**	WA19P002501-15	-	379,577	379,577	-	-
Office Of Public And Indian Housing, Department Of Housing And Urban Development	Moving To Work Demonstration Program	**14.881**	WA19R002501-13	-	374,084	374,084	-	-
Office Of Public And Indian Housing, Department Of Housing And Urban Development	Moving To Work Demonstration Program	**14.881**	WA19R002501-14	-	304,206	304,206	-	-
			Total CFDA 14.881	-	119,052,057	119,052,057	-	-
Office Of Public And Indian Housing, Department Of Housing And Urban Development	Resident Opportunity and Supportive Services - Service Coordinators	**14.870**	WA002RPS112A013	-	58,880	58,880	-	-
Office Of Public And Indian Housing, Department Of Housing And Urban Development	Family Self-Sufficiency Program	**14.896**	WA002FSH705A014	-	327,034	327,034	-	-
Office Of Public And Indian Housing, Department Of Housing And Urban Development	Family Self-Sufficiency Program	**14.896**	WA002RFS266A013	-	2,616	2,616	-	-
			Total CFDA 14.896	-	329,650	329,650	-	-
US Department of Housing and Urban Development	Economic Development Initiative: Special Project, Neighborhood Initiative, and Miscellaneous Grants	**14.251**	B10-SP-WA-0234	-	110,388	110,388	-	-
US Department of Housing and Urban Development	Capital Fund Education and Training Community Facilities	**14.890**	WA19C002502-10	-	10,058	10,058	-	-
	Total U.S. Department of Housing and Urban Development			**543,996**	**130,816,164**	**131,360,160**	**-**	**-**
Department Of Energy (via Washington State Deptartment of Commerce)	Weatherization Assistance for Low Income Persons	**81.042**	F13-43103-413 DOE	374,650	-	374,650	-	-
Department Of Energy (via Washington State Deptartment of Commerce)	Weatherization Assistance for Low Income Persons	**81.042**	F13-43104-413 BPA	82,063	-	82,063	-	-
			Total CFDA 81.042	456,713	-	456,713	-	-
			Total U.S. Department of Energy	**456,713**	**-**	**456,713**	**-**	**-**
Administration For Children And Families, Department Of Health And Human Services (via Washington State Deptartment of Commerce)	Low-Income Home Energy Assistance -2013	**93.568**	F13-43101-413 HHS	691,626	-	691,626	-	-
	Total U.S. Department of Health and Human Services			**691,626**	**-**	**691,626**	**-**	**-**
			Total Federal Expenditures	**$ 1,692,335**	**$ 131,462,803**	**$ 133,155,138**	**$ -**	**$ 1,016,893**

The accompanying notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

NOTE 1 - BASIS OF ACCOUNTING
The Schedule of Financial Assistance is prepared on the same basis of accounting as the King County Housing Authority's financial statements. (See Note 1 in the Notes to the Financial Statements.)

NOTE 4 - FEDERAL LOANS
In 1998, the Authority was approved by the USDA Rural Housing Service to receive a loan totaling $1,350,949 for the rehabilitation of rural housing. The amount listed on this schedule is the outstanding loan balance.

NOTE 2 - PROGRAM COSTS
The amounts shown as current year expenditures represent only the federal portion of the program costs. Entire program costs, including The Authority's portion, may be more than shown. Such expenditures are recognized following, as applicable, either the cost principles in the OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments, or the cost principles contained in Title 2 U.S> Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 7 - INDIRECT COST RATE
The Authority has elected to use the 10-percent de minimus indirect cost rate allowed under the Uniform Guidance.

Housing Authority of the County of King
Financial Data Schedule (FDS)
Statement of Net Position
As of December 31, 2015

Line Item #	Account Description	10.415 Rural Rental Housing Loans	10.427 Rural Rental Assistance Payments	14.191 Multifamily Housing Service Coordinator	14.195 Section 8 - Special Allocation	14.218 Community Development Block Grants/Entitlement Grants
111	Cash - unrestricted	$ -	$ -	$ 694	$ 7,397	$ -
113	Cash - other restricted	-	-	-	911,914	-
114	Cash - tenant security deposits	-	-	-	14,157	-
115	Cash - Restricted for Payment of Current Liabilities					
100	Total cash	-	-	694	933,468	-
121	AR - PHA projects	-	-	-	-	-
122	AR - HUD other projects	-	-	13,716	-	-
124	Accounts receivable - other government	-	-	-	-	118,273
125	Accounts receivable - miscellaneous	-	-	-	-	-
126	Accounts receivable- tenants	-	-	-	81	-
126	Allowance for doubtful accounts - tenants	-	-	-	(376)	-
127	Notes and mortgages receivable- current	-	-	-	-	-
129	Accrued interest receivable	-	-	-	-	-
120	Total receivables, net of allowances	-	-	13,716	(295)	118,273
131	Investments - unrestricted	-	-	-	-	-
132	Investments - restricted	-	-	-	-	-
142	Prepaid expenses and other assets	-	-	-	4,175	-
143	Inventories	-	-	-	-	-
150	Total Current Assets	-	-	14,410	937,348	118,273
161	Land	-	-	-	521,854	-
162	Buildings	-	-	-	2,010,523	-
163	Furniture, equipment & machinery - dwellings	-	-	-	-	-
164	Furniture, equipment & machinery - administration	-	-	-	-	-
165	Leasehold improvements			-	-	-
166	Accumulated depreciation	-	-	-	(1,602,849)	-
167	Work in progress	-	-	-	-	-
168	Infrastructure	-	-	-	10,600	-
160	Total capital assets, net of depreciation	-	-	-	940,128	-
171	Notes and mortgages receivable - non-current	-	-	-	-	-
172	Notes and mortgages receivable-non-current - past due			-	-	-
173	Grants receivable - non-current			-	-	-
174	Other assets	-	-	-	-	-
176	Investment in joint ventures			-	-	-
180	Total Noncurrent Assets	-	-	-	940,128	-
190	Total Assets	-	-	14,410	1,877,476	118,273
200	Deferred Outflows of Resources	-	-	-	8,670	-
290	Total Assets and Deferred Outflows of Resources	$ -	$ -	$ 14,410	$ 1,886,146	$ 118,273
311	Bank overdraft	$ -	$ -	$ -	$ -	$ -
312	Accounts payable < 90 days	-	-	695	7,395	-
321	Accrued wage/payroll taxes payable	-	-	-	2,378	-
322	Accrued compensated absences	-	-	-	6,456	-
325	Accrued interest payable	-	-	-	-	-
332	Accounts Payable - PHA projects	-	-	-	-	-
341	Tenant security deposits	-	-	-	14,157	-
342	Unearned revenue	-	-	-	-	-
343	Current portion of L-T debt - capital projects	32,210	-	-	-	-
344	Current portion of L-T debt - operating borrowings	-	-	-	-	-
345	Other current liabilities	-	-	11,157	102,474	3,430
346	Accrued liabilities - other	-	-	-	-	-
310	Total Current Liabilities	32,210	-	11,852	132,860	3,430
351	Long-term debt, net of current - capital projects	984,683	-	-	-	-
352	Long-term debt, net of current - operating borrowings	-	-	-	1,110,358	-
353	Non-current liabilities- other	-	-	-	-	-
357	Accrued pension and OPEB liabilitites			-	72,073	-
350	Total Noncurrent Liabilities	984,683	-	-	1,182,431	-
300	Total Liabilities	1,016,893	-	11,852	1,315,291	3,430
400	Deferred Inflows of Resources	-	-	-	10,894	-
508.4	Net Investment in Capital Assets	(1,016,893)	-	-	940,128	-
511.4	Restricted Net Position	-	-	-	911,914	-
512.4	Unrestricted Net Position	-	-	2,558	(1,292,081)	114,843
513	Total Equity - Net Assets/Position	(1,016,893)	-	2,558	559,961	114,843
600	Total Liabilities, Deferred Inflows of Resources, and Equity - Net Assets/Position	$ -	$ -	$ 14,410	$ 1,886,146	$ 118,273

Housing Authority of the County of King
Financial Data Schedule (FDS)
Statement of Net Position
As of December 31, 2015

Line Item #	Account Description	14.856 Lower Income Housing Assistance Program - Section 8 - Moderate Rehabilitation	14.870 Resident Opportunity and Supportive Services - Service Coordinators	14.871 Section 8 Housing Choice Vouchers	14.877 Public Housing Family Self Sufficiency Under Resident Opportunity and Support Services	14.879 Mainstream Vouchers
111	Cash - unrestricted	$ 100,805	$ 36,275	$ 74,909	$ -	$ 544,355
113	Cash - other restricted	-	-	292,419	-	-
114	Cash - tenant security deposits	-	-	-	-	-
115	Cash - Restricted for Payment of Current Liabilities					
100	Total cash	100,805	36,275	367,328	-	544,355
121	AR - PHA projects	-	-	-	-	-
122	AR - HUD other projects	-	43,777	51,622	-	43,972
124	Accounts receivable - other government	-	-	-	-	-
125	Accounts receivable - miscellaneous	-	-	-	-	-
126	Accounts receivable- tenants	-	-	-	-	-
126	Allowance for doubtful accounts - tenants	-	-	-	-	-
127	Notes and mortgages receivable- current	-	-	-	-	-
129	Accrued interest receivable	-	-	-	-	-
120	Total receivables, net of allowances	-	43,777	51,622	-	43,972
131	Investments - unrestricted	-	-	-	-	-
132	Investments - restricted	-	-	-	-	-
142	Prepaid expenses and other assets	5	-	-	-	196
143	Inventories	-	-	-	-	-
150	Total Current Assets	100,810	80,052	418,950	-	588,523
161	Land	-	-	-	-	-
162	Buildings	-	-	-	-	-
163	Furniture, equipment & machinery - dwellings	-	-	-	-	-
164	Furniture, equipment & machinery - administration	-	-	-	-	-
165	Leasehold improvements	-	-	-	-	-
166	Accumulated depreciation	-	-	-	-	-
167	Work in progress	-	-	-	-	-
168	Infrastructure	-		-		
160	Total capital assets, net of depreciation	-	-	-	-	-
171	Notes and mortgages receivable - non-current	-	-	-	-	-
172	Notes and mortgages receivable-non-current - past due	-	-	-	-	-
173	Grants receivable - non-current	-	-	-	-	-
174	Other assets	-	-	-	-	-
176	Investment in joint ventures	-	-	-	-	-
180	Total Noncurrent Assets	-	-	-	-	-
190	Total Assets	100,810	80,052	418,950	-	588,523
200	Deferred Outflows of Resources	170	-	-	-	-
290	Total Assets and Deferred Outflows of Resources	$ 100,980	$ 80,052	$ 418,950	$ -	$ 588,523
311	Bank overdraft	$ -	$ -	$ -	$ -	$ -
312	Accounts payable < 90 days	5,544	36,273	99,056	-	-
321	Accrued wage/payroll taxes payable	40	157	-	-	608
322	Accrued compensated absences	135	-	-	-	3,147
325	Accrued interest payable	-	-	-	-	-
332	Accounts Payable - PHA projects	-	-	-	-	-
341	Tenant security deposits	-	-	-	-	-
342	Unearned revenue	-	-	-	-	-
343	Current portion of L-T debt - capital projects	-	-	-	-	-
344	Current portion of L-T debt - operating borrowings	-	-	-	-	-
345	Other current liabilities	-	54,964	-	-	-
346	Accrued liabilities - other	-	-	-	-	-
310	Total Current Liabilities	5,719	91,394	99,056	-	3,755
351	Long-term debt, net of current - capital projects	-	-	-	-	-
352	Long-term debt, net of current - operating borrowings	-	-	-	-	-
353	Non-current liabilities- other	-	-	-	-	-
357	Accrued pension and OPEB liabilitites	1,409	-	-	-	-
350	Total Noncurrent Liabilities	1,409	-	-	-	-
300	Total Liabilities	7,128	91,394	99,056	-	3,755
400	Deferred Inflows of Resources	213	-	-	-	-
508.4	Net Investment in Capital Assets	-	-	-	-	-
511.4	Restricted Net Position	-	-	292,419	-	-
512.4	Unrestricted Net Position	93,639	(11,342)	27,475	-	584,768
513	Total Equity - Net Assets/Position	93,639	(11,342)	319,894	-	584,768
600	Total Liabilities, Deferred Inflows of Resources, and Equity - Net Assets/Position	$ 100,980	$ 80,052	$ 418,950	$ -	$ 588,523

Housing Authority of the County of King
Financial Data Schedule (FDS)
Statement of Net Position
As of December 31, 2015

Line Item #	Account Description	14.881 Moving-To-Work Demonstration Program	14.890 Capital Fund Education and Training Community Facilities	14.896 PIH Family Self-Sufficiency Program	State/Local Programs	Business Activities
111	Cash - unrestricted	$ -	$ -	$ -	$ 200,782	$ 48,117,810
113	Cash - other restricted	8,413,984	-	-	-	10,369,775
114	Cash - tenant security deposits	-	-	-	-	1,994,017
115	Cash - Restricted for Payment of Current Liabilities	196,995				
100	Total cash	8,610,979	-	-	200,782	60,481,602
121	AR - PHA projects	426,727	-	-	-	-
122	AR - HUD other projects	7,834	-	17,728	-	-
124	Accounts receivable - other government	-	-	-	122,459	39,915
125	Accounts receivable - miscellaneous	1,565,826	-	-	360,061	2,313,015
126	Accounts receivable- tenants	-	-	-	-	283,301
126	Allowance for doubtful accounts - tenants	-	-	-	-	(21,036)
127	Notes and mortgages receivable- current	13,771,098	-	-	-	7,264,833
129	Accrued interest receivable	8,172	-	-	-	1,636,363
120	Total receivables, net of allowances	15,779,657	-	17,728	482,520	11,516,391
131	Investments - unrestricted	5,091,784	-	-	-	41,994,329
132	Investments - restricted	4,919,284	-	-	-	839,795
142	Prepaid expenses and other assets	57,250	-	-	3,646	608,829
143	Inventories	-	-	-	-	102,859
150	Total Current Assets	34,458,954	-	17,728	686,948	115,543,805
161	Land	-	-	-	-	63,100,329
162	Buildings	-	-	-	-	248,747,784
163	Furniture, equipment & machinery - dwellings	-	-	-	-	35,400
164	Furniture, equipment & machinery - administration	-	-	-	-	146,185
165	Leasehold improvements	-	-	-	-	766,095
166	Accumulated depreciation	-	-	-	-	(77,214,395)
167	Work in progress	1,605,684	-	-	-	18,165,198
168	Infrastructure	-	-	-	-	10,423,621
160	Total capital assets, net of depreciation	1,605,684	-	-	-	264,170,217
171	Notes and mortgages receivable - non-current	15,563,720	-	-	209,641	272,821,125
172	Notes and mortgages receivable-non-current - past due	-	-	-	-	-
173	Grants receivable - non-current	-	-	-	-	-
174	Other assets	-	-	-	-	459,696
176	Investment in joint ventures	-	-	-	-	-
180	Total Noncurrent Assets	17,169,404	-	-	209,641	537,451,038
190	Total Assets	51,628,358	-	17,728	896,589	652,994,843
200	Deferred Outflows of Resources	765,250	-	-	72,152	1,424,105
290	Total Assets and Deferred Outflows of Resources	$ 52,393,608	$ -	$ 17,728	$ 968,741	$ 654,418,948
311	Bank overdraft	$ 4,794,610	$ -	$ -	$ -	$ -
312	Accounts payable < 90 days	1,248,974	-	-	194,575	2,752,807
321	Accrued wage/payroll taxes payable	198,428	-	-	6,664	125,610
322	Accrued compensated absences	625,318	-	-	77,216	718,275
325	Accrued interest payable	-	-	-	-	929,297
332	Accounts Payable - PHA projects	4,441	-	-	-	-
341	Tenant security deposits	-	-	-	-	1,994,017
342	Unearned revenue	-	-	-	-	134,335
343	Current portion of L-T debt - capital projects	-	-	-	-	12,960,983
344	Current portion of L-T debt - operating borrowings	-	-	-	-	6,663,635
345	Other current liabilities	195,812	-	-	813,396	2,141,040
346	Accrued liabilities - other	181,800	-	-	-	202,088
310	Total Current Liabilities	7,249,383	-	-	1,091,851	28,622,087
351	Long-term debt, net of current - capital projects	-	-	-	-	209,457,333
352	Long-term debt, net of current - operating borrowings	-	-	-	-	111,006,856
353	Non-current liabilities- other	640,755	-	-	-	3,202,050
357	Accrued pension and OPEB liabilitites	6,361,371	-	-	599,789	3,853,522
350	Total Noncurrent Liabilities	7,002,126	-	-	599,789	327,519,761
300	Total Liabilities	14,251,509	-	-	1,691,640	356,141,848
400	Deferred Inflows of Resources	961,541	-	-	90,660	2,049,472
508.4	Net Investment in Capital Assets	1,605,684	-	-	-	41,751,901
511.4	Restricted Net Position	12,692,513	-	-	-	11,209,570
512.4	Unrestricted Net Position	22,882,361	-	17,728	(813,559)	243,266,157
513	Total Equity - Net Assets/Position	37,180,558	-	17,728	(813,559)	296,227,628
600	Total Liabilities, Deferred Inflows of Resources, and Equity - Net Assets/Position	$ 52,393,608	$ -	$ 17,728	$ 968,741	$ 654,418,948

Housing Authority of the County of King
Financial Data Schedule (FDS)
Statement of Net Position
As of December 31, 2015

Line Item #	Account Description	81.042 Weatherization Assistance for Low Income Persons	93.568 Low Income Home Energy Assistance	94.006 Americorp	14.251 Other Federal Programs	COMPONENT UNITS - BLENDED
111	Cash - unrestricted	$ -	$ -	$ 12,747	$ -	$ 1,517,646
113	Cash - other restricted	-	-	-	-	-
114	Cash - tenant security deposits	-	-	-	-	-
115	Cash - Restricted for Payment of Current Liabilities					
100	Total cash	-	-	12,747	-	1,517,646
121	AR - PHA projects	-	-	-	-	-
122	AR - HUD other projects	-	-	-	-	-
124	Accounts receivable - other government	28,888	196,970	-	-	-
125	Accounts receivable - miscellaneous	-	-	-	-	-
126	Accounts receivable- tenants	-	-	-	-	-
126	Allowance for doubtful accounts - tenants	-	-	-	-	-
127	Notes and mortgages receivable- current	-	-	-	-	-
129	Accrued interest receivable	-	-	-	-	-
120	Total receivables, net of allowances	28,888	196,970	-	-	-
131	Investments - unrestricted	-	-	-	-	-
132	Investments - restricted	-	-	-	-	-
142	Prepaid expenses and other assets	-	-	-	-	-
143	Inventories	-	-	-	-	-
150	Total Current Assets	28,888	196,970	12,747	-	1,517,646
161	Land	-	-	-	-	5,376,321
162	Buildings	-	-	-	-	45,150,985
163	Furniture, equipment & machinery - dwellings	-	-	-	-	-
164	Furniture, equipment & machinery - administration	-	-	-	-	-
165	Leasehold improvements	-	-	-	-	6,968,864
166	Accumulated depreciation	-	-	-	-	(24,922,124)
167	Work in progress	-	-	-	-	916,911
168	Infrastructure	-	-	-	-	-
160	Total capital assets, net of depreciation	-	-	-	-	33,490,957
171	Notes and mortgages receivable - non-current	-	-	-	-	-
172	Notes and mortgages receivable-non-current - past due	-	-	-	-	
173	Grants receivable - non-current	-	-	-	-	
174	Other assets	-	-	-	-	-
176	Investment in joint ventures	-	-	-	-	
180	Total Noncurrent Assets	-	-	-	-	33,490,957
190	Total Assets	28,888	196,970	12,747	-	35,008,603
200	Deferred Outflows of Resources	-	-	-	-	-
290	Total Assets and Deferred Outflows of Resources	$ 28,888	$ 196,970	$ 12,747	$ -	$ 35,008,603
311	Bank overdraft	$ -	$ -	$ -	$ -	$ -
312	Accounts payable < 90 days	-	-	-	-	243,966
321	Accrued wage/payroll taxes payable	-	-	-	-	-
322	Accrued compensated absences	-	-	-	-	-
325	Accrued interest payable	-	-	-	-	-
332	Accounts Payable - PHA projects	-	-	-	-	-
341	Tenant security deposits	-	-	-	-	-
342	Unearned revenue	-	-	-	-	-
343	Current portion of L-T debt - capital projects	-	-	-	-	-
344	Current portion of L-T debt - operating borrowings	-	-	-	-	518,060
345	Other current liabilities	74	5,726	-	-	-
346	Accrued liabilities - other	-	-	-	-	-
310	Total Current Liabilities	74	5,726	-	-	762,026
351	Long-term debt, net of current - capital projects	-	-	-	-	-
352	Long-term debt, net of current - operating borrowings	-	-	-	-	16,364,133
353	Non-current liabilities- other	-	-	-	-	-
357	Accrued pension and OPEB liabilitites	-	-	-	-	-
350	Total Noncurrent Liabilities	-	-	-	-	16,364,133
300	Total Liabilities	74	5,726	-	-	17,126,159
400	Deferred Inflows of Resources	-	-	-	-	-
508.4	Net Investment in Capital Assets	-	-	-	-	33,490,957
511.4	Restricted Net Position	-	-	-	-	-
512.4	Unrestricted Net Position	28,814	191,244	12,747	-	(15,608,513)
513	Total Equity - Net Assets/Position	28,814	191,244	12,747	-	17,882,444
600	Total Liabilities, Deferred Inflows of Resources, and Equity - Net Assets/Position	$ 28,888	$ 196,970	$ 12,747	$ -	$ 35,008,603

Housing Authority of the County of King
Financial Data Schedule (FDS)
Statement of Net Position
As of December 31, 2015

Line Item #	Account Description	COCC	Ballinger Homes WA002000101	Park Royal Apartments WA002000105	Paramount House II WA002000150	The Lake House WA002000152
111	Cash - unrestricted	$ 1,007,339	$ 582,937	$ 55,095	$ -	$ 393,274
113	Cash - other restricted	-	-	-	-	-
114	Cash - tenant security deposits	-	23,180	3,800	-	10,875
115	Cash - Restricted for Payment of Current Liabilities					
100	Total cash	1,007,339	606,117	58,895	-	404,149
121	AR - PHA projects	-	-	-	-	-
122	AR - HUD other projects	-	-	-	-	-
124	Accounts receivable - other government	-	-	-	-	-
125	Accounts receivable - miscellaneous	196,976	-	-	-	-
126	Accounts receivable- tenants	-	-	864	-	-
126	Allowance for doubtful accounts - tenants	-	(5,204)	(1,975)	-	(910)
127	Notes and mortgages receivable- current	-	-	-	-	-
129	Accrued interest receivable	-	-	-	-	-
120	Total receivables, net of allowances	196,976	(5,204)	(1,111)	-	(910)
131	Investments - unrestricted	51,857	-	-	-	-
132	Investments - restricted	-	-	-	-	-
142	Prepaid expenses and other assets	121,931	19,160	2,331	-	10,926
143	Inventories	137	-	-	-	-
150	Total Current Assets	1,378,240	620,073	60,115	-	414,165
161	Land	4,529,093	1,960,510	541,000	-	246,728
162	Buildings	11,330,268	10,149,090	1,469,915	-	9,237,177
163	Furniture, equipment & machinery - dwellings	-	-	-	-	-
164	Furniture, equipment & machinery - administration	5,163,065	13,766	-	-	-
165	Leasehold improvements	-	-	-	-	-
166	Accumulated depreciation	(6,979,621)	(6,380,053)	(245,320)	-	(3,922,471)
167	Work in progress	-	36	-	-	137,949
168	Infrastructure	34,438	2,408,304	-	-	143,913
160	Total capital assets, net of depreciation	14,077,243	8,151,653	1,765,595	-	5,843,296
171	Notes and mortgages receivable - non-current	94,923	-	-	-	-
172	Notes and mortgages receivable-non-current - past due	-	-	-	-	-
173	Grants receivable - non-current	-	-	-	-	-
174	Other assets	22,185	-	-	-	-
176	Investment in joint ventures	-	-	-	-	-
180	Total Noncurrent Assets	14,194,351	8,151,653	1,765,595	-	5,843,296
190	Total Assets	15,572,591	8,771,726	1,825,710	-	6,257,461
200	Deferred Outflows of Resources	771,506	25,566	2,875	-	19,654
290	Total Assets and Deferred Outflows of Resources	$ 16,344,097	$ 8,797,292	$ 1,828,585	$ -	$ 6,277,115
311	Bank overdraft	$ -	$ -	$ -	$ -	$ -
312	Accounts payable < 90 days	326,398	14,531	8,341	-	29,663
321	Accrued wage/payroll taxes payable	258,995	6,485	723	-	4,830
322	Accrued compensated absences	762,935	18,826	734	-	7,424
325	Accrued interest payable	-	-	-	-	-
332	Accounts Payable - PHA projects	-	-	-	-	-
341	Tenant security deposits	-	23,180	3,800	-	10,875
342	Unearned revenue	-	-	-	-	-
343	Current portion of L-T debt - capital projects	-	26,829	-	-	10,806
344	Current portion of L-T debt - operating borrowings	-	-	-	-	-
345	Other current liabilities	-	-	1,426	-	-
346	Accrued liabilities - other	1,832	-	-	-	-
310	Total Current Liabilities	1,350,160	89,851	15,024	-	63,598
351	Long-term debt, net of current - capital projects	-	32,295	-	-	13,054
352	Long-term debt, net of current - operating borrowings	-	-	-	-	-
353	Non-current liabilities- other	-	-	-	-	-
357	Accrued pension and OPEB liabilitites	6,413,386	212,526	23,896	-	163,384
350	Total Noncurrent Liabilities	6,413,386	244,821	23,896	-	176,438
300	Total Liabilities	7,763,546	334,672	38,920	-	240,036
400	Deferred Inflows of Resources	969,400	32,124	3,612	-	24,696
508.4	Net Investment in Capital Assets	14,077,243	8,092,529	1,765,595	-	5,819,436
511.4	Restricted Net Position	-	-	-	-	-
512.4	Unrestricted Net Position	(6,466,092)	337,967	20,458	-	192,947
513	Total Equity - Net Assets/Position	7,611,151	8,430,496	1,786,053	-	6,012,383
600	Total Liabilities, Deferred Inflows of Resources, and Equity - Net Assets/Position	$ 16,344,097	$ 8,797,292	$ 1,828,585	$ -	$ 6,277,115

Housing Authority of the County of King
Financial Data Schedule (FDS)
Statement of Net Position
As of December 31, 2015

Line Item #	Account Description	Northridge II WA002000153	Westminster WA002000156	Forest Glen WA002000201	College Place WA002000203	Kirkland Place WA002000210
111	Cash - unrestricted	$ 438,946	$ 85,303	$ 131,648	$ 468,151	$ 60,550
113	Cash - other restricted	-	-	-	-	-
114	Cash - tenant security deposits	12,239	8,084	3,025	16,275	3,825
115	Cash - Restricted for Payment of Current Liabilities					
100	Total cash	451,185	93,387	134,673	484,426	64,375
121	AR - PHA projects	-	-	-	-	-
122	AR - HUD other projects	-	-	69,067	1,539	46,917
124	Accounts receivable - other government	-	-	-	-	-
125	Accounts receivable - miscellaneous	-	-	-	-	-
126	Accounts receivable- tenants	-	(0)	-	-	-
126	Allowance for doubtful accounts - tenants	(2,767)	(21)	(760)	(289)	(30)
127	Notes and mortgages receivable- current	-	-	-	-	-
129	Accrued interest receivable	-	-	-	-	-
120	Total receivables, net of allowances	(2,767)	(21)	68,307	1,250	46,887
131	Investments - unrestricted	-	-	-	-	-
132	Investments - restricted	-	-	-	-	-
142	Prepaid expenses and other assets	13,494	2,307	2,912	11,356	1,091
143	Inventories	-	-	-	-	-
150	Total Current Assets	461,912	95,673	205,892	497,032	112,353
161	Land	224,064	291,228	32,191	901,525	1,064,290
162	Buildings	8,489,072	1,185,597	2,835,405	9,413,170	351,032
163	Furniture, equipment & machinery - dwellings	-	-	-	-	-
164	Furniture, equipment & machinery - administration	-	-	6,467	-	-
165	Leasehold improvements	-	-	-	-	-
166	Accumulated depreciation	(3,378,868)	(219,831)	(1,171,513)	(4,859,017)	(38,861)
167	Work in progress	1,144,033	8,160	230,437	19,124	9,398
168	Infrastructure	481,149	-	132,157	2,473,313	-
160	Total capital assets, net of depreciation	6,959,450	1,265,154	2,065,144	7,948,115	1,385,859
171	Notes and mortgages receivable - non-current	-	-	-	-	-
172	Notes and mortgages receivable-non-current - past due	-	-	-	-	-
173	Grants receivable - non-current	-	-	-	-	-
174	Other assets	-	-	-	-	-
176	Investment in joint ventures	-	-	-	-	-
180	Total Noncurrent Assets	6,959,450	1,265,154	2,065,144	7,948,115	1,385,859
190	Total Assets	7,421,362	1,360,827	2,271,036	8,445,147	1,498,212
200	Deferred Outflows of Resources	20,170	7,959	7,327	20,264	1,727
290	Total Assets and Deferred Outflows of Resources	$ 7,441,532	$ 1,368,786	$ 2,278,363	$ 8,465,411	$ 1,499,939
311	Bank overdraft	$ -	$ -	$ -	$ -	$ -
312	Accounts payable < 90 days	51,600	9,020	15,539	47,170	4,758
321	Accrued wage/payroll taxes payable	3,452	981	1,859	6,544	535
322	Accrued compensated absences	7,146	1,253	7,052	7,557	557
325	Accrued interest payable	-	-	-	-	-
332	Accounts Payable - PHA projects	-	-	-	-	-
341	Tenant security deposits	12,239	8,084	3,025	16,275	3,825
342	Unearned revenue	-	-	-	-	-
343	Current portion of L-T debt - capital projects	13,414	-	6,894	25,525	-
344	Current portion of L-T debt - operating borrowings	-	-	-	-	-
345	Other current liabilities	36,101	-	37,955	3,495	46,501
346	Accrued liabilities - other	-	-	-	-	-
310	Total Current Liabilities	123,952	19,338	72,324	106,566	56,176
351	Long-term debt, net of current - capital projects	16,379	-	8,748	31,135	-
352	Long-term debt, net of current - operating borrowings	-	-	-	-	-
353	Non-current liabilities- other	-	-	-	-	-
357	Accrued pension and OPEB liabilitites	167,666	66,162	60,906	168,451	14,355
350	Total Noncurrent Liabilities	184,045	66,162	69,654	199,586	14,355
300	Total Liabilities	307,997	85,500	141,978	306,152	70,531
400	Deferred Inflows of Resources	25,343	10,001	9,206	25,462	2,170
508.4	Net Investment in Capital Assets	6,929,657	1,265,154	2,049,502	7,891,455	1,385,859
511.4	Restricted Net Position	-	-	-	-	-
512.4	Unrestricted Net Position	178,535	8,131	77,677	242,342	41,379
513	Total Equity - Net Assets/Position	7,108,192	1,273,285	2,127,179	8,133,797	1,427,238
600	Total Liabilities, Deferred Inflows of Resources, and Equity - Net Assets/Position	$ 7,441,532	$ 1,368,786	$ 2,278,363	$ 8,465,411	$ 1,499,939

Housing Authority of the County of King
Financial Data Schedule (FDS)
Statement of Net Position
As of December 31, 2015

Line Item #	Account Description	Island Crest WA002000213	Casa Juanita WA002000251	Seola Crossing WA002000340	Eastbridge WA002000341	Salmon Creek WA002000343
111	Cash - unrestricted	$ 124,269	$ 286,867	$ -	$ -	$ -
113	Cash - other restricted	22,252	-	-	-	-
114	Cash - tenant security deposits	10,670	6,350	-	-	-
115	Cash - Restricted for Payment of Current Liabilities					
100	Total cash	157,191	293,217	-	-	-
121	AR - PHA projects	-	-	-	-	-
122	AR - HUD other projects	-	-	-	-	-
124	Accounts receivable - other government	-	-	-	-	-
125	Accounts receivable - miscellaneous	-	-	-	-	-
126	Accounts receivable- tenants	-	-	-	-	-
126	Allowance for doubtful accounts - tenants	-	(707)	-	-	-
127	Notes and mortgages receivable- current	-	-	-	-	-
129	Accrued interest receivable	-	-	-	-	-
120	Total receivables, net of allowances	-	(707)	-	-	-
131	Investments - unrestricted	-	-	-	-	-
132	Investments - restricted	-	-	-	-	-
142	Prepaid expenses and other assets	2,898	6,000	-	-	-
143	Inventories	-	-	-	-	-
150	Total Current Assets	160,089	298,510	-	-	-
161	Land	2,566,125	62,146	-	-	-
162	Buildings	2,497,780	3,746,775	-	-	-
163	Furniture, equipment & machinery - dwellings	-	-	-	-	-
164	Furniture, equipment & machinery - administration	-	-	-	-	-
165	Leasehold improvements	-	-	-	-	-
166	Accumulated depreciation	(190,516)	(2,297,188)	-	-	-
167	Work in progress	-	-	-	-	-
168	Infrastructure	593,430	758,293	-	-	-
160	Total capital assets, net of depreciation	5,466,819	2,270,026	-	-	-
171	Notes and mortgages receivable - non-current	-	-	-	-	-
172	Notes and mortgages receivable-non-current - past due	-	-	-	-	-
173	Grants receivable - non-current	-	-	-	-	-
174	Other assets	-	-	-	-	-
176	Investment in joint ventures	-	-	-	-	-
180	Total Noncurrent Assets	5,466,819	2,270,026	-	-	-
190	Total Assets	5,626,908	2,568,536	-	-	-
200	Deferred Outflows of Resources	6,247	12,153	-	-	-
290	Total Assets and Deferred Outflows of Resources	$ 5,633,155	$ 2,580,689	$ -	$ -	$ -
311	Bank overdraft	$ -	$ -	$ -	$ -	$ -
312	Accounts payable < 90 days	9,979	19,234	-	-	-
321	Accrued wage/payroll taxes payable	1,604	3,174	-	-	-
322	Accrued compensated absences	4,774	5,211	-	-	-
325	Accrued interest payable	-	-	-	-	-
332	Accounts Payable - PHA projects	-	-	-	-	-
341	Tenant security deposits	10,670	6,350	-	-	-
342	Unearned revenue	-	-	-	-	-
343	Current portion of L-T debt - capital projects	-	24,220	-	-	-
344	Current portion of L-T debt - operating borrowings	-	-	-	-	-
345	Other current liabilities	29,477	-	-	-	-
346	Accrued liabilities - other	-	-	-	-	-
310	Total Current Liabilities	56,504	58,189	-	-	-
351	Long-term debt, net of current - capital projects	-	29,345	-	-	-
352	Long-term debt, net of current - operating borrowings	-	-	-	-	-
353	Non-current liabilities- other	-	-	-	-	-
357	Accrued pension and OPEB liabilitites	51,932	101,028	-	-	-
350	Total Noncurrent Liabilities	51,932	130,373	-	-	-
300	Total Liabilities	108,436	188,562	-	-	-
400	Deferred Inflows of Resources	7,850	15,271	-	-	-
508.4	Net Investment in Capital Assets	5,466,819	2,216,461	-	-	-
511.4	Restricted Net Position	22,252	-	-	-	-
512.4	Unrestricted Net Position	27,798	160,395	-	-	-
513	Total Equity - Net Assets/Position	5,516,869	2,376,856	-	-	-
600	Total Liabilities, Deferred Inflows of Resources, and Equity - Net Assets/Position	$ 5,633,155	$ 2,580,689	$ -	$ -	$ -

Housing Authority of the County of King
Financial Data Schedule (FDS)
Statement of Net Position
As of December 31, 2015

Line Item #	Account Description	Zephyr WA002000344	Sixth Place Apartments WA002000345	Fairwind WA002000346	Boulevard Manor WA002000350	Yardley Arms WA002000352
111	Cash - unrestricted	$ -	$ -	$ -	$ 245,957	$ 167,974
113	Cash - other restricted	-	-	-	-	-
114	Cash - tenant security deposits	-	-	-	6,350	5,750
115	Cash - Restricted for Payment of Current Liabilities					
100	Total cash	-	-	-	252,307	173,724
121	AR - PHA projects	-	-	-	-	-
122	AR - HUD other projects	-	-	-	-	-
124	Accounts receivable - other government	-	-	-	-	-
125	Accounts receivable - miscellaneous	-	-	-	-	-
126	Accounts receivable- tenants	-	-	-	-	-
126	Allowance for doubtful accounts - tenants	-	-	-	(296)	(254)
127	Notes and mortgages receivable- current	-	-	-	-	-
129	Accrued interest receivable	-	-	-	-	-
120	Total receivables, net of allowances	-	-	-	(296)	(254)
131	Investments - unrestricted	-	-	-	-	-
132	Investments - restricted	-	-	-	-	-
142	Prepaid expenses and other assets	-	-	-	5,613	5,570
143	Inventories	-	-	-	-	-
150	Total Current Assets	-	-	-	257,624	179,040
161	Land	-	-	-	72,003	227,040
162	Buildings	-	-	-	5,605,293	5,242,435
163	Furniture, equipment & machinery - dwellings	-	-	-	-	-
164	Furniture, equipment & machinery - administration	-	-	-	-	-
165	Leasehold improvements	-	-	-	-	-
166	Accumulated depreciation	-	-	-	(2,359,262)	(2,434,646)
167	Work in progress	-	-	-	-	-
168	Infrastructure	-	-	-	797,337	160,031
160	Total capital assets, net of depreciation	-	-	-	4,115,371	3,194,860
171	Notes and mortgages receivable - non-current	-	-	-	-	-
172	Notes and mortgages receivable-non-current - past due	-	-	-	-	-
173	Grants receivable - non-current	-	-	-	-	-
174	Other assets	-	-	-	-	-
176	Investment in joint ventures	-	-	-	-	-
180	Total Noncurrent Assets	-	-	-	4,115,371	3,194,860
190	Total Assets	-	-	-	4,372,995	3,373,900
200	Deferred Outflows of Resources	-	-	-	11,009	9,832
290	Total Assets and Deferred Outflows of Resources	$ -	$ -	$ -	$ 4,384,004	$ 3,383,732
311	Bank overdraft	$ -	$ -	$ -	$ -	$ -
312	Accounts payable < 90 days	-	-	-	18,652	16,837
321	Accrued wage/payroll taxes payable	-	-	-	2,311	2,129
322	Accrued compensated absences	-	-	-	6,417	6,167
325	Accrued interest payable	-	-	-	-	-
332	Accounts Payable - PHA projects	-	-	-	-	-
341	Tenant security deposits	-	-	-	6,350	5,750
342	Unearned revenue	-	-	-	-	-
343	Current portion of L-T debt - capital projects	-	-	-	5,403	5,030
344	Current portion of L-T debt - operating borrowings	-	-	-	-	-
345	Other current liabilities	-	-	-	-	-
346	Accrued liabilities - other	-	-	-	-	-
310	Total Current Liabilities	-	-	-	39,133	35,913
351	Long-term debt, net of current - capital projects	-	-	-	6,527	6,581
352	Long-term debt, net of current - operating borrowings	-	-	-	-	-
353	Non-current liabilities- other	-	-	-	-	-
357	Accrued pension and OPEB liabilitites	-	-	-	91,516	81,732
350	Total Noncurrent Liabilities	-	-	-	98,043	88,313
300	Total Liabilities	-	-	-	137,176	124,226
400	Deferred Inflows of Resources	-	-	-	13,833	12,354
508.4	Net Investment in Capital Assets	-	-	-	4,103,441	3,183,249
511.4	Restricted Net Position	-	-	-	-	-
512.4	Unrestricted Net Position	-	-	-	129,554	63,903
513	Total Equity - Net Assets/Position	-	-	-	4,232,995	3,247,152
600	Total Liabilities, Deferred Inflows of Resources, and Equity - Net Assets/Position	$ -	$ -	$ -	$ 4,384,004	$ 3,383,732

Housing Authority of the County of King
Financial Data Schedule (FDS)
Statement of Net Position
As of December 31, 2015

Line Item #	Account Description	Riverton Terrace WA002000354	Nia WA002000355	Valli Kee Homes WA002000401	Springwood Apartments WA002000402	Cascade Apartments WA002000403
111	Cash - unrestricted	$ 134,153	$ -	$ 342,330	$ -	$ 401,661
113	Cash - other restricted	37,770	-	-	-	-
114	Cash - tenant security deposits	3,450	-	18,227	-	17,451
115	Cash - Restricted for Payment of Current Liabilities					
100	Total cash	175,373	-	360,557	-	419,112
121	AR - PHA projects	-	-	-	-	-
122	AR - HUD other projects	-	-	15,992	-	-
124	Accounts receivable - other government	-	-	-	-	-
125	Accounts receivable - miscellaneous	-	-	-	-	-
126	Accounts receivable- tenants	700	-	2,639	-	729
126	Allowance for doubtful accounts - tenants	(450)	-	-	-	(231)
127	Notes and mortgages receivable- current	-	-	-	-	-
129	Accrued interest receivable	-	-	-	-	-
120	Total receivables, net of allowances	250	-	18,631	-	498
131	Investments - unrestricted	0	-	-	-	-
132	Investments - restricted	(0)	-	-	-	-
142	Prepaid expenses and other assets	3,242	-	17,434	-	13,039
143	Inventories	-	-	-	-	-
150	Total Current Assets	178,865	-	396,622	-	432,649
161	Land	463,210	-	160,827	-	1,909,523
162	Buildings	3,487,260	-	16,333,748	-	12,689,963
163	Furniture, equipment & machinery - dwellings	-	-	-	-	-
164	Furniture, equipment & machinery - administration	-	-	26,394	-	7,303
165	Leasehold improvements	-	-	-	-	-
166	Accumulated depreciation	(846,089)	-	(4,559,085)	-	(3,602,931)
167	Work in progress	-	-	809,840	-	-
168	Infrastructure	-	-	2,147,083	-	352,940
160	Total capital assets, net of depreciation	3,104,381	-	14,918,807	-	11,356,798
171	Notes and mortgages receivable - non-current	-	-	-	-	-
172	Notes and mortgages receivable-non-current - past due	-	-	-	-	-
173	Grants receivable - non-current	-	-	-	-	-
174	Other assets	-	-	-	-	-
176	Investment in joint ventures	-	-	-	-	-
180	Total Noncurrent Assets	3,104,381	-	14,918,807	-	11,356,798
190	Total Assets	3,283,246	-	15,315,429	-	11,789,447
200	Deferred Outflows of Resources	4,901	-	22,618	-	28,370
290	Total Assets and Deferred Outflows of Resources	$ 3,288,147	$ -	$ 15,338,047	$ -	$ 11,817,817
311	Bank overdraft	$ -	$ -	$ -	$ -	$ -
312	Accounts payable < 90 days	7,981	-	40,315	-	32,607
321	Accrued wage/payroll taxes payable	1,270	-	5,750	-	6,846
322	Accrued compensated absences	5,096	-	14,439	-	22,915
325	Accrued interest payable	-	-	-	-	-
332	Accounts Payable - PHA projects	-	-	-	-	-
341	Tenant security deposits	3,450	-	18,227	-	17,451
342	Unearned revenue	-	-	-	-	-
343	Current portion of L-T debt - capital projects	-	-	-	-	24,779
344	Current portion of L-T debt - operating borrowings	-	-	-	-	-
345	Other current liabilities	-	-	21,294	-	-
346	Accrued liabilities - other	-	-	-	-	-
310	Total Current Liabilities	17,797	-	100,025	-	104,598
351	Long-term debt, net of current - capital projects	-	-	-	-	30,104
352	Long-term debt, net of current - operating borrowings	-	-	25,914	-	-
353	Non-current liabilities- other	-	-	-	-	-
357	Accrued pension and OPEB liabilitites	40,740	-	188,019	-	235,835
350	Total Noncurrent Liabilities	40,740	-	213,933	-	265,939
300	Total Liabilities	58,537	-	313,958	-	370,537
400	Deferred Inflows of Resources	6,158	-	28,420	-	35,647
508.4	Net Investment in Capital Assets	3,104,381	-	14,918,807	-	11,301,915
511.4	Restricted Net Position	37,770	-	-	-	-
512.4	Unrestricted Net Position	81,301	-	76,862	-	109,718
513	Total Equity - Net Assets/Position	3,223,452	-	14,995,669	-	11,411,633
600	Total Liabilities, Deferred Inflows of Resources, and Equity - Net Assets/Position	$ 3,288,147	$ -	$ 15,338,047	$ -	$ 11,817,817

Housing Authority of the County of King
Financial Data Schedule (FDS)
Statement of Net Position
As of December 31, 2015

Line Item #	Account Description	Shelcor WA002000409	Mardis Gras II WA002000450	Vantage Point WA002000452	Firwood Circle WA002000503	Burndale Homes WA002000504
111	Cash - unrestricted	$ 19,226	$ -	$ -	$ 378,952	$ 581,793
113	Cash - other restricted	-	-	-	-	-
114	Cash - tenant security deposits	1,702	-	-	8,279	8,125
115	Cash - Restricted for Payment of Current Liabilities					
100	Total cash	20,928	-	-	387,231	589,918
121	AR - PHA projects	-	-	-	-	-
122	AR - HUD other projects	-	-	-	392,789	6,974
124	Accounts receivable - other government	-	-	-	-	-
125	Accounts receivable - miscellaneous	-	-	-	-	-
126	Accounts receivable- tenants	291	-	-	-	-
126	Allowance for doubtful accounts - tenants	-	-	-	(915)	(1,352)
127	Notes and mortgages receivable- current	-	-	-	-	-
129	Accrued interest receivable	-	-	-	-	-
120	Total receivables, net of allowances	291	-	-	391,874	5,622
131	Investments - unrestricted	-	-	-	-	-
132	Investments - restricted	-	-	-	-	-
142	Prepaid expenses and other assets	865	-	-	5,784	6,475
143	Inventories	-	-	-	-	-
150	Total Current Assets	22,084	-	-	784,889	602,015
161	Land	50,000	-	-	113,808	154,682
162	Buildings	563,607	-	-	5,541,640	5,518,662
163	Furniture, equipment & machinery - dwellings	-	-	-	-	-
164	Furniture, equipment & machinery - administration	7,143	-	-	14,189	13,320
165	Leasehold improvements	-	-	-	-	-
166	Accumulated depreciation	(292,871)	-	-	(2,249,161)	(2,093,777)
167	Work in progress	810	-	-	473,774	585,551
168	Infrastructure	-	-	-	667,899	455,895
160	Total capital assets, net of depreciation	328,689	-	-	4,562,149	4,634,333
171	Notes and mortgages receivable - non-current	-	-	-	-	-
172	Notes and mortgages receivable-non-current - past due	-	-	-	-	-
173	Grants receivable - non-current	-	-	-	-	-
174	Other assets	-	-	-	-	-
176	Investment in joint ventures	-	-	-	-	-
180	Total Noncurrent Assets	328,689	-	-	4,562,149	4,634,333
190	Total Assets	350,773	-	-	5,347,038	5,236,348
200	Deferred Outflows of Resources	975	-	-	12,782	12,602
290	Total Assets and Deferred Outflows of Resources	$ 351,748	$ -	$ -	$ 5,359,820	$ 5,248,950
311	Bank overdraft	$ -	$ -	$ -	$ -	$ -
312	Accounts payable < 90 days	2,358	-	-	26,394	30,095
321	Accrued wage/payroll taxes payable	460	-	-	3,218	2,999
322	Accrued compensated absences	667	-	-	6,039	8,475
325	Accrued interest payable	-	-	-	-	-
332	Accounts Payable - PHA projects	-	-	-	-	-
341	Tenant security deposits	1,702	-	-	8,279	8,125
342	Unearned revenue	-	-	-	-	-
343	Current portion of L-T debt - capital projects	-	-	-	11,738	12,110
344	Current portion of L-T debt - operating borrowings	-	-	-	-	-
345	Other current liabilities	4,147	-	-	348,514	251,313
346	Accrued liabilities - other	-	-	-	-	-
310	Total Current Liabilities	9,334	-	-	404,182	313,117
351	Long-term debt, net of current - capital projects	-	-	-	14,053	14,837
352	Long-term debt, net of current - operating borrowings	-	-	-	-	-
353	Non-current liabilities- other	-	-	-	-	-
357	Accrued pension and OPEB liabilitites	8,108	-	-	106,254	104,759
350	Total Noncurrent Liabilities	8,108	-	-	120,307	119,596
300	Total Liabilities	17,442	-	-	524,489	432,713
400	Deferred Inflows of Resources	1,226	-	-	16,061	15,835
508.4	Net Investment in Capital Assets	328,689	-	-	4,536,358	4,607,386
511.4	Restricted Net Position	-	-	-	-	-
512.4	Unrestricted Net Position	4,391	-	-	282,912	193,016
513	Total Equity - Net Assets/Position	333,080	-	-	4,819,270	4,800,402
600	Total Liabilities, Deferred Inflows of Resources, and Equity - Net Assets/Position	$ 351,748	$ -	$ -	$ 5,359,820	$ 5,248,950

Housing Authority of the County of King
Financial Data Schedule (FDS)
Statement of Net Position
As of December 31, 2015

Line Item #	Account Description	Wayland Arms WA002000550	Plaza Seventeen II WA002000551	Southridge House WA002000552	Casa Madrona II WA002000553	Subtotal
111	Cash - unrestricted	$ 99,693	$ -	$ 233,070	$ -	$ 56,852,608
113	Cash - other restricted	-	-	-	-	20,048,114
114	Cash - tenant security deposits	5,385	-	6,025	-	2,187,241
115	Cash - Restricted for Payment of Current Liabilities					196,995
100	Total cash	105,078	-	239,095	-	79,284,958
121	AR - PHA projects	-	-	-	-	426,727
122	AR - HUD other projects	-	-	-	-	711,927
124	Accounts receivable - other government	-	-	-	-	506,505
125	Accounts receivable - miscellaneous	-	-	-	-	4,435,878
126	Accounts receivable- tenants	-	-	-	-	288,605
126	Allowance for doubtful accounts - tenants	(33)	-	(76)	-	(37,682)
127	Notes and mortgages receivable- current	-	-	-	-	21,035,931
129	Accrued interest receivable	-	-	-	-	1,644,535
120	Total receivables, net of allowances	(33)	-	(76)	-	29,012,426
131	Investments - unrestricted	-	-	-	-	47,137,970
132	Investments - restricted	-	-	-	-	5,759,079
142	Prepaid expenses and other assets	5,839	-	6,988	-	939,356
143	Inventories	-	-	-	-	102,996
150	Total Current Assets	110,884	-	246,007	-	162,236,785
161	Land	70,350	-	66,167	-	84,705,014
162	Buildings	4,761,722	-	7,899,836	-	424,258,739
163	Furniture, equipment & machinery - dwellings	-	-	-	-	35,400
164	Furniture, equipment & machinery - administration	-	-	-	-	5,397,832
165	Leasehold improvements	-	-	-	-	7,734,959
166	Accumulated depreciation	(1,811,613)	-	(3,203,175)	-	(156,875,237)
167	Work in progress	880	-	-	-	24,107,785
168	Infrastructure	127,940	-	146,656	-	22,314,999
160	Total capital assets, net of depreciation	3,149,279	-	4,909,484	-	411,679,491
171	Notes and mortgages receivable - non-current	-	-	-	-	288,689,409
172	Notes and mortgages receivable-non-current - past due	-	-	-	-	-
173	Grants receivable - non-current	-	-	-	-	-
174	Other assets	-	-	-	-	481,881
176	Investment in joint ventures	-	-	-	-	-
180	Total Noncurrent Assets	3,149,279	-	4,909,484	-	700,850,781
190	Total Assets	3,260,163	-	5,155,491	-	863,087,566
200	Deferred Outflows of Resources	8,751	-	12,744	-	3,290,379
290	Total Assets and Deferred Outflows of Resources	$ 3,268,914	$ -	$ 5,168,235	$ -	$ 866,377,945
311	Bank overdraft	$ -	$ -	$ -	$ -	$ 4,794,610
312	Accounts payable < 90 days	8,507	-	9,482	-	5,318,746
321	Accrued wage/payroll taxes payable	2,058	-	3,057	-	653,165
322	Accrued compensated absences	6,499	-	25,518	-	2,356,248
325	Accrued interest payable	-	-	-	-	929,297
332	Accounts Payable - PHA projects	-	-	-	-	4,441
341	Tenant security deposits	5,385	-	6,025	-	2,187,241
342	Unearned revenue	-	-	-	-	134,335
343	Current portion of L-T debt - capital projects	7,266	-	6,335	-	13,173,542
344	Current portion of L-T debt - operating borrowings	-	-	-	-	7,181,695
345	Other current liabilities	-	-	-	-	4,108,296
346	Accrued liabilities - other	-	-	-	-	385,720
310	Total Current Liabilities	29,715	-	50,417	-	41,227,336
351	Long-term debt, net of current - capital projects	9,240	-	7,464	-	210,661,778
352	Long-term debt, net of current - operating borrowings	-	-	-	-	128,507,261
353	Non-current liabilities- other	-	-	-	-	3,842,805
357	Accrued pension and OPEB liabilitites	72,742	-	105,935	-	19,367,496
350	Total Noncurrent Liabilities	81,982	-	113,399	-	362,379,340
300	Total Liabilities	111,697	-	163,816	-	403,606,676
400	Deferred Inflows of Resources	10,995	-	16,012	-	4,394,456
508.4	Net Investment in Capital Assets	3,132,773	-	4,895,685	-	187,844,171
511.4	Restricted Net Position	-	-	-	-	25,166,438
512.4	Unrestricted Net Position	13,449	-	92,722	-	245,366,204
513	Total Equity - Net Assets/Position	3,146,222	-	4,988,407	-	458,376,813
600	Total Liabilities, Deferred Inflows of Resources, and Equity - Net Assets/Position	$ 3,268,914	$ -	$ 5,168,235	$ -	$ 866,377,945

Housing Authority of the County of King
Financial Data Schedule (FDS)
Statement of Net Position
As of December 31, 2015

Line Item #	Account Description	Elimination	Total Authority	COMPONENT UNITS - DISCRETELY PRESENTED
111	Cash - unrestricted	$ -	$ 56,852,608	$ 6,617,846
113	Cash - other restricted	-	20,048,114	5,935,042
114	Cash - tenant security deposits	-	2,187,241	545,810
115	Cash - Restricted for Payment of Current Liabilities		196,995	
100	Total cash	-	79,284,958	13,098,698
121	AR - PHA projects	-	426,727	-
122	AR - HUD other projects	-	711,927	-
124	Accounts receivable - other government	-	506,505	-
125	Accounts receivable - miscellaneous	(2,891,022)	1,544,856	44,930
126	Accounts receivable- tenants	-	288,605	127,413
126	Allowance for doubtful accounts - tenants	-	(37,682)	-
127	Notes and mortgages receivable- current	(518,060)	20,517,871	-
129	Accrued interest receivable	-	1,644,535	-
120	Total receivables, net of allowances	(3,409,082)	25,603,344	172,343
131	Investments - unrestricted	-	47,137,970	364,490
132	Investments - restricted	-	5,759,079	-
142	Prepaid expenses and other assets	-	939,356	269,919
143	Inventories	-	102,996	-
150	Total Current Assets	(3,409,082)	158,827,703	13,905,450
161	Land	-	84,705,014	30,517,870
162	Buildings	-	424,258,739	395,368,711
163	Furniture, equipment & machinery - dwellings	-	35,400	-
164	Furniture, equipment & machinery - administration	-	5,397,832	8,270,235
165	Leasehold improvements	-	7,734,959	-
166	Accumulated depreciation	-	(156,875,237)	(93,257,076)
167	Work in progress	-	24,107,785	235,332
168	Infrastructure	-	22,314,999	9,574,138
160	Total capital assets, net of depreciation	-	411,679,491	350,709,210
171	Notes and mortgages receivable - non-current	(29,496,996)	259,192,413	-
172	Notes and mortgages receivable-non-current - past due		-	-
173	Grants receivable - non-current		-	-
174	Other assets	-	481,881	1,130,915
176	Investment in joint ventures		-	-
180	Total Noncurrent Assets	(29,496,996)	671,353,785	351,840,125
190	Total Assets	(32,906,078)	830,181,488	365,745,575
200	Deferred Outflows of Resources	-	3,290,379	-
290	Total Assets and Deferred Outflows of Resources	$ (32,906,078)	$ 833,471,867	$ 365,745,575
311	Bank overdraft		4,794,610	$ -
312	Accounts payable < 90 days	(239,658)	5,079,088	549,148
321	Accrued wage/payroll taxes payable	-	653,165	2,436
322	Accrued compensated absences	-	2,356,248	-
325	Accrued interest payable	-	929,297	80,392
332	Accounts Payable - PHA projects	-	4,441	-
341	Tenant security deposits	-	2,187,241	545,810
342	Unearned revenue	-	134,335	41,103
343	Current portion of L-T debt - capital projects	-	13,173,542	18,040,000
344	Current portion of L-T debt - operating borrowings	(518,060)	6,663,635	-
345	Other current liabilities	(2,651,364)	1,456,932	1,542,837
346	Accrued liabilities - other	-	385,720	92,236
310	Total Current Liabilities	(3,409,082)	37,818,254	20,893,962
351	Long-term debt, net of current - capital projects		210,661,778	237,574,334
352	Long-term debt, net of current - operating borrowings	(29,496,996)	99,010,265	-
353	Non-current liabilities- other		3,842,805	20,380,987
357	Accrued pension and OPEB liabilitites		19,367,496	-
350	Total Noncurrent Liabilities	(29,496,996)	332,882,344	257,955,321
300	Total Liabilities	(32,906,078)	370,700,598	278,849,283
400	Deferred Inflows of Resources	-	4,394,456	-
508.4	Net Investment in Capital Assets	-	187,844,171	95,094,876
511.4	Restricted Net Position	-	25,166,438	5,935,042
512.4	Unrestricted Net Position	-	245,366,204	(14,133,626)
513	Total Equity - Net Assets/Position	-	458,376,813	86,896,292
600	Total Liabilities, Deferred Inflows of Resources, and Equity - Net Assets/Position	$ (32,906,078)	$ 833,471,867	$ 365,745,575

Housing Authority of the County of King
Financial Data Schedule (FDS)
Statement of Revenues, Expenses, and Changes in Net Position
For the 12 Month Period Ending December 31 , 2015

Line Item #	Accout Description	14.CFP Capital Fund Program	14.HCV Section 8 Housing Choice Voucher	14.OPS Low Rent Public Housing	10.415 Rural Rental Housing Loans	10.427 Rural Rental Assistance Payments	14.191 Multifamily Housing Service Coordinator
70300	Net tenant rental revenue	$ -	$ -	$ -	$ -	$ -	$ -
70400	Tenant revenue - other	-	-	-	-	-	-
70500	Total tenant revenue	-	-	-	-	-	-
70600	HUD PHA Operating Grants	4,893,495	105,009,772	7,141,415	-	-	66,861
70610	Capital Grants	2,007,375	-	-	-	-	-
70710	Management Fee	-	-	-	-	-	-
70720	Asset Management Fee	-	-	-	-	-	-
70730	Book-keeping Fee	-	-	-	-	-	-
70750	Other Fees	-	-	-	-	-	-
70700	Total Fee Revenue	-	-	-	-	-	-
70800	Other Government Grants	-	-	-	60,155	586,484	-
71100	Investment Income - unrestricted	-	-	-	-	-	-
71300	Proceeds from disposition of assets held for sale	-	-	-	-	-	-
71310	Cost of Sale of Assets	-	-	-	-	-	-
71400	Fraud Recovery	-	-	-	-	-	-
71500	Other Revenue	-	-	-	-	-	-
71600	Gain (loss) on the sale of capital assets	-	-	-	-	-	-
72000	Investment income - restricted	-	-	-	-	-	-
70000	Total Revenue	6,900,870	105,009,772	7,141,415	60,155	586,484	66,861
91100	Administrative salaries	-	-	-	-	-	-
91200	Auditing fees	-	-	-	-	-	-
91300	Management fees	-	-	-	-	-	-
91310	Book-keeping Fee	-	-	-	-	-	-
91400	Advertising and Marketing	-	-	-	-	-	250
91500	Employee benefit contributions - administrative	-	-	-	-	-	-
91600	Office Expenses	-	-	-	-	-	1,831
91700	Legal expense	-	-	-	-	-	-
91800	Travel	-	-	-	-	-	965
91900	Other	-	-	-	-	-	2,223
91000	Total Operating - Administrative	-	-	-	-	-	5,269
92000	Asset Management Fee	-	-	-	-	-	-
92100	Tenant services - salaries	-	-	-	-	-	39,588
92200	Relocation costs	-	-	-	-	-	40
92300	Employee benefits	-	-	-	-	-	18,595
92400	Tenant services - other	-	-	-	-	-	308
92500	Total Tenant Services	-	-	-	-	-	58,531
93100	Water	-	-	-	-	-	-
93200	Electricity	-	-	-	-	-	8
93300	Gas	-	-	-	-	-	-
93400	Fuel	-	-	-	-	-	-
93600	Sewer	-	-	-	-	-	-
93800	Other utilities expense	-	-	-	-	-	-
93000	Total Utilities	-	-	-	-	-	8
94100	Ordinary maintenance and operations - labor	-	-	-	-	-	-
94200	Ordinary maintenance and operations - material and other	-	-	-	-	-	-
94300	Ordinary maintenance and operations - contracts	-	-	-	-	-	-
94500	Employee benefit contributions - ordinary maintenance	-	-	-	-	-	-
94000	Total Maintenance	-	-	-	-	-	-
95200	Other contract costs	-	-	-	-	-	-
95000	Total Protective Services	-	-	-	-	-	-
96110	Property Insurance	-	-	-	-	-	-
96120	Liability Insurance	-	-	-	-	-	-
96130	Workmen's compensation	-	-	-	-	-	185
96140	All other insurance	-	-	-	-	-	-
96100	Total Insurance Premiums	-	-	-	-	-	185

Line Item #	Accout Description	14.CFP Capital Fund Program	14.HCV Section 8 Housing Choice Voucher	14.OPS Low Rent Public Housing	10.415 Rural Rental Housing Loans	10.427 Rural Rental Assistance Payments	14.191 Multifamily Housing Service Coordinator
96200	Other General Expenses	-	-	-	-	-	-
96210	Compensated absences	-	-	-	-	-	3,680
96300	Payments in lieu of taxes	-	-	-	-	-	-
96800	Severance expense	-	-	-	-	-	-
96000	Total Other General Expenses	-	-	-	-	-	3,680
96710	Interest on mortgage (or bonds) payable	-	-	-	-	-	-
96720	Interest on notes payable (short and long term)	-	-	-	-	-	-
96730	Amortization of bond issue costs	-	-	-	-	-	-
96700	Total interest expense and amortization cost	-	-	-	-	-	-
96900	Total Operating Expenses	-	-	-	-	-	67,673
97000	Excess Operating Revenue over Operating Expenses	6,900,870	105,009,772	7,141,415	60,155	586,484	(812)
97300	Housing assistance payments	-	-	-	-	-	-
97350	HAP Portability-In	-	-	-	-	-	-
97400	Depreciation expense	-	-	-	-	-	-
90000	Total Expenses	-	-	-	-	-	67,673
10010	Operating transfers in	-	-	-	31,046	-	-
10020	Operating transfers out	(6,900,870)	(105,009,772)	(7,141,415)	(60,155)	(586,484)	-
10100	Total Other Financing Sources	(6,900,870)	(105,009,772)	(7,141,415)	(29,109)	(586,484)	-
10000	Excess (Deficiency) Of Total Revenue Over (Under) Total Expenses	$ -	$ -	$ -	$ 31,046	$ -	$ (812)
11020	Required annual debt principal payments	-	-	-	32,210	-	-
11030	Beginning of year equity	-	-	-	(1,047,939)	-	3,370
11040	Prior period adjustments, equity transfers	-	-	-	-	-	-
11170	Administrative Fee Equity	-	-	-	-	-	-
11180	Housing Assistance Fee Equity	-	-	-	-	-	-
11190	Unit Months Available	-	-	-	-	-	-
11210	Number of unit months leased	-	-	-	-	-	-
11270	Excess cash	-	-	-	-	-	-
11620	Building Purchases	-	-	-	-	-	-
13901	Replacement housing factor funds	-	-	-	-	-	-

Housing Authority of the County of King
Financial Data Schedule (FDS)
Statement of Revenues, Expenses, and Changes in Net Position
For the 12 Month Period Ending December 31 , 2015

Line Item #	Accout Description	14.195 Section 8 - Special Allocation	14.218 Community Development Block Grants/Entitlement Grants	14.856 Section 8 - Moderate Rehabilitation	14.870 Resident Opportunity and Supportive Services - Service Coordinators	14.871 Section 8 Housing Choice Vouchers	14.877 Public Housing Family Self Sufficiency Under Resident Opportunity and Support Services
70300	Net tenant rental revenue	$ 186,897	$ -	$ -	$ -	$ -	$ -
70400	Tenant revenue - other	7,810	-	-	-	-	-
70500	Total tenant revenue	194,707	-	-	-	-	-
70600	HUD PHA Operating Grants	391,951	-	96,207	58,880	7,878,253	-
70610	Capital Grants	-	-	-	-	-	-
70710	Management Fee	-	-	-	-	-	-
70720	Asset Management Fee	-	-	-	-	-	-
70730	Book-keeping Fee	-	-	-	-	-	-
70750	Other Fees	-	-	-	-	-	-
70700	Total Fee Revenue	-	-	-	-	-	-
70800	Other Government Grants	-	543,996	-	-	-	-
71100	Investment Income - unrestricted	-	-	-	-	-	-
71300	Proceeds from disposition of assets held for sale	-	-	-	-	-	-
71310	Cost of Sale of Assets	-	-	-	-	-	-
71400	Fraud Recovery	-	-	-	-	6,637	-
71500	Other Revenue	807	-	18	-	26,413,312	-
71600	Gain (loss) on the sale of capital assets	-	-	-	-	-	-
72000	Investment income - restricted	181	-	-	-	-	-
70000	Total Revenue	587,646	543,996	96,225	58,880	34,298,202	-
91100	Administrative salaries	47,662	29,019	1,477	-	259,337	-
91200	Auditing fees	-	-	42	-	-	-
91300	Management fees	42,478	-	2,255	-	137,463	-
91310	Book-keeping Fee	-	-	1,350	-	65,557	-
91400	Advertising and Marketing	-	-	-	-	126	-
91500	Employee benefit contributions - administrative	11,487	10,210	468	-	106,297	-
91600	Office Expenses	1,520	-	279	-	21,092	-
91700	Legal expense	383	-	1	-	2,098	-
91800	Travel	456	-	-	-	766	-
91900	Other	3,533	-	254	-	139,224	-
91000	Total Operating - Administrative	107,518	39,229	6,126	-	731,960	-
92000	Asset Management Fee	-	-	-	-	-	-
92100	Tenant services - salaries	-	-	-	7,816	-	-
92200	Relocation costs	-	-	-	-	-	-
92300	Employee benefits	-	-	-	4,120	-	-
92400	Tenant services - other	4	-	-	51,379	45	-
92500	Total Tenant Services	4	-	-	63,315	45	-
93100	Water	7,395	-	-	-	209	-
93200	Electricity	3,216	-	-	-	1,183	-
93300	Gas	-	-	-	-	-	-
93400	Fuel	-	-	-	-	-	-
93600	Sewer	16,907	-	-	-	103	-
93800	Other utilities expense	21,042	-	-	-	252	-
93000	Total Utilities	48,560	-	-	-	1,747	-
94100	Ordinary maintenance and operations - labor	50,549	-	-	-	23	-
94200	Ordinary maintenance and operations - material and other	45,893	461,695	1	-	1,213	-
94300	Ordinary maintenance and operations - contracts	35,782	-	-	-	3,337	-
94500	Employee benefit contributions - ordinary maintenance	13,788	-	-	-	729	-
94000	Total Maintenance	146,012	461,695	1	-	5,302	-
95200	Other contract costs	-	-	-	-	-	-
95000	Total Protective Services	-	-	-	-	-	-
96110	Property Insurance	2,542	-	3	-	276	-
96120	Liability Insurance	2,657	-	9	33	6,152	-
96130	Workmen's compensation	1,567	90	6	32	1,140	-
96140	All other insurance	-	-	-	-	-	-
96100	Total Insurance Premiums	6,766	90	18	65	7,568	-

Housing Authority of the County of King
Financial Data Schedule (FDS)
Statement of Revenues, Expenses, and Changes in Net Position
For the 12 Month Period Ending December 31 , 2015

Line Item #	Accout Description	14.195 Section 8 - Special Allocation	14.218 Community Development Block Grants/Entitlement Grants	14.856 Section 8 - Moderate Rehabilitation	14.870 Resident Opportunity and Supportive Services - Service Coordinators	14.871 Section 8 Housing Choice Vouchers	14.877 Public Housing Family Self Sufficiency Under Resident Opportunity and Support Services
96200	Other General Expenses	-	2,184	-	-	-	-
96210	Compensated absences	5,393	7,030	-	951	-	-
96300	Payments in lieu of taxes	-	-	-	-	-	-
96800	Severance expense	-	-	-	-	244	-
96000	Total Other General Expenses	5,393	9,214	-	951	244	-
96710	Interest on mortgage (or bonds) payable	-	-	-	-	-	-
96720	Interest on notes payable (short and long term)	76,664	-	-	-	-	-
96730	Amortization of bond issue costs	-	-	-	-	-	-
96700	Total interest expense and amortization cost	76,664	-	-	-	-	-
96900	Total Operating Expenses	390,917	510,228	6,145	64,331	746,866	-
97000	Excess Operating Revenue over Operating Expenses	196,729	33,768	90,080	(5,451)	33,551,336	-
97300	Housing assistance payments	-	-	80,029	-	6,817,855	-
97350	HAP Portability-In	-	-	-	-	26,413,312	-
97400	Depreciation expense	13,983	-	-	-	-	-
90000	Total Expenses	404,900	510,228	86,174	64,331	33,978,033	-
10010	Operating transfers in	-	68,940	-	26,150	-	-
10020	Operating transfers out	-	(12,774)	-	(10,624)	-	-
10100	Total Other Financing Sources	-	56,166	-	15,526	-	-
10000	Excess (Deficiency) Of Total Revenue Over (Under) Total Expenses	$ 182,746	$ 89,934	$ 10,051	$ 10,075	$ 320,169	$ -
11020	Required annual debt principal payments	-	-	-	-	-	-
11030	Beginning of year equity	455,163	24,909	85,111	10,290	405,097	(782)
11040	Prior period adjustments, equity transfers	(77,948)	-	(1,523)	(31,707)	(405,372)	782
11170	Administrative Fee Equity	-	-	-	-	27,474	-
11180	Housing Assistance Fee Equity	-	-	-	-	292,419	-
11190	Unit Months Available	492	-	-	-	10,239	-
11210	Number of unit months leased	478	-	-	-	8,741	-
11270	Excess cash	-	-	-	-	-	-
11620	Building Purchases	-	-	-	-	-	-
13901	Replacement housing factor funds	-	-	-	-	-	-

Line Item #	Accout Description	14.879 Mainstream Vouchers	14.881 Moving-To-Work Demonstration Program	14.890 Capital Fund Education and Training Community Facilities	14.896 Family Self Sufficiency Program	State/Local Programs	Business Activities
70300	Net tenant rental revenue	$ -	$ -	$ -	$ -	$ -	$ 56,539,875
70400	Tenant revenue - other	-	-	-	-	-	1,742,358
70500	Total tenant revenue	-	-	-	-	-	58,282,232
70600	HUD PHA Operating Grants	2,821,860	-	-	329,650	-	-
70610	Capital Grants	-	-	10,058	-	-	-
70710	Management Fee	-	-	-	-	-	-
70720	Asset Management Fee	-	-	-	-	-	-
70730	Book-keeping Fee	-	-	-	-	-	-
70750	Other Fees	-	-	-	-	-	-
70700	Total Fee Revenue	-	-	-	-	-	-
70800	Other Government Grants	-	102,199	-	-	1,966,598	720,095
71100	Investment Income - unrestricted	-	-	-	-	-	-
71300	Proceeds from disposition of assets held for sale	-	-	-	-	-	2,267,649
71310	Cost of Sale of Assets	-	-	-	-	-	(1,578,179)
71400	Fraud Recovery	2,896	104,300	-	-	-	-
71500	Other Revenue	419	3,335,400	-	-	255,570	3,556,688
71600	Gain (loss) on the sale of capital assets	-	-	-	-	-	-
72000	Investment income - restricted	-	313,132	-	-	-	9,778,492
70000	Total Revenue	2,825,175	3,855,031	10,058	329,650	2,222,168	73,026,977
91100	Administrative salaries	121,788	4,150,289	-	-	653,927	5,305,587
91200	Auditing fees	968	25,134	-	-	2,092	25,078
91300	Management fees	57,683	1,632,789	-	-	31,511	2,796,061
91310	Book-keeping Fee	31,092	998,266	-	-	-	166,239
91400	Advertising and Marketing	53	3,524	-	-	526	223,303
91500	Employee benefit contributions - administrative	42,744	1,185,162	-	-	178,227	2,097,265
91600	Office Expenses	8,872	321,324	-	-	22,106	328,333
91700	Legal expense	883	33,867	-	-	6,762	245,166
91800	Travel	322	67,363	-	-	4	20,169
91900	Other	23,595	1,092,330	-	-	5,817	3,636,801
91000	Total Operating - Administrative	288,000	9,510,048	-	-	900,972	14,844,002
92000	Asset Management Fee	-	-	-	-	-	179,780
92100	Tenant services - salaries	-	1,678,458	-	219,919	-	30,479
92200	Relocation costs	-	104,011	-	-	-	-
92300	Employee benefits	-	529,992	-	93,893	-	14,867
92400	Tenant services - other	19	3,770,249	-	54,223	26	568,470
92500	Total Tenant Services	19	6,082,710	-	368,035	26	613,816
93100	Water	88	2,756	-	-	577	1,790,984
93200	Electricity	498	15,619	-	-	3,016	731,512
93300	Gas	-	-	-	-	-	47,080
93400	Fuel	-	-	-	-	-	5,859
93600	Sewer	43	1,406	-	-	283	2,750,743
93800	Other utilities expense	106	3,330	-	-	697	1,770,830
93000	Total Utilities	735	23,111	-	-	4,573	7,097,009
94100	Ordinary maintenance and operations - labor	10	284	-	-	43	3,238,695
94200	Ordinary maintenance and operations - material and other	510	18,638	-	-	1,880,715	4,676,040
94300	Ordinary maintenance and operations - contracts	1,404	44,223	-	-	7,017	2,884,390
94500	Employee benefit contributions - ordinary maintenance	301	-	-	-	775	349,542
94000	Total Maintenance	2,225	63,145	-	-	1,888,550	11,148,667
95200	Other contract costs	-	-	-	-	-	171,469
95000	Total Protective Services	-	-	-	-	-	171,469
96110	Property Insurance	116	3,642	-	-	399	448,347
96120	Liability Insurance	2,588	84,322	-	-	6,359	321,147
96130	Workmen's compensation	466	22,770	-	-	1,678	216,114
96140	All other insurance	-	-	-	-	-	-
96100	Total Insurance Premiums	3,170	110,734	-	-	8,436	985,608

Housing Authority of the County of King
Financial Data Schedule (FDS)
Statement of Revenues, Expenses, and Changes in Net Position
For the 12 Month Period Ending December 31 , 2015

Line Item #	Accout Description	14.879 Mainstream Vouchers	14.881 Moving-To-Work Demonstration Program	14.890 Other Federal Programs	14.896 Family Self Sufficiency Program	State/Local Programs	Business Activities
96200	Other General Expenses	-	5	-	-	-	4,050,794
96210	Compensated absences	-	522,916	-	16,866	56,233	444,531
96300	Payments in lieu of taxes	-	-	-	-	-	121,961
96800	Severance expense	103	3,223	-	-	-	-
96000	Total Other General Expenses	103	526,144	-	16,866	56,233	4,617,286
96710	Interest on mortgage (or bonds) payable	-	-	-	-	-	4,738,511
96720	Interest on notes payable (short and long term)	-	-	-	-	-	5,071,588
96730	Amortization of bond issue costs	-	-	-	-	-	-
96700	Total interest expense and amortization cost	-	-	-	-	-	9,810,099
96900	Total Operating Expenses	294,252	16,315,891	-	384,901	2,858,790	49,467,735
97000	Excess Operating Revenue over Operating Expenses	2,530,923	(12,460,860)	10,058	(55,251)	(636,622)	23,559,242
97300	Housing assistance payments	2,521,273	83,360,412	-	-	-	-
97350	HAP Portability-In	-	-	-	-	-	-
97400	Depreciation expense	-	-	-	-	-	7,228,892
90000	Total Expenses	2,815,525	99,676,303	-	384,901	2,858,790	56,696,627
10010	Operating transfers in	26,425	119,681,647	-	-	930,755	29,890,690
10020	Operating transfers out	-	(19,903,634)	(10,058)	-	(1,246,979)	(22,742,452)
10080	Special items, net gain/loss	-	-	-	-	-	(39,117,550)
10100	Total Other Financing Sources	26,425	99,778,013	(10,058)	-	(316,224)	(31,969,312)
10000	Excess (Deficiency) Of Total Revenue Over (Under) Total Expenses	$ 36,075	$ 3,956,741	$ -	$ (55,251)	$ (952,846)	$ (15,638,961)
11020	Required annual debt principal payments	-	-	-	-	-	9,135,422
11030	Beginning of year equity	4,383	40,284,773	-	-	787,972	320,796,202
11040	Prior period adjustments, equity transfers	544,310	(7,060,956)	-	72,979	(648,685)	(8,929,613)
11170	Administrative Fee Equity	-	-	-	-	-	-
11180	Housing Assistance Fee Equity	-	-	-	-	-	-
11190	Unit Months Available	-	97,092	-	-	-	67,380
11210	Number of unit months leased	-	99,515	-	-	-	66,437
11270	Excess cash	-	-	-	-	-	-
11620	Building Purchases	-	-	-	-	-	-
13901	Replacement housing factor funds	-	-	-	-	-	-

Housing Authority of the County of King
Financial Data Schedule (FDS)
Statement of Revenues, Expenses, and Changes in Net Position
For the 12 Month Period Ending December 31 , 2015

Line Item #	Accout Description	81.042 Weatherization Assistance for Low Income Persons	93.568 Low Income Home Energy Assistance	94.006 Americorp	14.251 Other Federal Programs	COMPONENT UNITS - BLENDED	COCC
70300	Net tenant rental revenue	$ -	$ -	$ -	$ -	$ -	$ -
70400	Tenant revenue - other	-	-	-	-	-	-
70500	Total tenant revenue	-	-	-	-	-	-
70600	HUD PHA Operating Grants	-	-	-	-	-	-
70610	Capital Grants	-	-	-	110,388	-	-
70710	Management Fee	-	-	-	-	-	4,740,044
70720	Asset Management Fee	-	-	-	-	-	341,460
70730	Book-keeping Fee	-	-	-	-	-	1,384,896
70750	Other Fees	-	-	-	-	-	705,173
70700	Total Fee Revenue	-	-	-	-	-	7,171,573
70800	Other Government Grants	456,713	691,626	-	-	-	-
71100	Investment Income - unrestricted	-	-	-	-	-	-
71300	Proceeds from disposition of assets held for sale	-	-	-	-	-	-
71310	Cost of Sale of Assets	-	-	-	-	-	-
71400	Fraud Recovery	-	-	-	-	-	-
71500	Other Revenue	-	-	2,726	-	1,830,714	3,213,328
71600	Gain (loss) on the sale of capital assets	-	-	-	-	-	47,147
72000	Investment income - restricted	-	-	-	-	2,835	13,395
70000	Total Revenue	456,713	691,626	2,726	110,388	1,833,549	10,445,443
91100	Administrative salaries	4,729	9,501	-	-	-	5,313,540
91200	Auditing fees	-	-	-	-	4,308	24,052
91300	Management fees	-	-	-	-	-	-
91310	Book-keeping Fee	-	-	-	-	-	-
91400	Advertising and Marketing	-	-	-	-	-	15,977
91500	Employee benefit contributions - administrative	2,301	3,132	-	-	-	1,616,575
91600	Office Expenses	-	-	337	-	-	403,532
91700	Legal expense	-	-	-	-	10	69,941
91800	Travel	2,671	224	1,855	-	-	350,251
91900	Other	2,174	-	152	-	13,857	1,214,026
91000	Total Operating - Administrative	11,875	12,857	2,344	-	18,175	9,007,894
92000	Asset Management Fee	-	-	-	-	-	-
92100	Tenant services - salaries	-	-	41,298	-	-	-
92200	Relocation costs	-	-	-	-	-	-
92300	Employee benefits	-	-	15,228	-	-	-
92400	Tenant services - other	-	-	-	-	-	52
92500	Total Tenant Services	-	-	56,526	-	-	52
93100	Water	-	-	-	-	-	7,232
93200	Electricity	-	-	-	-	-	60,507
93300	Gas	-	-	-	-	-	-
93400	Fuel	-	-	-	-	-	-
93600	Sewer	-	-	-	-	-	4,034
93800	Other utilities expense	-	-	-	-	-	7,921
93000	Total Utilities	-	-	-	-	-	79,694
94100	Ordinary maintenance and operations - labor	-	-	-	-	-	1,416,992
94200	Ordinary maintenance and operations - material and other	313,918	521,335	-	-	16,689	45,908
94300	Ordinary maintenance and operations - contracts	-	-	-	-	-	88,446
94500	Employee benefit contributions - ordinary maintenance	-	-	-	-	-	444,950
94000	Total Maintenance	313,918	521,335	-	-	16,689	1,996,295
95200	Other contract costs	-	-	-	-	-	-
95000	Total Protective Services	-	-	-	-	-	-
96110	Property Insurance	-	-	-	-	-	8,100
96120	Liability Insurance	-	-	179	-	-	149,082
96130	Workmen's compensation	41	5	128	-	-	78,728
96140	All other insurance	-	-	-	-	-	-
96100	Total Insurance Premiums	41	5	307	-	-	235,910

Housing Authority of the County of King
Financial Data Schedule (FDS)
Statement of Revenues, Expenses, and Changes in Net Position
For the 12 Month Period Ending December 31 , 2015

Line Item #	Accout Description	81.042 Weatherization Assistance for Low Income Persons	93.568 Low Income Home Energy Assistance	94.006 Americorp	14.251 Other Federal Programs	COMPONENT UNITS - BLENDED	COCC
96200	Other General Expenses	-	-	-	-	-	-
96210	Compensated absences	-	-	27,739	-	-	695,391
96300	Payments in lieu of taxes	-	-	-	-	-	-
96800	Severance expense	-	-	-	-	-	-
96000	Total Other General Expenses	-	-	27,739	-	-	695,391
96710	Interest on mortgage (or bonds) payable	-	-	-	-	-	-
96720	Interest on notes payable (short and long term)	-	-	-	-	1,029,921	6,295
96730	Amortization of bond issue costs	-	-	-	-	-	-
96700	Total interest expense and amortization cost	-	-	-	-	1,029,921	6,295
96900	Total Operating Expenses	325,834	534,197	86,916	-	1,064,785	12,021,531
97000	Excess Operating Revenue over Operating Expenses	130,879	157,429	(84,190)	110,388	768,764	(1,576,088)
97300	Housing assistance payments	-	-	-	-	-	-
97350	HAP Portability-In	-	-	-	-	-	-
97400	Depreciation expense	-	-	-	-	1,155,200	585,571
90000	Total Expenses	325,834	534,197	86,916	-	2,219,985	12,607,102
10010	Operating transfers in	31,388	-	86,285	-	-	1,837,331
10020	Operating transfers out	(133,453)	(361,015)	-	(110,388)	-	(38,393)
10100	Total Other Financing Sources	(102,065)	(361,015)	86,285	(110,388)	-	1,798,938
10000	Excess (Deficiency) Of Total Revenue Over (Under) Total Expenses	$ 28,814	$ (203,586)	$ 2,095	$ -	$ (386,436)	$ (362,721)
11020	Required annual debt principal payments	-	-	-	-	518,060	188,546
11030	Beginning of year equity	-	394,830	10,652	-	18,268,879	15,027,111
11040	Prior period adjustments, equity transfers	-	-	-	-	1	(7,053,239)
11170	Administrative Fee Equity	-	-	-	-	-	-
11180	Housing Assistance Fee Equity	-	-	-	-	-	-
11190	Unit Months Available	-	-	-	-	-	-
11210	Number of unit months leased	-	-	-	-	-	-
11270	Excess cash	-	-	-	-	-	-
11620	Building Purchases	-	-	-	-	-	-
13901	Replacement housing factor funds	-	-	-	-	-	-

Housing Authority of the County of King
Financial Data Schedule (FDS)
Statement of Revenues, Expenses, and Changes in Net Position
For the 12 Month Period Ending December 31 , 2015

Line Item #	Accout Description	Ballinger Homes WA002000101	Park Royal Apartments WA002000105	Paramount House II WA002000150	The Lake House WA002000152	Northridge II WA002000153	Westminster WA002000156
70300	Net tenant rental revenue	$ 549,078	$ 50,289	$ -	$ 335,185	$ 354,125	$ 144,319
70400	Tenant revenue - other	9,857	7,304	-	9,545	8,771	7,569
70500	Total tenant revenue	558,935	57,593	-	344,730	362,896	151,889
70600	HUD PHA Operating Grants	-	-	-	-	-	-
70610	Capital Grants	-	-	-	-	-	-
70710	Management Fee	-	-	-	-	-	-
70720	Asset Management Fee	-	-	-	-	-	-
70730	Book-keeping Fee	-	-	-	-	-	-
70750	Other Fees	-	-	-	-	-	-
70700	Total Fee Revenue	-	-	-	-	-	-
70800	Other Government Grants	-	-	-	-	-	-
71100	Investment Income - unrestricted	-	-	-	-	-	-
71300	Proceeds from disposition of assets held for sale	-	-	-	-	-	-
71310	Cost of Sale of Assets	-	-	-	-	-	-
71400	Fraud Recovery	-	-	-	-	-	-
71500	Other Revenue	1,114	180	-	3,327	3,360	388
71600	Gain (loss) on the sale of capital assets	-	-	-	-	-	-
72000	Investment income - restricted	1,017	76	-	712	701	140
70000	Total Revenue	561,066	57,849	-	348,769	366,957	152,417
91100	Administrative salaries	86,259	12,567	-	75,090	81,590	14,531
91200	Auditing fees	4,018	660	-	4,018	4,012	-
91300	Management fees	163,981	31,801	-	339,308	226,163	28,343
91310	Book-keeping Fee	11,865	1,980	-	12,443	12,323	2,272
91400	Advertising and Marketing	-	-	-	-	-	-
91500	Employee benefit contributions - administrative	33,164	4,280	-	30,395	28,864	4,312
91600	Office Expenses	6,170	745	-	5,548	5,278	819
91700	Legal expense	2,287	8	-	3,501	19,847	10
91800	Travel	1,833	27	-	1,500	862	78
91900	Other	12,117	1,401	-	10,755	11,763	4,438
91000	Total Operating - Administrative	321,693	53,469	-	482,557	390,701	54,803
92000	Asset Management Fee	16,320	2,640	-	16,800	16,800	3,240
92100	Tenant services - salaries	-	-	-	-	-	-
92200	Relocation costs	-	-	-	-	-	-
92300	Employee benefits	-	-	-	-	-	-
92400	Tenant services - other	402	20	-	211	120	28
92500	Total Tenant Services	402	20	-	211	120	28
93100	Water	63,824	8,123	-	29,656	25,209	4,378
93200	Electricity	15,178	1,873	-	20,027	26,067	16,123
93300	Gas	-	-	-	-	4,794	2,194
93400	Fuel	-	-	-	-	-	-
93600	Sewer	65,978	8,957	-	48,117	39,424	9,065
93800	Other utilities expense	78,997	6,615	-	29,857	34,646	14,907
93000	Total Utilities	223,977	25,568	-	127,657	130,140	46,666
94100	Ordinary maintenance and operations - labor	140,873	11,571	-	81,319	81,968	18,866
94200	Ordinary maintenance and operations - material and other	41,924	10,702	-	57,989	39,622	11,895
94300	Ordinary maintenance and operations - contracts	67,869	18,755	-	100,268	101,898	12,199
94500	Employee benefit contributions - ordinary maintenance	39,784	5,016	-	35,447	34,053	6,424
94000	Total Maintenance	290,450	46,044	-	275,022	257,541	49,384
95200	Other contract costs	-	-	-	-	-	-
95000	Total Protective Services	-	-	-	-	-	-
96110	Property Insurance	14,343	1,571	-	6,396	9,319	1,237
96120	Liability Insurance	8,832	1,217	-	6,968	7,015	1,608
96130	Workmen's compensation	7,131	672	-	4,494	4,291	903
96140	All other insurance	-	-	-	-	-	-
96100	Total Insurance Premiums	30,306	3,460	-	17,858	20,625	3,748

Housing Authority of the County of King
Financial Data Schedule (FDS)
Statement of Revenues, Expenses, and Changes in Net Position
For the 12 Month Period Ending December 31 , 2015

Line Item #	Accout Description	Ballinger Homes WA002000101	Park Royal Apartments WA002000105	Paramount House II WA002000150	The Lake House WA002000152	Northridge II WA002000153	Westminster WA002000156
96200	Other General Expenses	6,441	-	-	-	-	-
96210	Compensated absences	18,161	3,950	-	18,236	19,387	4,292
96300	Payments in lieu of taxes	-	-	-	-	-	-
96800	Severance expense	-	-	-	-	-	-
96000	Total Other General Expenses	24,602	3,950	-	18,236	19,387	4,292
96710	Interest on mortgage (or bonds) payable	-	-	-	-	-	-
96720	Interest on notes payable (short and long term)	2,895	-	-	1,166	1,447	-
96730	Amortization of bond issue costs	-	-	-	-	-	-
96700	Total interest expense and amortization cost	2,895	-	-	1,166	1,447	-
96900	Total Operating Expenses	910,645	135,151	-	939,508	836,762	162,162
97000	Excess Operating Revenue over Operating Expenses	(349,579)	(77,302)	-	(590,739)	(469,805)	(9,746)
97300	Housing assistance payments	-	-	-	-	-	-
97350	HAP Portability-In	-	-	-	-	-	-
97400	Depreciation expense	347,683	50,872	-	269,616	223,106	39,220
90000	Total Expenses	1,258,328	186,023	-	1,209,124	1,059,868	201,382
10010	Operating transfers in	1,029,516	213,910	-	799,708	1,678,043	150,815
10020	Operating transfers out	(126,856)	(4,084)	-	(3,522)	(106)	(4,340)
10100	Total Other Financing Sources	902,660	209,826	-	796,187	1,677,938	146,475
10000	Excess (Deficiency) Of Total Revenue Over (Under) Total Expenses	$ 205,398	$ 81,652	$ -	$ (64,168)	$ 985,027	$ 97,510
11020	Required annual debt principal payments	26,829	-	-	10,806	13,414	-
11030	Beginning of year equity	8,454,950	1,730,245	-	6,253,255	6,304,499	1,247,331
11040	Prior period adjustments, equity transfers	(229,852)	(25,844)	-	(176,704)	(181,334)	(71,556)
11170	Administrative Fee Equity	-	-	-	-	-	-
11180	Housing Assistance Fee Equity	-	-	-	-	-	-
11190	Unit Months Available	1,619	264	-	1,676	1,671	326
11210	Number of unit months leased	1,597	264	-	1,659	1,643	321
11270	Excess cash	437,065	31,808	-	280,844	256,626	60,515
11620	Building Purchases	-	-	-	-	11,617	-
13901	Replacement housing factor funds	-	-	-	-	-	-

Housing Authority of the County of King
Financial Data Schedule (FDS)
Statement of Revenues, Expenses, and Changes in Net Position
For the 12 Month Period Ending December 31 , 2015

Line Item #	Accout Description	Forest Glen WA002000201	College Place WA002000203	Kirkland Place WA002000210	Island Crest WA002000213	Casa Juanita WA002000251	Seola Crossing WA002000340
70300	Net tenant rental revenue	$ 78,171	$ 407,731	$ 52,325	$ 175,138	$ 220,879	$ -
70400	Tenant revenue - other	2,271	14,088	1,401	3,422	5,698	-
70500	Total tenant revenue	80,442	421,819	53,726	178,560	226,577	-
70600	HUD PHA Operating Grants	-	-	-	-	-	-
70610	Capital Grants	-	-	-	-	-	-
70710	Management Fee	-	-	-	-	-	-
70720	Asset Management Fee	-	-	-	-	-	-
70730	Book-keeping Fee	-	-	-	-	-	-
70750	Other Fees	-	-	-	-	-	-
70700	Total Fee Revenue	-	-	-	-	-	-
70800	Other Government Grants	-	-	-	-	-	-
71100	Investment Income - unrestricted	-	-	-	-	-	-
71300	Proceeds from disposition of assets held for sale	-	-	-	-	-	-
71310	Cost of Sale of Assets	-	-	-	-	-	-
71400	Fraud Recovery	-	-	-	-	-	-
71500	Other Revenue	832	9,035	71	235	1,659	-
71600	Gain (loss) on the sale of capital assets	-	-	-	-	-	-
72000	Investment income - restricted	162	723	64	-	394	-
70000	Total Revenue	81,436	431,577	53,861	178,795	228,630	-
91100	Administrative salaries	21,608	58,235	3,773	32,793	40,643	-
91200	Auditing fees	1,148	2,899	258	-	2,296	-
91300	Management fees	41,361	65,470	7,258	19,221	69,399	-
91310	Book-keeping Fee	3,548	9,038	540	1,155	7,125	-
91400	Advertising and Marketing	-	-	-	-	-	-
91500	Employee benefit contributions - administrative	11,574	38,204	3,301	8,206	17,628	-
91600	Office Expenses	1,847	3,700	330	883	2,569	-
91700	Legal expense	2,988	6,343	87	89	285	-
91800	Travel	74	1,255	175	350	107	-
91900	Other	5,661	8,558	534	4,017	7,786	-
91000	Total Operating - Administrative	89,809	193,701	16,256	66,714	147,838	-
92000	Asset Management Fee	4,800	12,120	720	2,040	9,600	-
92100	Tenant services - salaries	-	-	-	-	-	-
92200	Relocation costs	-	-	-	-	-	-
92300	Employee benefits	-	-	-	-	-	-
92400	Tenant services - other	49	182	42	26	69	-
92500	Total Tenant Services	49	182	42	26	69	-
93100	Water	5,910	53,801	2,873	6,318	24,758	-
93200	Electricity	3,843	9,117	605	2,071	37,438	-
93300	Gas	-	-	-	-	18,038	-
93400	Fuel	-	-	-	-	-	-
93600	Sewer	10,020	56,968	4,939	10,557	47,287	-
93800	Other utilities expense	12,501	63,859	3,561	11,240	14,784	-
93000	Total Utilities	32,274	183,745	11,978	30,186	142,305	-
94100	Ordinary maintenance and operations - labor	43,585	156,914	12,332	17,722	60,705	-
94200	Ordinary maintenance and operations - material and other	13,173	37,296	1,734	4,076	38,673	-
94300	Ordinary maintenance and operations - contracts	41,661	98,363	25,737	14,010	74,315	-
94500	Employee benefit contributions - ordinary maintenance	13,471	43,468	3,749	9,864	20,759	-
94000	Total Maintenance	111,890	336,041	43,551	45,672	194,452	-
95200	Other contract costs	-	-	-	-	-	-
95000	Total Protective Services	-	-	-	-	-	-
96110	Property Insurance	1,599	7,642	795	1,850	3,288	-
96120	Liability Insurance	1,974	6,317	510	1,632	4,039	-
96130	Workmen's compensation	2,157	7,680	644	1,003	3,271	-
96140	All other insurance	-	-	-	-	-	-
96100	Total Insurance Premiums	5,730	21,639	1,949	4,485	10,598	-

Housing Authority of the County of King
Financial Data Schedule (FDS)
Statement of Revenues, Expenses, and Changes in Net Position
For the 12 Month Period Ending December 31 , 2015

Line Item #	Accout Description	Forest Glen WA002000201	College Place WA002000203	Kirkland Place WA002000210	Island Crest WA002000213	Casa Juanita WA002000251	Seola Crossing WA002000340
96200	Other General Expenses	-	1,032	-	-	-	-
96210	Compensated absences	6,691	13,719	2,312	10,935	10,870	-
96300	Payments in lieu of taxes	-	-	-	-	-	-
96800	Severance expense	-	-	-	-	-	-
96000	Total Other General Expenses	6,691	14,751	2,312	10,935	10,870	-
96710	Interest on mortgage (or bonds) payable	-	-	-	-	-	-
96720	Interest on notes payable (short and long term)	744	2,754	-	219	2,613	-
96730	Amortization of bond issue costs	-	-	-	-	-	-
96700	Total interest expense and amortization cost	744	2,754	-	219	2,613	-
96900	Total Operating Expenses	251,987	764,933	76,808	160,277	518,345	-
97000	Excess Operating Revenue over Operating Expenses	(170,551)	(333,356)	(22,947)	18,518	(289,715)	-
97300	Housing assistance payments	-	-	-	-	-	-
97350	HAP Portability-In	-	-	-	-	-	-
97400	Depreciation expense	90,871	224,325	12,300	60,871	126,042	-
90000	Total Expenses	342,858	989,258	89,108	221,148	644,387	-
10010	Operating transfers in	400,341	541,090	143,100	1,193,625	413,432	-
10020	Operating transfers out	(8)	(36,030)	(22,423)	(3,105)	(60)	-
10100	Total Other Financing Sources	400,334	505,060	120,677	1,190,520	413,372	-
10000	Excess (Deficiency) Of Total Revenue Over (Under) Total Expenses	$ 138,912	$ (52,621)	$ 85,430	$ 1,148,167	$ (2,385)	$ -
11020	Required annual debt principal payments	6,894	25,525	-	-	24,220	-
11030	Beginning of year equity	2,054,138	8,368,602	1,357,334	-	2,488,506	-
11040	Prior period adjustments, equity transfers	(65,871)	(182,184)	(15,526)	4,368,702	(109,265)	-
11170	Administrative Fee Equity	-	-	-	-	-	-
11180	Housing Assistance Fee Equity	-	-	-	-	-	-
11190	Unit Months Available	478	1,212	72	193	958	-
11210	Number of unit months leased	473	1,205	72	154	950	-
11270	Excess cash	110,264	316,729	48,685	65,079	192,206	-
11620	Building Purchases	86,402	253,513	58,102	-	-	-
13901	Replacement housing factor funds	-	-	-	-	-	-

Housing Authority of the County of King
Financial Data Schedule (FDS)
Statement of Revenues, Expenses, and Changes in Net Position
For the 12 Month Period Ending December 31 , 2015

Line Item #	Accout Description	Eastbridge WA002000341	Salmon Creek WA002000343	Zephyr WA002000344	Sixth Place Apartments WA002000345	Fairwind WA002000346	Boulevard Manor WA002000350
70300	Net tenant rental revenue	$ -	$ -	$ -	$ -	$ -	$ 199,594
70400	Tenant revenue - other	-	-	-	-	-	4,679
70500	Total tenant revenue	-	-	-	-	-	204,273
70600	HUD PHA Operating Grants	-	-	-	-	-	-
70610	Capital Grants	-	-	-	-	-	-
70710	Management Fee	-	-	-	-	-	-
70720	Asset Management Fee	-	-	-	-	-	-
70730	Book-keeping Fee	-	-	-	-	-	-
70750	Other Fees	-	-	-	-	-	-
70700	Total Fee Revenue	-	-	-	-	-	-
70800	Other Government Grants	-	-	-	-	-	-
71100	Investment Income - unrestricted	-	-	-	-	-	-
71300	Proceeds from disposition of assets held for sale	-	-	-	-	-	-
71310	Cost of Sale of Assets	-	-	-	-	-	-
71400	Fraud Recovery	-	-	-	-	-	-
71500	Other Revenue	-	-	-	-	-	550
71600	Gain (loss) on the sale of capital assets	-	-	-	-	-	-
72000	Investment income - restricted	-	-	-	-	-	365
70000	Total Revenue	-	-	-	-	-	205,188
91100	Administrative salaries	-	-	-	-	-	37,230
91200	Auditing fees	-	-	-	-	-	2,009
91300	Management fees	-	-	-	-	-	68,173
91310	Book-keeping Fee	-	-	-	-	-	6,195
91400	Advertising and Marketing	-	-	-	-	-	-
91500	Employee benefit contributions - administrative	-	-	-	-	-	18,432
91600	Office Expenses	-	-	-	-	-	3,822
91700	Legal expense	-	-	-	-	-	2,156
91800	Travel	-	-	-	-	-	40
91900	Other	-	-	-	-	-	9,345
91000	Total Operating - Administrative	-	-	-	-	-	147,401
92000	Asset Management Fee	-	-	-	-	-	8,400
92100	Tenant services - salaries	-	-	-	-	-	-
92200	Relocation costs	-	-	-	-	-	-
92300	Employee benefits	-	-	-	-	-	-
92400	Tenant services - other	-	-	-	-	-	386
92500	Total Tenant Services	-	-	-	-	-	386
93100	Water	-	-	-	-	-	16,462
93200	Electricity	-	-	-	-	-	11,146
93300	Gas	-	-	-	-	-	-
93400	Fuel	-	-	-	-	-	-
93600	Sewer	-	-	-	-	-	40,110
93800	Other utilities expense	-	-	-	-	-	10,746
93000	Total Utilities	-	-	-	-	-	78,464
94100	Ordinary maintenance and operations - labor	-	-	-	-	-	51,628
94200	Ordinary maintenance and operations - material and other	-	-	-	-	-	65,281
94300	Ordinary maintenance and operations - contracts	-	-	-	-	-	81,564
94500	Employee benefit contributions - ordinary maintenance	-	-	-	-	-	21,271
94000	Total Maintenance	-	-	-	-	-	219,744
95200	Other contract costs	-	-	-	-	-	12,666
95000	Total Protective Services	-	-	-	-	-	12,666
96110	Property Insurance	-	-	-	-	-	3,369
96120	Liability Insurance	-	-	-	-	-	3,542
96130	Workmen's compensation	-	-	-	-	-	2,265
96140	All other insurance	-	-	-	-	-	-
96100	Total Insurance Premiums	-	-	-	-	-	9,176

Housing Authority of the County of King
Financial Data Schedule (FDS)
Statement of Revenues, Expenses, and Changes in Net Position
For the 12 Month Period Ending December 31 , 2015

Line Item #	Accout Description	Eastbridge WA002000341	Salmon Creek WA002000343	Zephyr WA002000344	Sixth Place Apartments WA002000345	Fairwind WA002000346	Boulevard Manor WA002000350
96200	Other General Expenses	-	-	-	-	-	-
96210	Compensated absences	-	-	-	-	-	15,348
96300	Payments in lieu of taxes	-	-	-	-	-	-
96800	Severance expense	-	-	-	-	-	-
96000	Total Other General Expenses	-	-	-	-	-	15,348
96710	Interest on mortgage (or bonds) payable	-	-	-	-	-	-
96720	Interest on notes payable (short and long term)	-	-	-	-	-	583
96730	Amortization of bond issue costs	-	-	-	-	-	-
96700	Total interest expense and amortization cost	-	-	-	-	-	583
96900	Total Operating Expenses	-	-	-	-	-	492,168
97000	Excess Operating Revenue over Operating Expenses	-	-	-	-	-	(286,980)
97300	Housing assistance payments	-	-	-	-	-	-
97350	HAP Portability-In	-	-	-	-	-	-
97400	Depreciation expense	-	-	-	-	-	210,978
90000	Total Expenses	-	-	-	-	-	703,146
10010	Operating transfers in	-	-	-	-	-	382,687
10020	Operating transfers out	-	-	-	-	-	(90)
10100	Total Other Financing Sources	-	-	-	-	-	382,597
10000	Excess (Deficiency) Of Total Revenue Over (Under) Total Expenses	$ -	$ -	$ -	$ -	$ -	$ (115,361)
11020	Required annual debt principal payments	-	-	-	-	-	5,403
11030	Beginning of year equity	-	-	-	-	-	4,447,333
11040	Prior period adjustments, equity transfers	-	-	-	-	-	(98,977)
11170	Administrative Fee Equity	-	-	-	-	-	-
11180	Housing Assistance Fee Equity	-	-	-	-	-	-
11190	Unit Months Available	-	-	-	-	-	838
11210	Number of unit months leased	-	-	-	-	-	826
11270	Excess cash	-	-	-	-	-	172,809
11620	Building Purchases	-	-	-	-	-	11,341
13901	Replacement housing factor funds	-	-	-	-	-	-

Housing Authority of the County of King
Financial Data Schedule (FDS)
Statement of Revenues, Expenses, and Changes in Net Position
For the 12 Month Period Ending December 31 , 2015

Line Item #	Accout Description	Yardley Arms WA002000352	Riverton Terrace WA002000354	Nia WA002000355	Valli Kee Homes WA002000401	Springwood Apartments WA002000402	Cascade Apartments WA002000403
70300	Net tenant rental revenue	$ 175,064	$ 78,835	$ -	$ 403,890	$ -	$ 388,335
70400	Tenant revenue - other	5,629	5,987	$ -	10,643	-	23,626
70500	Total tenant revenue	180,693	84,822	-	414,533	-	411,961
70600	HUD PHA Operating Grants	-	-	-	-	-	-
70610	Capital Grants	-	-	-	-	-	-
70710	Management Fee	-	-	-	-	-	-
70720	Asset Management Fee	-	-	-	-	-	-
70730	Book-keeping Fee	-	-	-	-	-	-
70750	Other Fees	-	-	-	-	-	-
70700	Total Fee Revenue	-	-	-	-	-	-
70800	Other Government Grants	-	-	-	-	-	-
71100	Investment Income - unrestricted	-	-	-	-	-	-
71300	Proceeds from disposition of assets held for sale	-	-	-	-	-	-
71310	Cost of Sale of Assets	-	-	-	-	-	-
71400	Fraud Recovery	-	-	-	-	-	-
71500	Other Revenue	526	251	-	983	-	856
71600	Gain (loss) on the sale of capital assets	-	-	-	-	-	-
72000	Investment income - restricted	332	157	-	945	-	754
70000	Total Revenue	181,551	85,230	-	416,461	-	413,571
91100	Administrative salaries	24,519	23,794	-	84,787	-	100,973
91200	Auditing fees	1,923	918	-	3,272	-	3,099
91300	Management fees	69,421	29,210	-	103,382	-	99,459
91310	Book-keeping Fee	5,985	2,828	-	10,110	-	9,360
91400	Advertising and Marketing	-	-	-	-	-	-
91500	Employee benefit contributions - administrative	16,344	9,462	-	45,143	-	40,294
91600	Office Expenses	3,085	1,244	-	6,515	-	4,465
91700	Legal expense	1,463	284	-	13,279	-	483
91800	Travel	38	112	-	1,431	-	808
91900	Other	6,588	3,281	-	11,206	-	7,007
91000	Total Operating - Administrative	129,365	71,132	-	279,125	-	265,947
92000	Asset Management Fee	8,040	3,840	-	13,680	-	12,960
92100	Tenant services - salaries	-	-	-	-	-	-
92200	Relocation costs	-	-	-	-	-	-
92300	Employee benefits	-	-	-	-	-	-
92400	Tenant services - other	102	27	-	98	-	93
92500	Total Tenant Services	102	27	-	98	-	93
93100	Water	16,991	8,347	-	50,910	-	32,047
93200	Electricity	20,304	3,806	-	14,748	-	14,989
93300	Gas	4,959	-	-	15,528	-	-
93400	Fuel	-	-	-	-	-	-
93600	Sewer	9,456	20,131	-	87,054	-	83,223
93800	Other utilities expense	11,690	8,521	-	59,749	-	46,245
93000	Total Utilities	63,400	40,805	-	227,989	-	176,504
94100	Ordinary maintenance and operations - labor	80,781	30,898	-	104,051	-	132,651
94200	Ordinary maintenance and operations - material and other	31,772	12,452	-	46,369	-	40,141
94300	Ordinary maintenance and operations - contracts	64,227	30,650	-	78,828	-	34,571
94500	Employee benefit contributions - ordinary maintenance	18,874	10,724	-	51,011	-	47,696
94000	Total Maintenance	195,654	84,723	-	280,259	-	255,059
95200	Other contract costs	7,036	62,013	-	-	-	-
95000	Total Protective Services	7,036	62,013	-	-	-	-
96110	Property Insurance	3,601	2,022	-	13,829	-	9,116
96120	Liability Insurance	3,129	1,929	-	7,368	-	6,826
96130	Workmen's compensation	2,342	1,549	-	6,639	-	7,322
96140	All other insurance	-	-	-	-	-	-
96100	Total Insurance Premiums	9,072	5,500	-	27,836	-	23,264

Housing Authority of the County of King
Financial Data Schedule (FDS)
Statement of Revenues, Expenses, and Changes in Net Position
For the 12 Month Period Ending December 31 , 2015

Line Item #	Accout Description	Yardley Arms WA002000352	Riverton Terrace WA002000354	Nia WA002000355	Valli Kee Homes WA002000401	Springwood Apartments WA002000402	Cascade Apartments WA002000403
96200	Other General Expenses	-	-	-	-	-	4,431
96210	Compensated absences	14,282	3,211	-	26,346	-	18,864
96300	Payments in lieu of taxes	-	-	-	19,602	-	20,340
96800	Severance expense	-	-	-	-	-	-
96000	Total Other General Expenses	14,282	3,211	-	45,948	-	43,635
96710	Interest on mortgage (or bonds) payable	-	-	-	-	-	-
96720	Interest on notes payable (short and long term)	543	-	-	2,276	-	2,674
96730	Amortization of bond issue costs	-	-	-	-	-	-
96700	Total interest expense and amortization cost	543	-	-	2,276	-	2,674
96900	Total Operating Expenses	427,494	271,252	-	877,211	-	780,136
97000	Excess Operating Revenue over Operating Expenses	(245,943)	(186,022)	-	(460,750)	-	(366,565)
97300	Housing assistance payments	-	-	-	-	-	-
97350	HAP Portability-In	-	-	-	-	-	-
97400	Depreciation expense	135,139	126,818	-	455,896	-	194,457
90000	Total Expenses	562,633	398,070	-	1,333,107	-	974,593
10010	Operating transfers in	338,712	308,584	-	1,301,069	-	479,317
10020	Operating transfers out	-	-	-	(219,434)	-	(55,350)
10100	Total Other Financing Sources	338,712	308,584	-	1,081,635	-	423,967
10000	Excess (Deficiency) Of Total Revenue Over (Under) Total Expenses	$ (42,370)	$ (4,256)	$ -	$ 164,989	$ -	$ (137,055)
11020	Required annual debt principal payments	5,030	-	-	-	-	24,779
11030	Beginning of year equity	3,377,917	3,271,769	-	15,034,027	-	11,803,749
11040	Prior period adjustments, equity transfers	(88,395)	(44,061)	-	(203,347)	-	(255,061)
11170	Administrative Fee Equity	-	-	-	-	-	-
11180	Housing Assistance Fee Equity	-	-	-	-	-	-
11190	Unit Months Available	804	384	-	1,380	-	1,294
11210	Number of unit months leased	798	377	-	1,363	-	1,245
11270	Excess cash	102,837	97,884	-	207,601	-	251,459
11620	Building Purchases	-	-	-	729,906	-	-
13901	Replacement housing factor funds	-	-	-	-	678,290	-

Housing Authority of the County of King
Financial Data Schedule (FDS)
Statement of Revenues, Expenses, and Changes in Net Position
For the 12 Month Period Ending December 31 , 2015

Line Item #	Accout Description	Shelcor WA002000409	Mardis Gras II WA002000450	Vantage Point WA002000452	Firwood Circle WA002000503	Burndale Homes WA002000504	Wayland Arms WA002000550
70300	Net tenant rental revenue	$ 16,707	$ -	$ -	$ 213,116	$ 247,998	$ 168,639
70400	Tenant revenue - other	2,722	-	-	4,208	4,248	3,892
70500	Total tenant revenue	19,429	-	-	217,324	252,246	172,531
70600	HUD PHA Operating Grants	-	-	-	-	-	-
70610	Capital Grants	-	-	-	-	-	-
70710	Management Fee	-	-	-	-	-	-
70720	Asset Management Fee	-	-	-	-	-	-
70730	Book-keeping Fee	-	-	-	-	-	-
70750	Other Fees	-	-	-	-	-	-
70700	Total Fee Revenue	-	-	-	-	-	-
70800	Other Government Grants	-	-	-	-	-	-
71100	Investment Income - unrestricted	-	-	-	-	-	-
71300	Proceeds from disposition of assets held for sale	-	-	-	-	-	-
71310	Cost of Sale of Assets	-	-	-	-	-	-
71400	Fraud Recovery	-	-	-	-	-	-
71500	Other Revenue	-	-	-	402	555	1,036
71600	Gain (loss) on the sale of capital assets	-	-	-	-	-	-
72000	Investment income - restricted	-	-	-	311	475	295
70000	Total Revenue	19,429	-	-	218,037	253,276	173,862
91100	Administrative salaries	1,800	-	-	35,045	43,002	24,998
91200	Auditing fees	62	-	-	1,435	1,435	1,923
91300	Management fees	4,465	-	-	51,931	107,450	58,621
91310	Book-keeping Fee	630	-	-	4,440	4,373	9,045
91400	Advertising and Marketing	-	-	-	-	-	-
91500	Employee benefit contributions - administrative	1,102	-	-	19,021	17,433	11,570
91600	Office Expenses	20	-	-	2,736	3,143	1,915
91700	Legal expense	79	-	-	17	101	2,754
91800	Travel	4	-	-	387	231	38
91900	Other	93	-	-	6,083	5,423	5,402
91000	Total Operating - Administrative	8,254	-	-	121,095	182,590	116,266
92000	Asset Management Fee	40	-	-	6,000	6,000	8,040
92100	Tenant services - salaries	-	-	-	-	-	-
92200	Relocation costs	-	-	-	-	-	-
92300	Employee benefits	-	-	-	-	-	-
92400	Tenant services - other	4	-	-	43	237	57
92500	Total Tenant Services	4	-	-	43	237	57
93100	Water	1,406	-	-	18,182	23,335	11,433
93200	Electricity	93	-	-	8,097	9,129	11,799
93300	Gas	-	-	-	17,880	24,637	18,326
93400	Fuel	-	-	-	-	-	-
93600	Sewer	3,882	-	-	36,779	44,491	27,879
93800	Other utilities expense	3,882	-	-	29,705	29,800	12,361
93000	Total Utilities	9,263	-	-	110,643	131,392	81,798
94100	Ordinary maintenance and operations - labor	6,511	-	-	61,881	54,962	45,301
94200	Ordinary maintenance and operations - material and other	3,076	-	-	30,565	19,926	17,576
94300	Ordinary maintenance and operations - contracts	7,280	-	-	36,141	31,340	34,006
94500	Employee benefit contributions - ordinary maintenance	1,359	-	-	22,354	20,718	13,813
94000	Total Maintenance	18,226	-	-	150,941	126,946	110,695
95200	Other contract costs	-	-	-	-	-	-
95000	Total Protective Services	-	-	-	-	-	-
96110	Property Insurance	587	-	-	3,851	4,706	3,786
96120	Liability Insurance	663	-	-	3,273	3,149	3,339
96130	Workmen's compensation	266	-	-	2,587	3,324	2,547
96140	All other insurance	-	-	-	-	-	-
96100	Total Insurance Premiums	1,516	-	-	9,711	11,179	9,672

Housing Authority of the County of King
Financial Data Schedule (FDS)
Statement of Revenues, Expenses, and Changes in Net Position
For the 12 Month Period Ending December 31 , 2015

Line Item #	Accout Description	Shelcor WA002000409	Mardis Gras II WA002000450	Vantage Point WA002000452	Firwood Circle WA002000503	Burndale Homes WA002000504	Wayland Arms WA002000550
96200	Other General Expenses	-	-	-	852	4,742	-
96210	Compensated absences	282	-	-	21,245	17,681	7,049
96300	Payments in lieu of taxes	655	-	-	6,226	5,960	6,235
96800	Severance expense	-	-	-	-	-	-
96000	Total Other General Expenses	937	-	-	28,323	28,383	13,284
96710	Interest on mortgage (or bonds) payable	-	-	-	-	-	-
96720	Interest on notes payable (short and long term)	9	-	-	1,266	1,307	784
96730	Amortization of bond issue costs	-	-	-	-	-	-
96700	Total interest expense and amortization cost	9	-	-	1,266	1,307	784
96900	Total Operating Expenses	38,249	-	-	428,022	488,035	340,596
97000	Excess Operating Revenue over Operating Expenses	(18,820)	-	-	(209,985)	(234,759)	(166,734)
97300	Housing assistance payments	-	-	-	-	-	-
97350	HAP Portability-In	-	-	-	-	-	-
97400	Depreciation expense	15,964	-	-	127,723	101,374	90,582
90000	Total Expenses	54,213	-	-	555,745	589,409	431,178
10010	Operating transfers in	44,139	-	-	1,253,521	1,212,542	161,155
10020	Operating transfers out	(4,580)	-	-	(63,353)	(118,686)	-
10100	Total Other Financing Sources	39,559	-	-	1,190,168	1,093,857	161,155
10000	Excess (Deficiency) Of Total Revenue Over (Under) Total Expenses	$ 4,775	$ -	$ -	$ 852,460	$ 757,724	$ (96,161)
11020	Required annual debt principal payments	-	-	-	11,738	12,110	7,266
11030	Beginning of year equity	-	-	-	4,081,727	4,155,978	3,321,055
11040	Prior period adjustments, equity transfers	328,305	-	-	(114,917)	(113,300)	(78,672)
11170	Administrative Fee Equity	-	-	-	-	-	-
11180	Housing Assistance Fee Equity	-	-	-	-	-	-
11190	Unit Months Available	88	-	-	600	600	1,224
11210	Number of unit months leased	84	-	-	592	596	1,206
11270	Excess cash	8,698	-	-	339,930	242,428	47,852
11620	Building Purchases	-	-	-	766,696	197,283	-
13901	Replacement housing factor funds	-	-	-	-	-	-

Line Item #	Accout Description	Plaza Seventeen II WA002000551	Southridge House WA002000552	Casa Madrona II WA002000553	SUBTOTAL	Elimination	TOTAL AUTHORITY	COMPONENT UNITS - DISCRETELY PRESENTED
70300	Net tenant rental revenue	$ -	$ 189,607	$ -	$ 61,175,797	$ -	$ 61,175,797	$ 18,328,881
70400	Tenant revenue - other	-	3,053	-	1,888,781	-	1,888,781	277,172
70500	Total tenant revenue	-	192,660	-	63,064,578	-	63,064,578	18,606,053
70600	HUD PHA Operating Grants	-	-	-	128,688,344	-	128,688,344	-
70610	Capital Grants	-	-	-	2,127,821	-	2,127,821	-
70710	Management Fee	-	-	-	4,740,044	(4,740,044)	-	-
70720	Asset Management Fee	-	-	-	341,460	(341,460)	-	-
70730	Book-keeping Fee	-	-	-	1,384,896	(1,384,896)	-	-
70750	Other Fees	-	-	-	705,173	-	705,173	-
70700	Total Fee Revenue	-	-	-	7,171,573	(6,466,400)	705,173	-
70800	Other Government Grants	-	-	-	5,127,866	-	5,127,866	-
71100	Investment Income - unrestricted	-	-	-	-	-	-	17,792
71300	Proceeds from disposition of assets held for sale	-	-	-	2,267,649	-	2,267,649	-
71310	Cost of Sale of Assets	-	-	-	(1,578,179)	-	(1,578,179)	-
71400	Fraud Recovery	-	-	-	113,833	-	113,833	-
71500	Other Revenue	-	52,948	-	38,687,290	(3,196,737)	35,490,553	1,308,448
71600	Gain (loss) on the sale of capital assets	-	-	-	47,147	-	47,147	-
72000	Investment income - restricted	-	435	-	10,116,093	(1,029,921)	9,086,172	-
70000	Total Revenue	-	246,043	-	255,834,015	(10,693,058)	245,140,957	19,932,293
91100	Administrative salaries	-	36,951	-	16,737,043	-	16,737,043	1,165,824
91200	Auditing fees	-	2,296	-	119,355	-	119,355	-
91300	Management fees	-	79,609	-	6,364,266	(4,740,044)	1,624,222	1,125,162
91310	Book-keeping Fee	-	7,140	-	1,384,896	(1,384,896)	0	-
91400	Advertising and Marketing	-	-	-	243,759	-	243,759	26,871
91500	Employee benefit contributions - administrative	-	22,631	-	5,635,222	-	5,635,222	497,489
91600	Office Expenses	-	2,142	-	1,166,202	-	1,166,202	776,963
91700	Legal expense	-	858	-	416,030	-	416,030	27,533
91800	Travel	-	753	-	455,149	-	455,149	-
91900	Other	-	24,907	-	6,280,351	-	6,280,351	136,686
91000	Total Operating - Administrative	-	177,287	-	38,802,274	(6,124,940)	32,677,334	3,756,528
92000	Asset Management Fee	-	9,600	-	341,460	(341,460)	-	-
92100	Tenant services - salaries	-	-	-	2,017,558	-	2,017,558	-
92200	Relocation costs	-	-	-	104,051	-	104,051	-
92300	Employee benefits	-	-	-	676,695	-	676,695	-
92400	Tenant services - other	-	69	-	4,447,040	-	4,447,040	25
92500	Total Tenant Services	-	69	-	7,245,344	-	7,245,344	25
93100	Water	-	18,843	-	2,232,047	-	2,232,047	803,022
93200	Electricity	-	25,243	-	1,067,255	-	1,067,255	289,142
93300	Gas	-	7,717	-	161,153	-	161,153	131,536
93400	Fuel	-	-	-	5,859	-	5,859	-
93600	Sewer	-	13,216	-	3,441,052	-	3,441,052	862,254
93800	Other utilities expense	-	9,906	-	2,297,750	-	2,297,750	569,205
93000	Total Utilities	-	74,925	-	9,205,116	-	9,205,116	2,655,159
94100	Ordinary maintenance and operations - labor	-	77,027	-	5,978,142	-	5,978,142	1,288,091
94200	Ordinary maintenance and operations - material and other	-	22,011	-	8,528,808	-	8,528,808	1,139,798
94300	Ordinary maintenance and operations - contracts	-	44,855	-	4,063,136	-	4,063,136	1,242,230
94500	Employee benefit contributions - ordinary maintenance	-	25,919	-	1,255,853	-	1,255,853	499,732
94000	Total Maintenance	-	169,812	-	19,825,939	-	19,825,939	4,169,851
95200	Other contract costs	-	-	-	253,184	-	253,184	-
95000	Total Protective Services	-	-	-	253,184	-	253,184	-
96110	Property Insurance	-	4,621	-	560,953	-	560,953	331,125
96120	Liability Insurance	-	3,852	-	649,710	-	649,710	68,775
96130	Workmen's compensation	-	3,236	-	387,273	-	387,273	76,251
96140	All other insurance	-	-	-	-	-	-	108,094
96100	Total Insurance Premiums	-	11,709	-	1,597,936	-	1,597,936	584,245

Housing Authority of the County of King
Financial Data Schedule (FDS)
Statement of Revenues, Expenses, and Changes in Net Position
For the 12 Month Period Ending December 31 , 2015

Line Item #	Accout Description	Plaza Seventeen II WA002000551	Southridge House WA002000552	Casa Madrona II WA002000553	SUBTOTAL	Elimination	TOTAL AUTHORITY	COMPONENT UNITS - DISCRETELY PRESENTED
96200	Other General Expenses	-	-	-	4,070,481	(3,196,737)	873,744	771,981
96210	Compensated absences	-	8,614	-	2,022,205	-	2,022,205	-
96300	Payments in lieu of taxes	-	-	-	180,979	-	180,979	-
96800	Severance expense	-	-	-	3,570	-	3,570	-
96000	Total Other General Expenses	-	8,614	-	6,277,235	(3,196,737)	3,080,498	771,981
96710	Interest on mortgage (or bonds) payable	-	-	-	4,738,511	-	4,738,511	893,692
96720	Interest on notes payable (short and long term)	-	683	-	6,206,431	(1,029,921)	5,176,510	6,195,633
96730	Amortization of bond issue costs	-	-	-	-	-	-	110,513
96700	Total interest expense and amortization cost	-	683	-	10,944,942	(1,029,921)	9,915,021	7,199,838
96900	Total Operating Expenses	-	452,699	-	94,493,429	(10,693,058)	83,800,371	19,137,627
97000	Excess Operating Revenue over Operating Expenses	-	(206,656)	-	161,340,586	-	161,340,586	794,666
97300	Housing assistance payments	-	-	-	92,779,569	-	92,779,569	-
97350	HAP Portability-In	-	-	-	26,413,312	-	26,413,312	-
97400	Depreciation expense	-	247,449	-	12,134,932	-	12,134,932	11,611,718
90000	Total Expenses	-	700,148	-	225,821,242	(10,693,058)	215,128,184	30,749,345
10010	Operating transfers in	-	333,334	-	164,989,297	(164,989,297)	-	-
10020	Operating transfers out	-	(58,806)	-	(164,989,297)	164,989,297	-	-
10080	Special items, net gain/loss	-	-	-	(39,117,550)	-	(39,117,550)	-
10100	Total Other Financing Sources	-	274,528	-	(39,117,550)	0	(39,117,550)	-
10000	Excess (Deficiency) Of Total Revenue Over (Under) Total Expenses	$ -	$ (179,577)	$ -	$ (9,104,775)	$ 0	$ (9,104,775)	$ (10,817,052)
11020	Required annual debt principal payments	-	6,335	-	10,054,587	-	10,054,587	1,373,959
11030	Beginning of year equity	-	5,282,555	-	488,544,991	-	488,544,991	101,992,753
11040	Prior period adjustments, equity transfers	-	(114,571)	-	(21,063,401)	-	(21,063,401)	(4,279,409)
11170	Administrative Fee Equity	-	-	-	27,474	-	27,474	-
11180	Housing Assistance Fee Equity	-	-	-	292,419	-	292,419	-
11190	Unit Months Available	-	957	-	191,841	-	191,841	20,057
11210	Number of unit months leased	-	952	-	191,548	-	191,548	19,776
11270	Excess cash	-	151,957	-	3,423,275	-	3,423,275	-
11620	Building Purchases	-	12,961	-	2,127,821	-	2,127,821	-
13901	Replacement housing factor funds	-	-	-	678,290	-	678,290	-

Actual Modernization Cost Certificate

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0157 (exp. 1/31/2017)

Comprehensive Improvement Assistance Program (CIAP)
Comprehensive Grant Program (CGP)

Public reporting burden for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Paperwork Reduction Project (2577-0044 and 0157), Office of Information Technology, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

Do not send this form to the above address.

This collection of information requires that each Housing Authority (HA) submit information to enable HUD to initiate the fiscal closeout process. The information will be used by HUD to determine whether the modernization grant is ready to be audited and closed out. The information is essential for audit verification and fiscal close out. Responses to the collection are required by regulation. The information requested does not lend itself to confidentiality.

HA Name:	Modernization Project Number:
HA COUNTY OF KING	WA19P002501-10

The HA hereby certifies to the Department of Housing and Urban Development as follows:

1. That the total amount of Modernization Cost (herein called the "Actual Modernization Cost") of the Modernization Grant, is as shown below:

A. Original Funds Approved	$	5,019,586.00
B. Funds Disbursed	$	5,019,586.00
C. Funds Expended (Actual Modernization Cost)	$	5,019,586.00
D. Amount to be Recaptured (A–C)	$	0.00
E. Excess of Funds Disbursed (B-C)	$	0.00

2. That all modernization work in connection with the Modernization Grant has been completed;
3. That the entire Actual Modernization Cost or liabilities therefor incurred by the HA have been fully paid;
4. That there are no undischarged mechanics', laborers', contractors', or material-men's liens against such modernization work on file in any public office where the same should be filed in order to be valid against such modernization work; and
5. That the time in which such liens could be filed has expired.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Signature of Executive Director & Date:

X

Stephen J. Norman 7/30/2015

For HUD Use Only

The Cost Certificate is approved for audit:

Approved for Audit (Director, Office of Public Housing / ONAP Administrator)	Date:
X	08-25-2015

The audited costs agree with the costs shown above:

Verified: (Designated HUD Official)	Date:
X	
Approved: (Director, Office of Public Housing / ONAP Administrator)	Date:
X	

form **HUD-53001** (1/2014)

Actual Modernization Cost Certificate

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0157 (exp. 1/31/2017)

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HA Name:	Modernization Project Number:
HA COUNTY OF KING	WA19P002501-11

The HA hereby certifies to the Department of Housing and Urban Development as follows:

1. That the total amount of Modernization Cost (herein called the "Actual Modernization Cost") of the Modernization Grant, is as shown below:

A. Original Funds Approved	$ 4,378,541.00
B. Funds Disbursed	$ 4,378,541.00
C. Funds Expended (Actual Modernization Cost)	$ 4,378,541.00
D. Amount to be Recaptured (A–C)	$ 0.00
E. Excess of Funds Disbursed (B-C)	$ 0.00

2. That all modernization work in connection with the Modernization Grant has been completed;
3. That the entire Actual Modernization Cost or liabilities therefor incurred by the HA have been fully paid;
4. That there are no undischarged mechanics', laborers', contractors', or material-men's liens against such modernization work on file in any public office where the same should be filed in order to be valid against such modernization work; and
5. That the time in which such liens could be filed has expired.

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Signature of Executive Director & Date:

X

Stephen J. Norman 7/30/2015

For HUD Use Only

The Cost Certificate is approved for audit:
Approved for Audit (Director, Office of Public Housing / ONAP Administrator) Date: 08.25.2015

X

The audited costs agree with the costs shown above:
Verified: (Designated HUD Official) Date:

X

Approved: (Director, Office of Public Housing / ONAP Administrator) Date:

X

form **HUD-53001** (1/2014)

Actual Modernization Cost Certificate

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0157 (exp. 1/31/2017)

Comprehensive Improvement Assistance Program (CIAP)
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HA Name:	Modernization Project Number:
HA COUNTY OF KING	WA19R002502-12

The HA hereby certifies to the Department of Housing and Urban Development as follows:

1. That the total amount of Modernization Cost (herein called the "Actual Modernization Cost") of the Modernization Grant, is as shown below:

A. Original Funds Approved	$ 195,582.00
B. Funds Disbursed	$ 195,582.00
C. Funds Expended (Actual Modernization Cost)	$ 195,582.00
D. Amount to be Recaptured (A–C)	$ 0.00
E. Excess of Funds Disbursed (B-C)	$ 0.00

2. That all modernization work in connection with the Modernization Grant has been completed;
3. That the entire Actual Modernization Cost or liabilities therefor incurred by the HA have been fully paid;
4. That there are no undischarged mechanics', laborers', contractors', or material-men's liens against such modernization work on file in any public office where the same should be filed in order to be valid against such modernization work; and
5. That the time in which such liens could be filed has expired.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

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Signature of Executive Director & Date:

X Stephen J. Norman 7/30/2015

For HUD Use Only

The Cost Certificate is approved for audit:
Approved for Audit (Director, Office of Public Housing / ONAP Administrator) X — Date: 08.25.2015

The audited costs agree with the costs shown above:
Verified: (Designated HUD Official) X — Date:

Approved: (Director, Office of Public Housing / ONAP Administrator) X — Date:

form HUD-53001 (1/2014)

Actual Modernization Cost Certificate

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0157 (exp. 1/31/2017)

Comprehensive Improvement Assistance Program (CIAP)
Comprehensive Grant Program (CGP)

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HA Name:	Modernization Project Number:
HA COUNTY OF KING	WA19R002502-13

The HA hereby certifies to the Department of Housing and Urban Development as follows:

1. That the total amount of Modernization Cost (herein called the "Actual Modernization Cost") of the Modernization Grant, is as shown below:

A. Original Funds Approved	$	221,698.00
B. Funds Disbursed	$	221,698.00
C. Funds Expended (Actual Modernization Cost)	$	221,698.00
D. Amount to be Recaptured (A–C)	$	0.00
E. Excess of Funds Disbursed (B-C)	$	0.00

2. That all modernization work in connection with the Modernization Grant has been completed;
3. That the entire Actual Modernization Cost or liabilities therefor incurred by the HA have been fully paid;
4. That there are no undischarged mechanics', laborers', contractors', or material-men's liens against such modernization work on file in any public office where the same should be filed in order to be valid against such modernization work; and
5. That the time in which such liens could be filed has expired.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

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Signature of Executive Director & Date:

X

Stephen J. Norman 7/30/2015

For HUD Use Only

The Cost Certificate is approved for audit:

Approved for Audit (Director, Office of Public Housing / ONAP Administrator) Date: 08.25.2015

X

The audited costs agree with the costs shown above:

Verified: (Designated HUD Official) Date:

X

Approved: (Director, Office of Public Housing / ONAP Administrator) Date:

X

form HUD-53001 (1/2014)

Actual Modernization Cost Certificate

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0157 (exp. 1/31/2017)

Comprehensive Improvement Assistance Program (CIAP)
Comprehensive Grant Program (CGP)

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HA Name:	Modernization Project Number:
HA COUNTY OF KING	WA19C002501-10

The HA hereby certifies to the Department of Housing and Urban Development as follows:

1. That the total amount of Modernization Cost (herein called the "Actual Modernization Cost") of the Modernization Grant, is as shown below:

A. Original Funds Approved	$ 815,888.00
B. Funds Disbursed	$ 815,888.00
C. Funds Expended (Actual Modernization Cost)	$ 815,888.00
D. Amount to be Recaptured (A–C)	$ 0.00
E. Excess of Funds Disbursed (B-C)	$ 0.00

2. That all modernization work in connection with the Modernization Grant has been completed;
3. That the entire Actual Modernization Cost or liabilities therefor incurred by the HA have been fully paid;
4. That there are no undischarged mechanics', laborers', contractors', or material-men's liens against such modernization work on file in any public office where the same should be filed in order to be valid against such modernization work; and
5. That the time in which such liens could be filed has expired.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

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Signature of Executive Director & Date:

X

Stephen J. Norman 7/30/2015

For HUD Use Only

The Cost Certificate is approved for audit:

Approved for Audit (Director, Office of Public Housing / ONAP Administrator) — Date: 08.25.2015

X

The audited costs agree with the costs shown above:

Verified: (Designated HUD Official) — Date:

X

Approved: (Director, Office of Public Housing / ONAP Administrator) — Date:

X

form **HUD-53001** (1/2014)

Actual Modernization Cost Certificate

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0157 (exp. 1/31/2017)

Comprehensive Improvement Assistance Program (CIAP)
Comprehensive Grant Program (CGP)

Public reporting burden for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Paperwork Reduction Project (2577-0044 and 0157), Office of Information Technology, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

Do not send this form to the above address.

This collection of information requires that each Housing Authority (HA) submit information to enable HUD to initiate the fiscal closeout process. The information will be used by HUD to determine whether the modernization grant is ready to be audited and closed out. The information is essential for audit verification and fiscal close out. Responses to the collection are required by regulation. The information requested does not lend itself to confidentiality.

HA Name:	Modernization Project Number:
HA COUNTY OF KING	WA19C002502-10

The HA hereby certifies to the Department of Housing and Urban Development as follows:

1. That the total amount of Modernization Cost (herein called the "Actual Modernization Cost") of the Modernization Grant, is as shown below:

A. Original Funds Approved	$	1,218,678.00
B. Funds Disbursed	$	1,218,678.00
C. Funds Expended (Actual Modernization Cost)	$	1,218,678.00
D. Amount to be Recaptured (A–C)	$	0.00
E. Excess of Funds Disbursed (B-C)	$	0.00

2. That all modernization work in connection with the Modernization Grant has been completed;
3. That the entire Actual Modernization Cost or liabilities therefor incurred by the HA have been fully paid;
4. That there are no undischarged mechanics', laborers', contractors', or material-men's liens against such modernization work on file in any public office where the same should be filed in order to be valid against such modernization work; and
5. That the time in which such liens could be filed has expired.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Signature of Executive Director & Date:

X

Stephen J. Norman 7/30/2015

For HUD Use Only

The Cost Certificate is approved for audit:

Approved for Audit (Director, Office of Public Housing / ONAP Administrator) — Date: 08.25.2015

X

The audited costs agree with the costs shown above:

Verified: (Designated HUD Official) — Date:

X

Approved: (Director, Office of Public Housing / ONAP Administrator) — Date:

X

form **HUD-53001** (1/2014)

Actual Modernization Cost Certificate

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0157 (exp. 1/31/2017)

Comprehensive Improvement Assistance Program (CIAP)
Comprehensive Grant Program (CGP)

Public reporting burden for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Paperwork Reduction Project (2577-0044 and 0157), Office of Information Technology, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

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HA Name:	Modernization Project Number:
HA COUNTY OF KING	WA19C002503-10

The HA hereby certifies to the Department of Housing and Urban Development as follows:

1. That the total amount of Modernization Cost (herein called the "Actual Modernization Cost") of the Modernization Grant, is as shown below:

A. Original Funds Approved	$	995,207.00
B. Funds Disbursed	$	995,207.00
C. Funds Expended (Actual Modernization Cost)	$	995,207.00
D. Amount to be Recaptured (A–C)	$	0.00
E. Excess of Funds Disbursed (B-C)	$	0.00

2. That all modernization work in connection with the Modernization Grant has been completed;
3. That the entire Actual Modernization Cost or liabilities therefor incurred by the HA have been fully paid;
4. That there are no undischarged mechanics', laborers', contractors', or material-men's liens against such modernization work on file in any public office where the same should be filed in order to be valid against such modernization work; and
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Approved: (Director, Office of Public Housing / ONAP Administrator)
X
Date:

form **HUD-53001** (1/2014)

ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the state's Constitution and is part of the executive branch of state government. The State Auditor is elected by the citizens of Washington and serves four-year terms.

We work with our audit clients and citizens to achieve our vision of government that works for citizens, by helping governments work better, cost less, deliver higher value, and earn greater public trust.

In fulfilling our mission to hold state and local governments accountable for the use of public resources, we also hold ourselves accountable by continually improving our audit quality and operational efficiency and developing highly engaged and committed employees.

As an elected agency, the State Auditor's Office has the independence necessary to objectively perform audits and investigations. Our audits are designed to comply with professional standards as well as to satisfy the requirements of federal, state, and local laws.

Our audits look at financial information and compliance with state, federal and local laws on the part of all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits of state agencies and local governments as well as fraud, state whistleblower and citizen hotline investigations.

The results of our work are widely distributed through a variety of reports, which are available on our website and through our free, electronic subscription service.

We take our role as partners in accountability seriously, and provide training and technical assistance to governments, and have an extensive quality assurance program.

Contact information for the State Auditor's Office	
Public Records requests	PublicRecords@sao.wa.gov
Main telephone	(360) 902-0370
Toll-free Citizen Hotline	(866) 902-3900
Website	www.sao.wa.gov

Washington State Auditor's Office

Government that works for citizens

Accountability Audit Report

Housing Authority of the County of King

(King County Housing Authority)

For the period January 1, 2015 through December 31, 2015

Published November 3, 2016

Report No. 1017806

Washington State Auditor's Office

November 3, 2016

Board of Commissioners
King County Housing Authority
Tukwila, Washington

Report onAccountability

Thank you for the opportunity to work with you to promote accountability, integrity and openness in government. The State Auditor's Office takes seriously our role of providing state and local governments with assurance and accountability as the independent auditor of public accounts. In this way, we strive to help government work better, cost less, deliver higher value and earn greater public trust.

Independent audits provide essential accountability and transparency for King County Housing Authority operations. This information is valuable to management, the governing body and public stakeholders when assessing the government's stewardship of public resources.

The attached comprises our report on the Housing Authority's compliance and safeguarding of public resources. Our independent audit report describes the overall results and conclusions for areas we examined. We appreciate the opportunity to work with your staff and we value your cooperation during the audit.

Sincerely,

Troy X. Kelley

TROY KELLEY
STATE AUDITOR
OLYMPIA, WA

TABLE OF CONTENTS

AUDIT SUMMARY

Results in brief

In the areas we audited, King County Housing Authority operations complied with applicable requirements and provided adequate safeguarding of public resources. The Housing Authority also complied with state laws and regulations and its own policies and procedures in the areas we examined.

About the audit

This report contains the results of our independent accountability audit of the King County Housing Authority from January 1, 2015 through December 31, 2015.

Management is responsible for ensuring compliance and adequate safeguarding of public resources from fraud, loss or abuse. This includes the design, implementation and maintenance of internal controls relevant to these objectives.

Our audit involved performing procedures to obtain evidence about the Housing Authority's uses of public resources, compliance with state laws and regulations and its own policies and procedures, and internal controls over such matters.

In keeping with general auditing practices, we do not examine every transaction, activity or area. Instead, the areas examined were those representing the highest risk of fraud, loss, abuse, or noncompliance. The following areas were examined during this audit period:

- Billing and cash receipting – property management
- Travel
- Controls over key software – Tenmast
- Payroll
- Procurement: public works projects and contracts
- Human services programs

RELATED REPORTS

Financial

Our opinion on the King County Housing Authority's financial statements and compliance with federal grant program requirements is provided in a separate report, which includes the Housing Authority's financial statements. That report is available on our website, http://portal.sao.wa.gov/ReportSearch.

Federal grant programs

We evaluated internal controls and tested compliance with the federal program requirements, as applicable, for the Housing Authority's major federal program, which is listed in the Schedule of Findings and Questioned Costs section of the separate financial statement and single audit report. That report is available on our website, http://portal.sao.wa.gov/ReportSearch.

INFORMATION ABOUT THE HOUSING AUTHORITY

The Housing Authority of the County of King, doing business as King County Housing Authority, was created in 1939 in response to the Federal Housing Act of 1937. The Housing Authority's jurisdiction encompasses an area exceeding 2,134 square miles throughout King County, except within the cities of Seattle and Renton, which have their own housing authorities. The Housing Authority operates out of a central office in Tukwila and several other offices throughout the county.

The Housing Authority's purpose is to provide housing assistance to low-income households. A five-member Board of Commissioners governs the Housing Authority. Commissioners are appointed by the King County Executive and confirmed by the King County Council to serve five-year terms. The Board appoints management to oversee the Housing Authority's daily operations as well as its approximately 360 employees. For fiscal year 2015, the Housing Authority operated on an annual budget of approximately $211.7 million.

Contact information related to this report	
Address:	King County Housing Authority 600 Andover Park West Tukwila, WA 98188-3326
Contact:	Craig Violante, Director of Finance
Telephone:	(206) 574-1274
Website:	www.kcha.org

Information current as of report publish date.

Audit history

You can find current and past audit reports for the King County Housing Authority at http://portal.sao.wa.gov/ReportSearch.

ABOUT THE STATE AUDITOR'S OFFICE

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Toll-free Citizen Hotline	(866) 902-3900
Website	www.sao.wa.gov

THE HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5556

ACKNOWLEDGING RECEIPT OF THE POST AUDIT REPORTS FOR THE PERIOD JANUARY 1, 2015 THROUGH DECEMBER 31, 2015

WHEREAS, the State of Washington, Office of the State Auditor, Division of Audit Services, has conducted a Fiscal Audit of the Housing Authority of the County of King for the period January 1, 2015 through December 31, 2015 and has transmitted same to the Housing Authority; and

WHEREAS, the State of Washington, Office of the State Auditor, Division of Audit Services, has conducted an Accountability Audit of the Housing Authority of the County of King for the period January 1, 2015 through December 31, 2015 and has transmitted same to the Housing Authority; and

WHEREAS, a formal acceptance of the Audit is required by the Board of Commissioners; and

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

Receipt of the official examination, Financial Statements and Federal Single Audit Report No. 1017602 for the period January 1, 2015 through December 31, 2015, and Accountability Audit Report No. 1017806 of the Housing Authority of the County of King for the period January 1, 2015 through December 31, 2015 prepared and transmitted for filing by the State Auditor's Division of Municipal Corporations pursuant to RCW 43.09.260, is hereby acknowledged and formally accepted by the Board of Commissioners of the Housing Authority of the County of King.

ADOPTED AT THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING THIS 21st DAY OF NOVEMBER, 2016.

THE HOUSING AUTHORITY OF THE COUNTY OF KING, WASHINGTON

____

DOUG BARNES, Chair
Board of Commissioners

____

STEPHEN J. NORMAN
Secretary-Treasurer

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King County Housing Authority

To: Board of Commissioners

From: Craig Violante, Director of Finance

Date: November 15, 2016

Re: **Third Quarter 2016 Financial Statements**

EXECUTIVE SUMMARY

Federal funding for 2016 continues to be positive relative to budget. With the combination of the 12% inflation adjustment for the Housing Choice Voucher (HCV) program, an actual HCV prorate of 99.582% vs. the budget of 99.0%, a Public Housing Operating Fund Subsidy prorate of 89.63% through November vs. the budget of 83.5% and the optimization of the Resident Utility Incentive component of the Subsidy, KCHA's 2016 federal funding is $14.4 million greater than anticipated in the budget.

A large portion of the increased revenue is being directed toward higher HAP costs resulting from the new payment standards adopted earlier this year and towards an increase in voucher over-leasing. A chart depicting the steady rise in average HAP payment per voucher for the past two years can be found on page 6.

Both KCHA working capital (the difference between the agency's current assets and current liabilities) and cash spiked upward during the quarter, increasing by $26.9 million and $36.8 million, respectively. Key elements of both increases include:

- $14.5 million equity investment received from RBC, the Vantage Point investor
- $8.9 million of additional block grant funding from HUD for reimbursement of expenditures already incurred

Cash increased an additional $10.5 million due to the issuance of the Energy Performance Contract (EPC) Qualified Energy Conservation Bonds (QEBC) debt. This cash is not part of working capital as it is restricted for use on the EPC project.

QUARTERLY HIGHLIGHTS

Net Operating Income through September was $39.9 million compared to the budget of $27.6 million. Primary drivers for this variance include:

- $4.7 million of HCV Block grant revenue received beyond budget projections due to the 12% RFIF
- An unbudgeted Vantage Point lease payment of $1.5 million
- HAP expenses are $1.2 million below budget, due primarily to lower than expected average costs per voucher
- Administrative and payroll expenses are below budget by $1.8 million
- Net operating income in the bond portfolio is $1.6 million ahead of budget projections

$14.5 million in equity was received from RBC during the quarter, providing the penultimate pay-in on the Vantage Point project. The funds will be utilized to repay a portion of KCHA's loan to the project. A final payment of $800,000 is expected in November.

KCHA closed the QECB financing for the EPC project. $10.46 million in bonds were issued, with a net interest cost to KCHA of 1.53%, 10 basis points below the estimated rate in the Board's August briefing package. The bonds will be repaid over the 20 year term of the project and the financing cost is the lowest long-term fixed financing rate that KCHA has been able to secure on any project financing to date. Work is now proceeding on installation of energy measures at designated sites around the county.

At the end of September, KCHA closed on the permanent tax-exempt bond financing for the Corinthian project. The total amount of the $7 million financing was then lent to the Corinthian TOD LLLP to pay for a portion of the acquisition costs. The bonds were publicly sold and the interest rate, which is fixed for the term of the financing, is 2.85% and reflects King County credit enhancement. Construction remains on track to complete by year's end.

In August, KCHA completed the acquisition of the Highland Village Apartments in Bellevue. The Bellevue City Manager, subject to Council approval, has indicated that they will provide the $2 million in support for the project, payable over a five year period. The assumed payment schedule is an initial $1 million payment with the remainder provided in four annual $250,000 installments. Discussions are underway with the State legislative delegation regarding the best approach to securing $1.5 million to cover the remaining gap. The request for $3.5 million in King County funds was submitted in September under the county's Transit Oriented Development RFP.

All contingencies were waived on the Abbey Ridge Apartments purchase and sale agreement and an earnest money deposit of $500,000 was made. Acquisition of this 146 unit complex is anticipated by mid-December at the latest. This site is the closest multifamily complex to the new Angle Lake light rail station.

Due to certain debt covenants, KCHA must maintain a debt service coverage ratio of 1.1 or better. The debt service coverage ratio is calculated by dividing net operating income by the annual required debt service payments and is a measure of the ability of a borrower to meet current debt obligations. A ratio of 1.0 or greater means the borrower has sufficient income to cover its obligations. For the first nine months of 2016, KCHA's ratio is 1.90. The status of this ratio will be reported to the Board quarterly.

CASH AND INVESTMENT SUMMARIES

Overall cash balances increased by $36.8 million during the quarter, driven by the three large transactions discussed on page 1. For a complete report on KCHA's overall cash position at the end of the third quarter, please see page 10.

Investment Summaries (in millions)	Amount	Yield	% of Total
Invested in the Local Government Investment Pool & Masterfund	$77.6	0.46%	45.0%
Invested by KCHA	54.0	1.12%	31.3%
Cash held by trustees	16.8	0.10% *	9.7%
Cash held in checking and savings accounts	18.2	0.10% *	10.6%
Invested by KCHA	$166.6	0.60%	96.6%
Cash loaned for low income housing purposes	5.8	4.68%	3.4%
Loaned by KCHA	5.8	4.68%	3.4%
Total	$172.5	0.74%	100.0%

*Estimate

The overall Return on Investment (ROI) on KCHA investments, including loans made for low income housing purposes, was 0.74%, down slightly from 0.77% last quarter. $29.9 million of the quarterly cash increase needs to remain liquid, and was invested in the LGIP which returns a lower rate than the internal pool. The Washington State Treasurer's Local Government Investment Pool (LGIP) average interest rate for the quarter was 0.46%.

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

MTW Cash, Beginning of Quarter	$16.0
Quarterly change:	
Standard Block Grant cash receipts from HUD	22.6
Quarterly Block Grant HAP payments	(21.0)
Quarterly Block Grant administrative fees paid to Section 8	(1.9)
Additional Section 8 HAP funding requested and received from HUD	8.9
Vantage Point Bridge Loan Repayment	10.0
Birch Creek Bond Payment	(2.4)
Additional subsidy transferred to Public Housing properties	(0.5)
Capital construction projects	(1.6)
Unit Upgrades	(0.8)
Direct social service expenses	(1.5)
Administrative expenses	(0.5)
Other net changes	(0.4)
MTW Cash, End of Quarter	$26.9
Less Reserves:	
Restricted Reserve-Green River Collateral	(7.8)
Construction Reserve	(0.4)
HAP Reserve ($4.8 million is pledged as FHLB collateral)	(6.9)
Supportive Housing Reserve	(1.7)
Technology Reserve	(0.4)
MTW Working Capital Cash, End of Quarter	$9.8

COCC Cash, Beginning of Quarter	$36.2
Quarterly change:	
Vantage Point Bridge Loan Payment	1.2
Excess cash transferred in from tax credit partnerships and bond properties	1.3
Cash from former Spiritwood fund transferred to COCC	3.1
Other net change	(0.4)
COCC Cash, End of Quarter	$41.4
Less Reserves:	
Liquidity Reserves for King County credit enhancement	(9.0)
COCC Working Capital Cash, End of Quarter	$32.4

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 third quarter.

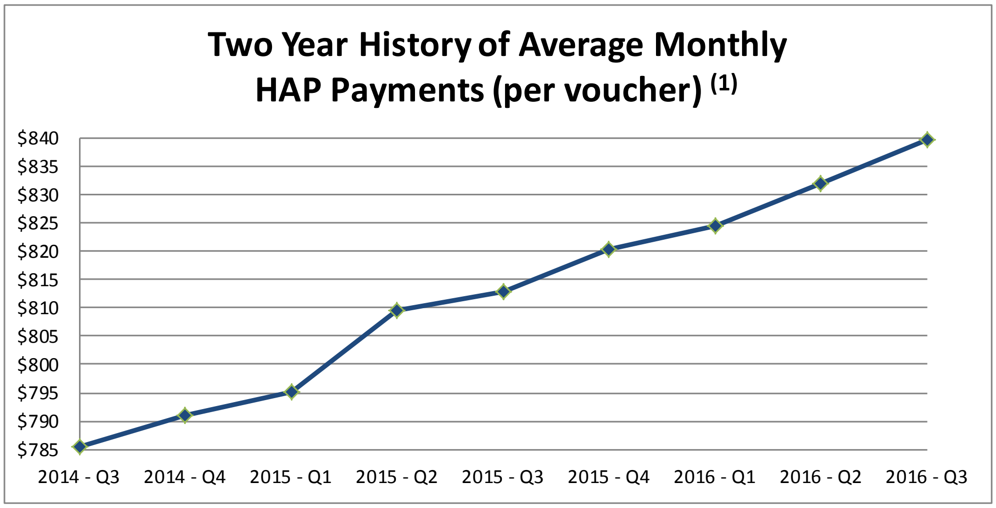
	Actuals Thru 9/30/2016		Budget Thru 9/30/2016	YTD Variance	Percent of Annual Budget	2016 Annual Budget
CONSTRUCTION ACTIVITIES						
Managed by Capital Construction Department						
Public Housing	$3,780,268	(1)	$7,288,110	($3,507,842)	44.5%	$8,486,863
509 Properties	785,189		1,110,162	(324,973)	42.9%	1,830,183
Other Properties	115,245		935,067	(819,822)	11.8%	979,317
	4,680,702		9,333,339	(4,652,637)	41.4%	11,296,363
Managed by Housing Management Department						
Unit Upgrade Program	3,055,170		3,039,971	15,199	75.4%	4,053,279
Other Projects	1,141,232	(1)	2,339,333	(1,198,101)	37.5%	3,045,986
	4,196,403		5,379,304	(1,182,901)	59.1%	7,099,265
Managed by Asset Management Department						
Bond Properties-managed by KCHA staff	186,342		472,950	(286,608)	34.4%	540,950
Bond Properties-managed by external property mgt	5,884,372	(1)	8,881,293	(2,996,921)	53.0%	11,103,447
	6,070,714		9,354,243	(3,283,529)	52.1%	11,644,397
Subtotal Construction Activities	**14,947,818**		**24,066,886**	**(9,119,068)**	**49.8%**	**30,040,025**
DEVELOPMENT ACTIVITY						
Managed by Hope VI Department						
Greenbridge	625,384		748,917	(123,533)	62.8%	995,155
Salmon Creek/Nia	-		76,150	(76,150)	0.0%	208,200
	625,384		825,067	(199,683)	52.0%	1,203,355
Managed by Development Department						
Vantage Point	33,082		129,065	(95,983)	25.6%	129,065
Abbey Ridge	4,295		-	4,295	N/A	-
Spiritwood	7,843,431	(1)	8,488,605	(645,174)	70.7%	11,093,057
Notch	111,856		218,889	(107,033)	34.2%	327,290
	7,992,664		8,836,559	(843,895)	69.2%	11,549,412
Subtotal Development Activity	**8,618,049**		**9,661,626**	**(1,043,577)**	**67.6%**	**12,752,767**
TOTAL CONSTRUCTION & DEVELOPMENT	**$23,565,867**		**$33,728,512**	**($10,162,645)**	**55.1%**	**$42,792,792**
PROPERTY ACQUISITIONS & OTHER ASSETS						
Acquisitions	51,891,298	(2)				
Software	258,006					
Other Assets	1,532,784					
TOTAL PER WORKING CAPITAL REPORT	**$77,247,954**					

1) Certain projects are costing less than budget due to favorable bid results. Funds are being re-purposed to other projects and those expenditures will be reflected in the fourth quarter.
2) Acquisition of Spiritwood capital assets by the Spiritwood tax credit partnership, Highland Village and Harrison House by KCHA.

PROGRAM ACTIVITIES

HOUSING CHOICE VOUCHERS

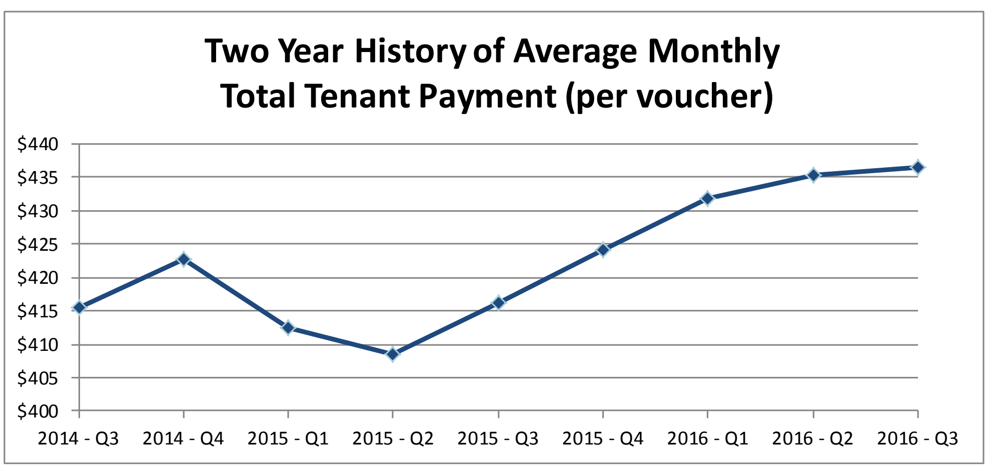
The average quarterly HAP payment to landlords for all HCV vouchers was $839.75, compared to $832.04 last quarter and $812.91 one year ago.



(1) Average HAP expenses from October 2015 through December 2015 include some extrapolated estimates as certain Tenmast data was not available

KCHA's average HAP cost has continued to rise throughout 2016, influenced by new multi-tiered payment standards adopted by the Board in February 2016. With steadily rising market rents, the increase in average HAP costs is expected to continue.

Total Tenant Payment (TTP) is the tenant's monthly contribution towards rent and utilities and is benchmarked at 28.3% of their income. Although the average TTP during the quarter was $436.47, up from $435.41 the previous quarter, and $416.31 from one year ago, the rate of growth has slowed over the past six months, likely resulting from the new payment standards.



Based on KCHA's experience with the December 2014 payment standard increase, it will be several more months before the TTP declines as tenants generally move to the new standards only as a result of annual reviews, rent changes, moves, and hardship requests.

Data pertaining to the number of families who are paying more than 30%, 40% and 50% of their income towards rent is not yet available from Tenmast. The issue has been elevated in importance with the software developer and continues to be worked on by the Authority.

MTW PROGRAM

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

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

Through the first nine months, KCHA has been able to draw approximately 40% of the additional $12 million of HCV block grant funds that resulted from the 12% RFIF. It is anticipated that all funds will be drawn by year end.

(In thousands of dollars)	Actual	Budget	Variance	%Var	
HCV Block Grant Revenue	81,757.0	77,047.3	$4,709.8	6.1%	(1)
Funding of HAP Payments to Landlords	(62,839.0)	(63,748.1)	(909.1)	1.4%	
Funding of Section 8 Administrative Costs	(5,805.9)	(5,811.9)	(6.0)	0.1%	
Excess of HCV Block Grant Funding over Expenses	$ 13,112.2	$ 7,487.3	$ 5,624.9	75.1%	(2)

1) Standard monthly block grant payments from HUD are based on prior years leasing levels. Additional amounts are requested by KCHA as HUD receives specific funding authority. An additional $8.9m was requested and received in August.
2) This excess is used to fund the other programs listed below in the MTW program section

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

Through the first three quarters, the transfer of MTW funds to subsidize Public Housing operations has been moderately below target.

(In thousands of dollars)	Actual	Budget	Variance	%Var	
Additional Transfers to PH AMPs Based on Need	($1,635.7)	($1,822.1)	($186.4)	11.4%	(1)
Net Flow of Cash(from)/to MTW from/(to) PH	($1,635.7)	($1,822.1)	($186.4)	11.4%	

1) The need for additional MTW cash transfers to supplement the Public Housing Operating Fund subsidy has been less than anticipated due to higher than expected Subsidy receipts resulting from the increased prorate and the affect of the Resident Utility Incentive optimization

3. *Expenditures for homeless and resident service programs*

MTW dollars support nearly all resident service programs and various initiatives designed to alleviate and prevent homelessness:

(In thousands of dollars)	Actual	Budget	Variance	%Var	
Public Housing Subsidy earmarked for resident services	$287.4	$278.6	$8.8	3.2%	
Homeless Initiatives	(1,226.1)	(2,239.9)	$1,013.8	(45.3%)	(1)
Resident Services	(3,845.2)	(3,913.8)	$68.7	(1.8%)	
Use of MTW Funds for Special Programs	($4,783.8)	($5,875.2)	$1,091.4	(18.6%)	

1) Large staffing changes at partner agency resulted in fewer housings than anticipated with the Highline Rapid Rehousing program. Slow billing by partner agencies such as PACT and Housing First also contributed to the variance. The Flat Rent PBA program was expected to begin in April but has been delayed until 2017.

4. *Other uses of MTW funds*

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

(In thousands of dollars)	Actual	Budget	Variance	%Var	
Construction Activity & Management Fees	$5,648.03	$9,873.31	($4,225.3)	(74.8%)	(1)
Misc. Other Uses	3,467.0	968.6	2,498.4	72.1%	(2)
	$9,115.0	$10,841.9	($1,726.9)	(18.9%)	

1) Some construction projects were delayed earlier in the year but most are expected to be completed in the 4th quarter.
2) The budget anticipated a draw from CFP grants to fund the $2.4m first semi-annual Birch Creek bond payment. Instead, a transfer from MTW was made in the third quarter.

5. *Costs to administer the MTW program*

Administrative costs are primarily salaries and benefits of those who manage or analyze MTW-funded programs, with year-to-date expenses of $545,800 or 0.66% of program gross revenues. Expenses are below the budget of $725,000 due mainly to timing issues.

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. The chart below reflects a summary of COCC activity, excluding Regional Maintenance crews, as Regional Maintenance activity is accounted for in a separate fund and is not considered part of KCHA's general overhead.

(In thousands of dollars)

	YTD Actual	YTD Budget	Variance	%Var	
Revenues					
Management fees	6,395.1	6,562.1	($167.0)	(2.6%)	
Cash transferred-in from local properties	4,193.3	3,732.6	460.7	11.0%	
Investment income	1,074.4	1,070.3	4.1	0.4%	
Other income	2,172.3	1,964.5	207.8	9.6%	
	$13,835.0	$13,329.5	$505.5	3.7%	
Expenses					
Salaries & Benefits	7,093.5	7,350.3	($256.8)	(3.6%)	
Administrative Expenses	1,501.2	2,307.1	(805.8)	(53.7%)	(1)
Occupancy Expenses	167.4	147.7	19.7	11.8%	
Other Expenses	453.8	463.0	(9.2)	(2.0%)	
	$9,216.0	$10,268.1	($1,052.1)	(11.4%)	
Net Change in Available COCC Resources	$4,619.0	$3,061.4	$1,557.6		

1) Although administrative contracts and professional services are expected to increase in the 4th quarter, they are still likely to end the year below original budget projections.

REPORTS TABLE OF CONTENTS

Summary Reports

Budget vs. Actual Reports

King County Housing Authority
Consolidated Cash Report
As of 9/30/2016

	KCHA-Owned Cash					
	Oper Cash & State Pool 9/30/2016	Outside Investments 9/30/2016	Other Cash Accounts 9/30/2016	Total Cash 9/30/2016	Total Cash 6/30/2016	Cash of Other Entities 9/30/2016
Cash-Unrestricted						
COCC	$14,138,121	$17,140,973	$50	$31,279,144	$27,178,884	$0
Other Funds	11,422,083	2,000,875	10,916,726	24,339,684	16,646,083	4,120,408
Total Cash-Unrestricted	25,560,204	19,141,848	10,916,776	55,618,828	43,824,967	4,120,408
Cash for Use Within Specific Programs						
MTW	6,572,496	3,111,068	0	9,683,563	(1,809,431)	0
Public Housing	5,354,063	0	0	5,354,063	5,106,793	422,789
Section 8	(1,673,507)	0	1,426,888	(246,619)	71,164	0
Other Funds	3,260,671	1,000,000	0	4,260,671	3,672,197	0
Total Cash for Use Within Specific Programs	13,513,723	4,111,068	1,426,888	19,051,678	7,040,724	422,789
Cash Set-aside to Pay Short-term Debt (P & I Reserves)						
Other Funds	2,247,758	239,763	797,721	3,285,242	3,393,156	0
Total Cash Set-aside to Pay Short-term Debt	2,247,758	239,763	797,721	3,285,242	3,393,156	0
Cash Dedicated for Specific Purposes						
MTW	2,441,493	2,113,882	0	4,555,375	5,167,397	0
Section 8	36,346	0	0	36,346	36,346	0
COCC	2,244,703	7,871,389	0	10,116,092	9,015,409	0
Other Funds	18,346,825	15,433,333	3,200,000	36,980,158	35,231,049	910,204
Total Cash Dedicated for Specific Purposes	23,069,367	25,418,604	3,200,000	51,687,971	49,450,201	910,204
Cash Restricted by Outside Entities						
MTW	67,865	4,786,118	7,762,571	12,616,554	12,615,522	0
Public Housing	248,464	0	0	248,464	193,574	9,100
Section 8	975,967	0	0	975,967	1,077,334	0
COCC	0	0	0	0	6,801	0
Other Funds	11,887,801	348,357	10,921,732	23,157,889	13,009,568	2,591,734
Total Cash Restricted by Outside Entities	13,180,096	5,134,475	18,684,303	36,998,874	26,902,799	2,600,834
TOTAL CASH BALANCES	$77,571,148	$54,045,758	$35,025,688	$166,642,593	$130,611,847	$8,054,236

Detail of Cash Dedicated for Specific Purposes	9/30/2016	6/30/2016
Rehab Reserves	$363,622	$645,748
Cash at Former PH Sites-Set Aside for Future Use	9,388,000	$6,488,000
Project Reserves	3,200,000	$3,200,000
Exit Tax Designation-Reserves	6,052,827	$6,052,827
HAP Reserves*	2,113,882	$2,113,882
Program Income from Hope VI Loans	674,701	$930,647
Program Income from Hope VI Lot Sales	5,250,502	$5,250,502
Not currently used	52,643	$51,904
Replacement Reserves	13,339,758	$13,181,640
Operations Reserves	75,529	$75,529
Technology Reserves	417,231	$481,396
Liquidity Reserves	9,006,732	$9,006,732
Supportive Housing Reserves	1,660,640	$1,926,371
State Gas Tax Rebate	55,558	$8,676
HASP	36,346	$36,346
Total Cash-Dedicated for Specific Purposes	$51,687,971	$49,450,201

Detail of Restricted Cash	9/30/2016	6/30/2016
Excess Cash Reserves-Overlake	$2,283,050	2,267,643
Project Reserves	9,501,263	0
Endowment Reserves	105,728	183,853
Replacement Reserves	7,672,253	7,386,619
Operations Reserves	64,009	63,975
Bond Reserves-1 Yr Payment	636,200	636,200
Residual Receipt Reserves	564,899	564,899
FSS-Reserves	751,412	851,748
Collateral Reserves	7,762,571	7,762,571
HAP Reserves Used as Collateral*	4,786,118	4,786,118
Non-block Grant Vouchers	292,419	292,419
Earnest money deposits	25,000	0
Security Deposits & Escrow Accounts	2,553,951	0
Total Restricted Cash	$36,998,874	$26,902,799

*Of the total HAP reserve of $6.9 million committed by Board action, $4,786,118 is also pledged as collateral with the FHLB

KING COUNTY HOUSING AUTHORITY
Statements of Financial Position
(In $1,000's; excludes non-KCHA-managed component units)
For the Period Ended September 30, 2016

	FEDERALLY-SUPPORTED PROGRAMS (managed by KCHA)						LOCAL PROGRAMS						
	Public Housing		Other Housing		Other Programs								
ASSETS	KCHA Owned	Outside Owned	KCHA Owned	Outside Owned	Section 8 Program	MTW Program	KCHA Owned Housing	Outside Owned Housing	Tax Credit Gen Prtnr Activity	Develop Activity	Other	COCC	**Memo: KCHA COMBINED**
Working Capital Assets													
Cash-Unrestricted	$ (30.5)	$ (608.2)	$ 5,258.7	$ 3,690.8	$ -	$ -	$ 12,307.3	$ 1,002.9	$ 6,237.1	$ 340.0	$ (904.9)	$ 31,368.9	$ 58,662.3
Cash-Restricted Within Program	5,384.5	422.8	-	-	(246.6)	9,549.6	-	-	-	2,932.3	1,298.2	44.2	19,385.0
Cash-Restricted for WC Purposes	-	-	-	2,487.5	0.0	0.0	691.0	-	106.7	-	-	-	3,285.2
Accounts Receivables	109.7	660.4	35.0	1,919.9	1,285.8	1,600.0	230.2	309.3	1,331.9	108.0	664.8	1,898.7	10,153.7
Prepaid Assets & Inventory	2.6	17.9	1.7	8.4	7.3	0.4	199.9	0.1	0.1	0.3	$2.6	26.9	268.1
Total Working Capital Assets	5,466.4	492.9	5,295.4	8,106.6	1,046.5	11,150.0	13,428.5	1,312.2	7,675.7	3,380.6	1,060.6	33,338.7	91,754.3
Liabilities Offsetting Working Capital Assets													
Accounts Payable	(143.5)	(165.0)	(206.9)	(311.5)	(358.0)	(15.2)	(450.8)	(19.8)	(3.5)	(261.3)	290.1	(30.5)	(1,675.7)
Payroll Liabilities	(205.0)	(116.4)	(36.6)	(166.9)	(480.7)	(272.1)	(46.8)	(12.4)	(13.9)	(9.9)	(598.8)	(1,322.0)	(3,281.5)
Accrued Liabilities	(18.0)	(186.1)	(32.9)	(1,043.7)	(71.2)	(656.2)	(323.7)	(82.4)	(56.9)	(838.3)	(125.0)	-	(3,434.3)
Deferrals	(201.7)	(56.7)	(99.1)	-	(15.1)	-	(74.1)	-	(106.3)	-	(775.4)	-	(1,328.5)
Current Portion of Long-term debt	-	(3,206.0) (1)	(279.8)	(4,519.3) (2)	-	-	(5,289.4) (3)	-	(250.0)	-	-	(900.0)	(14,444.4)
Total Offsetting Liabilities	(568.1)	(3,730.1)	(655.3)	(6,041.3)	(924.9)	(943.4)	(6,184.7)	(114.6)	(430.6)	(1,109.5)	(1,209.2)	(2,252.5)	(24,164.4)
Working Capital	4,898.3	(3,237.2)	4,640.1	2,065.3	121.6	10,206.6	7,243.8	1,197.6	7,245.1	2,271.1	(148.5)	31,086.1	67,589.9
Other Assets													
Cash-Designated	-	3,300.6	1,799.5	13,521.9	36.3	4,555.4	13,282.3	-	-	5,982.6	-	10,116.1	52,594.7
Cash-Restricted	248.5	1,350.1	1,215.5	794.0	976.0	12,616.6	9,896.1	258.8	2,283.1	679.4	10,464.5	-	40,782.5
Receivables	-	127,919.3	0.0	72,919.4	-	13,980.9	536.9	17,537.9	80,699.7	363.5	209.6	20,986.5	335,153.7
Capital Assets	92,235.7	84,178.2	46,906.5	162,661.4	-	-	199,072.6	5,701.5	-	55,386.9	-	13,881.6	660,024.5
Work-in-Process	7,312.4	379.4	1,004.1	1,915.7	1.5	1,861.8	570.2	-	(59.0)	23,004.1	1,120.5	22.8	37,133.4
Suspense	-	-	0.1	-	(129.9)	-	20.5	-	-	-	124.7	(34.3)	(18.9)
Other Assets	-	2,167.5	-	840.9	-	-	(2,386.2) (4)	25.1	36.5	193.9	-	-	877.7
Total Other Assets	99,796.6	219,295.0	50,925.7	252,653.4	883.9	33,014.6	220,992.5	23,523.3	82,960.3	85,610.4	11,919.3	44,972.6	1,126,547.5
TOTAL ASSETS (net of WC offsets)	$ 104,694.9	$ 216,057.9	$ 55,565.8	$ 254,718.7	$ 1,005.5	$ 43,221.1	$ 228,236.2	$ 24,720.9	$ 90,205.4	$ 87,881.5	$ 11,770.8	$ 76,058.8	$ 1,194,137.5
LIABILITIES & EQUITY													
Other Liabilities													
Deferrals-Related to Restr Cash	$ 179.9	$ 73.3	$ 99.0	$ 132.1	$ 683.5	$ 67.9	$ 1,724.2	$ 17.6	$ -	$ 75.0	$ -	$ -	3,052.6
Debt	-	82,382.8	12,442.5	120,108.2	-	-	204,722.6	10,228.4	55,704.1	46,027.3	10,464.5	14,387.9	556,468.4
Other Liabilities	105.2	7,707.9	1,052.8	2,098.3	-	-	624.8	986.6	331.9	12,136.9	-	-	25,044.3
	285.1	90,164.0	13,594.2	122,338.6	683.5	67.9	207,071.6	11,232.6	56,036.0	58,239.3	10,464.5	14,387.9	584,565.3
Equity													
Equity	104,409.8	125,893.8	41,971.6	132,380.1	322.0	43,153.3	21,164.6	13,488.3	34,169.4	29,642.2	1,306.3	61,670.9	609,572.2
	104,409.8	125,893.8	41,971.6	132,380.1	322.0	43,153.3	21,164.6	13,488.3	34,169.4	29,642.2	1,306.3	61,670.9	609,572.2
TOTAL LIAB & EQ (net of curr liab)	$ 104,694.9	$ 216,057.9	$ 55,565.8	$ 254,718.7	$ 1,005.5	$ 43,221.1	$ 228,236.2	$ 24,720.9	$ 90,205.4	$ 87,881.5	$ 11,770.8	$ 76,058.8	$ 1,194,137.5

1) Primarily due to a $3.0m Vantage Point line-of-credit . Source of repayment is a combination of state funds ($2.0m) expected in the 4th quarter and a transfer from MTW ($1.0m) expected to occur in 2017.
2) $2.4m Birch Creek bonds; $671k Birch Creek Lease; $863k Green River Homes II bonds. Expected sources of repayments include so me combination of CFP, Replacement Housing Factor (RHF) grants, MTW revenue, site operations and current reserves. Also includes the current portion of the loan due to KCHA from MKCRF.
3) Current portion of bond payments; source of funding will be P & I reserves.
4) Fair market value of derivatives is a negative $2.4m-required by Generally Accepted Accounting Principles (GAAP). This is not a cash transaction.

KING COUNTY HOUSING AUTHORITY
Working Capital Statements
(In $1,000's; excludes non-KCHA-managed component units)
For the Period Ended September 30, 2016

	FEDERALLY-SUPPORTED PROGRAMS (managed by KCHA)						LOCAL PROGRAMS						
	Public Housing		Other Housing		Other Programs		KCHA	Outside	Tax Credit				**Memo:**
	KCHA	Outside	KCHA	Outside	Section 8	MTW	Owned	Owned	Gen Prtnr	Develop			**KCHA**
Revenues	Owned	Owned	Owned	Owned	Program	Program	Housing	Housing	Activity	Activity	Other	COCC	**COMBINED**
Tenant Revenue	$3,688.5	$1,491.3	$4,153.4	$9,994.2	$55.0	$0.0	$36,916.7	$499.3	$4.3	$4.6	$0.0	$0.0	$56,807.3
Operating Fund Subsidy from HUD	3,188.9	4,485.1	-	-	-	287.4	-	-	-	-	292.9	-	8,254.3
Section 8 Subsidy from HUD	-	-	302.3	-	77,806.2	13,112.2	-	-	-	-	-	-	91,220.6
Other Operating Revenue	43.1	1,573.5	308.2	1,177.2	23,834.7	8.4	133.8	122.5	1,409.4	15.7	3,863.2	9,575.8	42,065.3
Non-operating Revenue	718.5	3,037.0	852.0	1,701.5	10.0	267.6	478.2	413.4	25,621.1 **(4)**	403.8	3.4	1,124.7	34,631.3
Total Revenues	7,639.0	10,586.9	5,615.9	12,873.0	101,705.9	13,675.6	37,528.7	1,035.1	27,034.7	424.1	4,159.4	10,700.5	232,978.8
Expenses													
Salaries & Benefits	1,483.1	654.1	513.1	1,157.1	4,617.2	1,218.6	3,122.3	135.9	167.8	446.8	733.9	7,885.0	22,135.0
Routine Maintenance, Utilities, Taxes & Insurance	3,211.0	1,877.2	1,232.8	2,659.0	203.9	0.1	8,592.3	202.2	63.7	0.1	9.1	1,363.4	19,414.8
Direct Social Service Salaries & Benefits	-	-	-	-	89.1	1,487.4	-	-	-	32.3	41.9	-	1,650.7
Other Social Service Support Expenses & HAP	73.8	3,119.7	57.1	46.6	93,290.5	2,711.2	171.9	-	0.1	45.6	2,630.7	0.0	102,147.1
Administrative Support Expenses	2,148.1	736.2	451.8	959.1	2,737.5	265.6	3,354.4	77.9	449.0	94.9	71.4	1,665.5	13,011.3
Non-operating Expenses	35.3	2,012.5	279.8	3,959.4	-	-	4,933.7	257.2	485.7	91.2	-	458.9	12,513.7
Total Expenses	6,951.3	8,399.8	2,534.6	8,781.2	100,938.2	5,682.8	20,174.5	673.2	1,166.3	711.0	3,487.0	11,372.8	170,872.6
Net Income	687.7	2,187.1	3,081.4	4,091.8	767.6	7,992.8	17,354.2	361.9	25,868.4	(286.9)	672.4	(672.3)	62,106.2
Other Sources/(Uses) of Working Capital													
(Increase) in Restricted/Designated Cash	(8.5)	(152.7)	(131.3)	(3,119.7)	(328.8)	(17.3)	(1,623.2)	(20.3)	(331.1)	(498.7)	(10,464.5)	(1,076.2)	(17,772.3)
Decrease in Restricted/Designated Cash	7.9	81.2	1,118.5	888.6	103.6	1,915.7	460.7	-	300.0	228.8	-	6.8	5,111.8
(Increase) in LT Receivables	-	(8,309.7) **(1)**	-	(223.7)	-	(465.9)	(102.8)	(73.4)	(48,404.5) **(5)**	(.7)	-	(259.0)	(57,839.7)
Decrease in LT Receivables	-	1,787.2	-	1,191.8	-	2,048.8	5,263.7	-	617.0	-	-	467.0	11,375.4
Acquisition of Capital Assets	(5,651.4)	(665.6)	(954.7)	(1,634.0)	(.5)	(257.6)	(31,322.7)	(.1)	(125.5)	(35,223.8) **(7)**	(1,116.0)	(296.1)	(77,248.0)
Disposition of Capital Assets	-	-	2,959.4	-	-	-	7,041.7	-	10,007.1 **(6)**	2,079.2	-	7.3	22,094.7
Change in Suspense	-	.6	(.1)	(.0)	129.9	-	(20.5)	-	-	-	(124.7)	90.3	75.5
Change in Other Assets	-	21.0	-	0.00	-	-	70.8	0.00	-	-	-	-	91.9
Change in Deferrals	(8.4)	(.6)	(44.6)	(3.3)	(103.6)	18.4	(43.3)	.3	(19.8)	35.0	-	(6.8)	(176.6)
Increase in LT Debt	-	-	299.6	.5	-	-	23,412.3	-	16,982.7	40,207.5 **(7)**	10,464.5	-	91,367.2
(Decrease) in LT Debt	(219.8)	(104.1)	(215.1)	(3,775.0) **(2)**	-	-	(9,535.5) **(3)**	-	(175.0)	(1,467.0)	-	(675.0)	(16,166.4)
Change in Other Liabilities	79.3	(362.6)	(57.6)	131.5	-	-	(979.1)	18.0	15.6	.2	-	-	(1,154.7)
Other Non-Working Capital Inc/Exp	-	-	-	-	-	-	.0	-	85.9	14.6	-	-	100.4
Non Income/Expense Change in Equity	-	-	(3,167.5)	-	-	-	(.2)	-	(18.9)	14,514.1 **(8)**	-	3,186.4	14,513.9
Total Other Sources/(Uses) of Working Capital	(5,800.9)	(7,705.4)	(193.2)	(6,543.3)	(199.4)	3,242.1	(7,378.1)	(75.4)	(21,066.5)	19,889.3	(1,240.7)	1,444.6	(25,626.7)
Transfer In from (Out to) Other Funds													
Transfers In from Other Funds	5,674.3	1,929.7	241.7	2,667.8	-	-	5,402.8	-	2,959.4	187.0	720.7	5,457.5	25.2
Transfers Out to Other Funds	-	(1,422.0)	(2,959.4)	(392.3)	-	(10,139.2)	(7,965.4)	(176.2)	(1,217.1)	-	(710.2)	(259.0)	(25.2)
Net Transfer In/(Out)	5,674.3	507.7	(2,717.7)	2,275.5	-	(10,139.2)	(2,562.6)	(176.2)	1,742.3	187.0	10.5	5,198.5	-
Net Change in Working Capital	561.2	(5,010.5) **(1)**	170.4	(176.0) **(2)**	568.3	1,095.8	7,413.4	110.4	6,544.2	19,789.4 **(8)**	(557.8)	5,970.7	36,479.5
Working Capital, 12/31/2015	4,337.2	1,773.4	4,469.7	2,241.3	(446.7)	9,110.8	(169.6)	1,087.2	700.9	(17,518.4)	409.2	25,115.4	31,110.4
Working Capital, 9/30/2016	4,898.3	$(3,237.2)	$4,640.1	$2,065.3	$121.6	$10,206.6	$7,243.8	$1,197.6	$7,245.1	$2,271.1	$(148.5)	$31,086.1	$67,590.0

1) Primarily due to a $6.2m permanent loan to the Vantage Point partnership and accrued interest on other long-term receivables.
2) Due to payments on the Birch Creek bond and financing lease.
3) Due to payoff of Charter House line of credit and 2013 pool principal payments.
4) Gain on sale of assets to Spiritwood tax credit partnership.
5) New leases related to Corinthian ($13.1m) and Spiritwood ($30m) tax credit partnerships as well as developer fees receivable and line-of-credit draws due from Spiritwood ($7.3m) and Corinthian partnerships ($3.8m) .
6) Disposition of Corinthian assets as part of sale to tax credit partnership.
7) Acquisition of Spiritwood assets by the tax credit partnership development fund through a $26.5m capital lease and $3.1m in subordinate loans. Balance also includes $8.0m of Spiritwood development costs Long-term debt also includes a $6.2m loan from KCHA to the Vantage Point tax credit partnership. and $7.3m in line-of-credit draws and developer fees due to KCHA from the partnership.
8) Vantage Point investor equity contribution was received in August.

KCHA Combined
Working Capital Budget vs. Actual Report
For the Period Ended 9/30/2016

(n/m= not meaningful)

	Quarter Ended September 30, 2016				Year-to-Date				2016	Remainder	Percent of	
Revenues	Actual	Budget	$ Var	% Var	Actual	Budget	$ Var	% Var	Annual Budget	to Receive/ Spend	Annual Budget	
Tenant Revenue	$19,092,698	$18,736,812	$355,886	1.9%	$56,807,264	$55,890,965	$916,299	1.6%	$74,681,873	$17,874,609	76.1%	
Operating Fund Subsidy from HUD	2,704,087	2,650,953	53,134	2.0%	8,254,321	7,952,882	301,439	3.8%	10,603,838	2,349,517	77.8%	
Section 8 Subsidy from HUD	34,626,800	28,721,792	5,905,008	20.6%	91,220,646	85,872,095	5,348,551	6.2%	114,691,622	23,470,976	79.5%	(1)
Other Operating Revenue	15,550,682	13,954,065	1,596,617	11.4%	42,065,280	38,398,318	3,666,962	9.5%	58,413,458	16,348,178	72.0%	(2)
Non-operating Revenue	3,438,063	2,895,455	542,608	18.7%	34,631,275	11,572,931	23,058,344	199.2%	15,152,538	(19,478,737)	228.6%	(3)
Total Revenues	75,412,330	66,959,077	8,453,253	12.6%	232,978,787	199,687,191	33,291,596	16.7%	273,543,329	40,564,542	85.2%	
Expenses												
Salaries & Benefits	7,815,645	8,101,623	(285,978)	(3.5%)	22,135,027	22,827,765	(692,738)	(3.0%)	30,926,142	8,791,115	71.6%	
Routine Maintenance, Utilities, Taxes & Insurance	7,015,901	6,666,371	349,530	5.2%	19,414,828	19,644,917	(230,089)	(1.2%)	26,600,243	7,185,415	73.0%	
Direct Social Service Salaries & Benefits	617,317	620,380	(3,063)	(0.5%)	1,650,668	1,683,884	(33,216)	(2.0%)	2,304,260	653,592	71.6%	
Other Social Service Support Expenses & HAP	34,174,260	34,910,574	(736,314)	(2.1%)	102,147,076	102,576,107	(429,031)	(0.4%)	138,192,415	36,045,339	73.9%	
Administrative Support Expenses	4,740,427	4,497,069	243,358	5.4%	13,011,274	14,115,197	(1,103,923)	(7.8%)	18,459,566	5,448,292	70.5%	
Non-operating Expenses	3,819,490	4,841,807	(1,022,317)	(21.1%)	12,513,709	13,481,685	(967,976)	(7.2%)	18,931,835	6,418,126	66.1%	
Total Expenses	58,183,040	59,637,824	(1,454,784)	(2.4%)	170,872,583	174,329,555	(3,456,972)	(2.0%)	235,414,461	64,541,878	72.6%	
Net Income	17,229,290	7,321,253	9,908,037	135.3%	62,106,204	25,357,636	36,748,568	144.9%	38,128,868	(23,977,336)	162.9%	
Other Sources/(Uses) of Working Capital												
(Increase) in Restricted/Designated Cash	(15,013,751)	(498,978)	(14,514,773)	2908.9%	(17,772,267)	(3,696,883)	(14,075,384)	380.7%	(4,185,544)	13,586,723	424.6%	(4)
Decrease in Restricted/Designated Cash	1,871,235	1,529,368	341,867	22.4%	5,111,837	5,736,617	(624,780)	(10.9%)	9,119,637	4,007,800	56.1%	(5)
(Increase) in LT Receivables	(5,986,458)	(7,463,298)	1,476,840	(19.8%)	(57,839,697)	(9,742,530)	(48,097,167)	493.7%	(12,006,484)	45,833,213	481.7%	(3)
Decrease in LT Receivables	1,602,162	1,006,689	595,473	59.2%	11,375,420	4,321,776	7,053,644	163.2%	4,793,467	(6,581,953)	237.3%	
Acquisition of Capital Assets	(30,553,886)	(15,457,957)	(15,095,929)	97.7%	(77,247,954)	(44,187,665)	(33,060,289)	74.8%	(75,693,037)	1,554,917	102.1%	(3)
Disposition of Capital Assets	87,155	1,010,000	(922,845)	(91.4%)	22,094,733	2,020,000	20,074,733	993.8%	2,020,000	(20,074,733)	1093.8%	(3)
Change in Suspense	(231,098)	-	(231,098)	n/m	75,482	-	75,482	n/m	-	(75,482)	n/m	
Change in Other Assets	7,010	(500,000)	507,010	n/m	91,868	(1,500,000)	1,591,868	n/m	(2,000,000)	(2,091,868)	n/m	(6)
Change in Other Deferrals	(60,507)	-	(60,507)	n/m	(176,589)	-	(176,589)	n/m	-	176,589	n/m	
Increase in LT Debt	45,221,635	9,145,181	36,076,454	394.5%	91,367,219	15,645,543	75,721,676	484.0%	35,826,553	(55,540,666)	255.0%	(3)
(Decrease) in LT Debt	(2,735,678)	(1,892,720)	(842,958)	44.5%	(16,166,432)	(9,044,752)	(7,121,680)	78.7%	(19,649,062)	(3,482,630)	82.3%	(7)
Change in Other Liabilities	970,433	43,484	926,949	2131.7%	(1,154,675)	490,464	(1,645,139)	n/m	1,433,951	2,588,626	n/m	(2)
Other Non-Working Capital Income/Expense Items	-	-	-	n/m	100,428	-	100,428	n/m	-	(100,428)	n/m	
Non Income/Expense Change in Equity	14,479,205	14,479,104	101	-	14,513,945	14,479,104	34,841	0.2%	15,279,104	765,159	95.0%	
Total Other Sources/(Uses) of Working Capital	9,657,457	1,400,873	8,256,584	589.4%	(25,626,680)	(25,478,326)	(148,354)	0.6%	(45,061,415)	(19,434,735)	56.9%	
Transfer In from (Out to) Other Funds												
Transfers In from Other Funds	8,717,359	7,845,872	871,487	11.1%	25,240,788	20,491,366	4,749,422	23.2%	26,479,485	1,238,697	95.3%	
Transfers Out to Other Funds	(8,717,359)	(7,845,872)	(871,487)	11.1%	(25,240,788)	(20,491,366)	(4,749,422)	23.2%	(26,479,485)	(1,238,697)	95.3%	
Net Transfer In/(Out)	0	0	0	n/m	0	0	0	n/m	0	0	n/m	
Net Change in Working Capital	$26,886,747	$8,722,126	$18,164,621	208.3%	$36,479,524	($120,690)	$36,600,214	n/m	($6,932,547)	($43,412,071)	n/m	
Working Capital, Beginning of Period	40,703,218				31,110,440							
Working Capital, 9/30/2016	$67,589,966				$67,589,964							

1) HUD issues monthly HCV revenue payments to KCHA based on last year's leasing levels and costs. Additional amounts are requested by KCHA as needed to fund non-HCV expenses such as resident services, homeless programs and the research initiative. As a result, actual revenue received will routinely vary from budget.
2) A $1.5m Vantage Point lease payment funded by net cash flow from the property was received by the Authority in the 3rd quarter. Unbudgeted.
3) Due to the timing of the Spiritwood and Corinthian tax credit partnership transactions, the gain on sale of the assets, disposition of the assets and booking of related debt and receivables were not included in the budget. This includes a $23.6m gain on the sale of the Spiritwood assets, $37.9m of leases and subordinate loans between KCHA and the partnerships, and the addition of $26.5m of assets to the Spiritwood partnership development fund.
4) A). The transfer of the 2015 Birch Creek net cash flow distribution from the partnership to the Excess Cash Reserve was budgeted for the first quarter but actually occurred in the third. Also, an unbudgeted excess cash reserve deposit of $1m was made for Green River Homes 2.
5) Some budgeted non-routine maintenance expenditures to be funded with withdrawals from replacement reserves have been delayed to 2017. The resulting variance is offset by the unbudgeted transfer of Spiritwood replacement reserves to the COCC in the 3rd quarter.
6) $500k per quarter was budgeted for investment in the Regional Equitable Development Initiative fund to support future affordable housing projects. However, it is anticipated that the first investment will not be made until 2017 at the earliest.
7) Write-off of Harrison House KCHA loans ($4.2 million) as KCHA acquired the property from the tax credit partnership. Also, pay-off of the Charter House line of credit as the property was sold to Bremerton Housing Authority. Unbudgeted.

Public Housing (KCHA)
Working Capital Budget vs. Actual Report
For the Period Ended 9/30/2016

	Quarter Ended September 30, 2016				Year-to-Date				2016 Annual Budget	Remainder to Receive/ Spend	Percent of Annual Budget	
Revenues	Actual	Budget	$ Var	% Var	Actual	Budget	$ Var	% Var				
Tenant Revenue	$ 1,193,149	$ 1,185,561	$ 7,588	0.6%	$ 3,688,526	$ 3,556,673	$ 131,853	3.7%	$ 4,742,215	$ 1,053,689	77.8%	
Operating Fund Subsidy from HUD	1,064,346	1,038,770	25,576	2.5%	3,188,912	3,116,323	72,589	2.3%	4,155,095	966,183	76.7%	
Section 8 Subsidy from HUD	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Other Operating Revenue	11,100	6,324	4,776	75.5%	43,069	18,976	24,093	127.0%	39,857	(3,212)	108.1%	(1)
Non-operating Revenue	554,496	1,831	552,665	30183.8%	718,481	5,508	712,973	12944.3%	7,341	(711,140)	9787.2%	(2)
Total Revenues	2,823,091	2,232,486	590,605	26.5%	7,638,988	6,697,480	941,508	14.1%	8,944,508	1,305,520	85.4%	
Expenses												
Salaries & Benefits	511,773	552,035	(40,262)	(7.3%)	1,483,110	1,539,115	(56,005)	(3.6%)	2,091,139	608,029	70.9%	
Routine Maintenance, Utilities, Taxes & Insurance	1,118,629	1,084,471	34,158	3.1%	3,211,011	3,161,210	49,801	1.6%	4,424,177	1,213,166	72.6%	
Direct Social Service Salaries & Benefits	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Other Social Service Support Expenses & HAP	24,815	29,390	(4,575)	(15.6%)	73,789	88,164	(14,375)	(16.3%)	117,546	43,757	62.8%	
Administrative Support Expenses	1,043,808	708,870	334,938	47.2%	2,148,076	2,451,598	(303,522)	(12.4%)	3,027,343	879,267	71.0%	(3)
Non-operating Expenses	3,335	3,586	(251)	(7.0%)	35,287	10,763	24,524	227.9%	14,346	(20,941)	246.0%	
Total Expenses	2,702,361	2,378,352	324,009	13.6%	6,951,273	7,250,850	(299,577)	(4.1%)	9,674,551	2,723,278	71.9%	
Net Income	120,730	(145,866)	266,596	n/m	687,714	(553,370)	1,241,084	n/m	(730,043)	(1,417,757)	n/m	
Other Sources/(Uses) of Working Capital												
(Increase) in Restricted/Designated Cash	(2,828)	(2,790)	(38)	1.4%	(8,492)	(8,370)	(122)	1.5%	(11,160)	(2,668)	76.1%	
Decrease in Restricted/Designated Cash	662	-	662	n/m	7,854	-	7,854	n/m	-	(7,854)	n/m	
(Increase) in LT Receivables	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Decrease in LT Receivables	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Acquisition of Capital Assets	(2,376,268)	(3,033,757)	657,489	(21.7%)	(5,651,379)	(9,264,335)	3,612,956	(39.0%)	(11,208,456)	(5,557,077)	50.4%	(4)
Disposition of Capital Assets	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Change in Suspense	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Change in Other Assets	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Change in Deferrals	(662)	-	(662)	n/m	(8,356)	-	(8,356)	n/m	-	8,356	n/m	
Increase in LT Debt	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
(Decrease) in LT Debt	(142,271)	(48,737)	(93,534)	191.9%	(219,764)	(146,220)	(73,544)	50.3%	(194,957)	24,807	112.7%	(5)
Change in Other Liabilities	89,818	(5,535)	95,353	n/m	79,275	(16,605)	95,880	n/m	(22,140)	(101,415)	n/m	
Other Non-Working Capital Income/Expense Items	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Non Income/Expense Change in Equity	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Total Other Sources/(Uses) of Working Capital	(2,431,549)	(3,090,819)	659,270	(21.3%)	(5,800,863)	(9,435,530)	3,634,667	(38.5%)	(11,436,713)	(5,635,850)	50.7%	
Transfer In from (Out to) Other Funds												
Transfers In from Other Funds	2,376,556	3,309,197	(932,641)	(28.2%)	5,674,313	10,017,416	(4,343,103)	(43.4%)	12,166,756	6,492,443	46.6%	(6)
Transfers Out to Other Funds	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Net Transfer In/(Out)	2,376,556	3,309,197	(932,641)	(28.2%)	5,674,313	10,017,416	(4,343,103)	(43.4%)	12,166,756	6,492,443	46.6%	
Net Change in Working Capital	$ 65,738	$ 72,512	$ (6,774)	(9.3%)	$ 561,165	$ 28,516	$ 532,649	1867.9%	$ -	$ (561,165)	n/m	
Working Capital, Beginning of Period	4,832,604				4,337,177							
Working Capital, 9/30/2016	$ 4,898,341				$ 4,898,341							

1) Due to unbudgeted cell tower lease income.
2) CFP grant draws were not budgeted for 2016
3) Construction management fees on MTW-funded projects under budget as some construction activity has been delayed to the 4th quarter.
4) Multiple site improvement projects are under budget, with invoices not expected to be paid until 4th quarter. The Burndale Homes exterior envelope upgrade project not expected to be completed until the 1st quarter of 2017.
5) External Siemens ESCo lease was paid off and converted to internal loan .
6) Transfers from MTW to fund unit upgrades and other capital projects were less than anticipated. Actual expenditures are expected to be much closer to budget by the end of the year.

Public Housing (Other)
Working Capital Budget vs. Actual Report
For the Period Ended 9/30/2016

	Quarter Ended September 30, 2016				Year-to-Date				2016 Annual Budget	Remainder to Receive/ Spend	Percent of Annual Budget	
Revenues	Actual	Budget	$ Var	% Var	Actual	Budget	$ Var	% Var				
Tenant Revenue	$ 470,329	$ 481,909	$ (11,580)	(2.4%)	$ 1,491,321	$ 1,445,713	$ 45,608	3.2%	1,927,606	436,285	77.4%	
Operating Fund Subsidy from HUD	1,446,065	1,423,052	23,013	1.6%	4,485,118	4,269,163	215,955	5.1%	5,692,215	1,207,097	78.8%	
Section 8 Subsidy from HUD	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Other Operating Revenue	1,475,589	816	1,474,773	180732.0%	1,573,536	92,681	1,480,855	1597.8%	93,494	(1,480,042)	1683.0%	(1)
Non-operating Revenue	1,026,018	1,121,569	(95,551)	(8.5%)	3,036,950	3,156,078	(119,128)	(3.8%)	4,171,547	1,134,597	72.8%	
Total Revenues	4,418,002	3,027,346	1,390,656	45.9%	10,586,926	8,963,635	1,623,291	18.1%	11,884,862	1,297,936	89.1%	
Expenses												
Salaries & Benefits	239,941	287,432	(47,491)	(16.5%)	654,132	798,775	(144,643)	(18.1%)	1,086,201	432,069	60.2%	(2)
Routine Maintenance, Utilities, Taxes & Insurance	782,958	529,485	253,473	47.9%	1,877,245	1,566,864	310,381	19.8%	2,177,846	300,601	86.2%	(3)
Direct Social Service Salaries & Benefits	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Other Social Service Support Expenses & HAP	1,007,973	998,732	9,241	0.9%	3,119,692	2,996,233	123,459	4.1%	3,995,116	875,424	78.1%	
Administrative Support Expenses	240,578	237,313	3,265	1.4%	736,196	709,264	26,932	3.8%	936,244	200,048	78.6%	
Non-operating Expenses	665,937	660,316	5,621	0.9%	2,012,544	2,014,088	(1,544)	(0.1%)	2,666,117	653,573	75.5%	
Total Expenses	2,937,386	2,713,278	224,108	8.3%	8,399,810	8,085,224	314,586	3.9%	10,861,524	2,461,714	77.3%	
Net Income	1,480,615	314,068	1,166,547	371.4%	2,187,116	878,411	1,308,705	149.0%	1,023,338	(1,163,778)	213.7%	
Other Sources/(Uses) of Working Capital												
(Increase) in Restricted/Designated Cash	(50,916)	(50,946)	30	(0.1%)	(152,748)	(152,838)	90	(0.1%)	(203,784)	(51,036)	75.0%	
Decrease in Restricted/Designated Cash	80,938	-	80,938	n/m	81,188	-	81,188	n/m	-	(81,188)	n/m	(4)
(Increase) in LT Receivables	(712,417)	(710,091)	(2,326)	0.3%	(8,309,657)	(2,130,275)	(6,179,382)	290.1%	(2,840,361)	5,469,296	292.6%	(5)
Decrease in LT Receivables	1,467,000	-	1,467,000	n/m	1,787,220	283,391	1,503,829	530.7%	398,391	(1,388,829)	448.6%	(1)
Acquisition of Capital Assets	(332,603)	(615,334)	282,731	(45.9%)	(665,605)	(1,596,048)	930,443	(58.3%)	(2,090,706)	(1,425,101)	31.8%	(6)
Disposition of Capital Assets	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Change in Suspense	-	-	-	n/m	574	-	574	n/m	-	(574)	n/m	
Change in Other Assets	7,010	-	7,010	n/m	21,029	-	21,029	n/m	-	(21,029)	n/m	
Change in Deferrals	(139)	-	(139)	n/m	(618)	-	(618)	n/m	-	618	n/m	
Increase in LT Debt	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
(Decrease) in LT Debt	(1,557)	(1,610)	53	(3.3%)	(104,119)	(104,833)	714	(0.7%)	(221,444)	(117,325)	47.0%	
Change in Other Liabilities	(1,097,999)	319,304	(1,417,303)	n/m	(362,619)	957,915	(1,320,534)	n/m	1,277,219	1,639,838	n/m	(1)
Other Non-Working Capital Income/Expense Items	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Non Income/Expense Change in Equity	-	14,479,104	(14,479,104)	(100.0%)	-	14,479,104	(14,479,104)	(100.0%)	15,279,104	15,279,104	0.0%	(7)
Total Other Sources/(Uses) of Working Capital	(640,684)	13,420,427	(14,061,111)	n/m	(7,705,356)	11,736,416	(19,441,772)	n/m	11,598,419	19,303,775	n/m	
Transfer In from (Out to) Other Funds												
Transfers In from Other Funds	839,238	629,320	209,918	33.4%	1,929,684	1,759,771	169,913	9.7%	2,389,093	459,409	80.8%	(8)
Transfers Out to Other Funds	(1,235,000)	(1,200,000)	(35,000)	2.9%	(1,421,982)	(1,295,000)	(126,982)	9.8%	(1,295,000)	126,982	109.8%	
Net Transfer In/(Out)	(395,762)	(570,680)	174,918	(30.7%)	507,702	464,771	42,931	9.2%	1,094,093	586,391	46.4%	
Net Change in Working Capital	$ 444,170	$ 13,163,815	$ (12,719,645)	(96.6%)	$ (5,010,539)	$ 13,079,598	$ (18,090,137)	n/m	13,715,850	18,726,389	n/m	
Working Capital, Beginning of Period	(3,681,335)				1,773,373							
Working Capital, 9/30/2016	$ (3,237,165)				$ (3,237,165)							

1) $1.5m Vantage Point Finance Lease payment. Unbudgeted.
2) Due to various position vacancies throughout the year at the Egis properties.
3) Homeowners Association fees and Fire Benefit charges for Nia, Salmon Creek, Eastbridge and Seola Crossing, all located at Greenbridge, were budgeted as operating costs for each partnership but are now being paid by KCHA as part of the strategy to reduce future partnership exit tax liabilities. At the end of the year, each partnership will have a commensurate increase in cash balances which will ultimately be disbursed to KCHA.
4) Zephyr Operating Reserve cash converted from restricted to unrestricted in the 3rd quarter due to a classification correction.
5) $6,160,000 permanent loan to Vantage Point from KCHA General Partner. Unbudgeted but was part of overall project financing plan.
6) Energy Performance Contract projects were budgeted throughout the year but just began to be incurred in the 3rd quarter.
7) Vantage Point Investor Partner equity contribution was budgeted in Fund Group 2 (Vantage Point Operations) but was received in Fund Group 10 (Vantage Point Development).
8) Greenbridge Properties' excess net cash flow transferred to COCC. Unbudgeted.

Other Federally-supported (KCHA)
Working Capital Budget vs. Actual Report
For the Period Ended 9/30/2016

	Quarter Ended September 30, 2016				Year-to-Date				2016 Annual Budget	Remainder to Receive/ Spend	Percent of Annual Budget	
Revenues	Actual	Budget	$ Var	% Var	Actual	Budget	$ Var	% Var				
Tenant Revenue	$ 1,352,185	$ 1,334,249	$ 17,936	1.3%	$ 4,153,415	$ 4,001,996	$ 151,419	3.8%	$ 5,335,506	$ 1,182,091	77.8%	
Operating Fund Subsidy from HUD	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Section 8 Subsidy from HUD	97,322	102,785	(5,463)	(5.3%)	302,290	308,354	(6,064)	(2.0%)	411,138	108,848	73.5%	
Other Operating Revenue	53,203	100,579	(47,376)	(47.1%)	308,185	301,740	6,445	2.1%	407,037	98,852	75.7%	
Non-operating Revenue	106,511	8,659	97,852	1130.1%	852,027	25,957	826,070	3182.5%	34,622	(817,405)	2460.9%	(1)
Total Revenues	1,609,221	1,546,272	62,949	4.1%	5,615,916	4,638,047	977,869	21.1%	6,188,303	572,387	90.8%	
Expenses												
Salaries & Benefits	183,683	187,404	(3,721)	(2.0%)	513,086	521,106	(8,020)	(1.5%)	708,500	195,414	72.4%	
Routine Maintenance, Utilities, Taxes & Insurance	444,658	437,390	7,268	1.7%	1,232,811	1,273,432	(40,621)	(3.2%)	1,722,229	489,418	71.6%	
Direct Social Service Salaries & Benefits	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Other Social Service Support Expenses & HAP	31,954	13,099	18,855	143.9%	57,100	39,500	17,600	44.6%	52,800	(4,300)	108.1%	(2)
Administrative Support Expenses	139,780	124,630	15,150	12.2%	451,789	374,964	76,825	20.5%	500,659	48,870	90.2%	(3)
Non-operating Expenses	93,315	92,122	1,193	1.3%	279,776	276,793	2,983	1.1%	368,413	88,637	75.9%	
Total Expenses	893,390	854,645	38,745	4.5%	2,534,563	2,485,795	48,768	2.0%	3,352,601	818,038	75.6%	
Net Income	715,832	691,627	24,205	3.5%	3,081,354	2,152,252	929,102	43.2%	2,835,702	(245,652)	108.7%	
Other Sources/(Uses) of Working Capital												
(Increase) in Restricted/Designated Cash	(131,277)	(35,109)	(96,168)	273.9%	(131,277)	(105,327)	(25,950)	24.6%	(140,436)	(9,159)	93.5%	(4)
Decrease in Restricted/Designated Cash	1,118,509	2,499	1,116,010	44658.3%	1,118,509	7,497	1,111,012	14819.4%	10,000	(1,108,509)	11185.1%	(5)
(Increase) in LT Receivables	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Decrease in LT Receivables	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Acquisition of Capital Assets	(161,096)	(915,800)	754,704	(82.4%)	(954,675)	(1,675,054)	720,379	(43.0%)	(1,942,681)	(988,006)	49.1%	(6)
Disposition of Capital Assets	2,959,410	-	2,959,410	n/m	2,959,410	-	2,959,410	n/m	-	(2,959,410)	n/m	(7)
Change in Suspense	(60)	-	(60)	n/m	(60)	-	(60)	n/m	-	60	n/m	
Change in Other Assets	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Change in Deferrals	(44,591)	-	(44,591)	n/m	(44,591)	-	(44,591)	n/m	-	44,591	n/m	
Increase in LT Debt	299,641	-	299,641	n/m	299,641	-	299,641	n/m	-	(299,641)	n/m	
(Decrease) in LT Debt	(215,061)	(72,534)	(142,527)	196.5%	(215,061)	(217,576)	2,515	(1.2%)	(290,771)	(75,710)	74.0%	
Change in Other Liabilities	(57,601)	(20,436)	(37,165)	181.9%	(57,601)	(61,307)	3,706	(6.0%)	(81,742)	(24,141)	70.5%	
Other Non-Working Capital Income/Expense Items	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Non Income/Expense Change in Equity	(3,167,484)	-	(3,167,484)	n/m	(3,167,484)	-	(3,167,484)	n/m	-	3,167,484	n/m	(8)
Total Other Sources/(Uses) of Working Capital	600,389	(1,041,380)	1,641,769	n/m	(193,189)	(2,051,767)	1,858,578	(90.6%)	(2,445,630)	(2,252,441)	7.9%	
Transfer In from (Out to) Other Funds												
Transfers In from Other Funds	67,619	687,291	(619,672)	(90.2%)	241,674	1,013,396	(771,722)	(76.2%)	1,073,944	832,270	22.5%	(9)
Transfers Out to Other Funds	-	(20,169)	20,169	(100.0%)	(2,959,410)	(60,508)	(2,898,902)	4790.9%	(80,676)	2,878,734	3668.3%	(10)
Net Transfer In/(Out)	67,619	667,122	(599,503)	(89.9%)	(2,717,736)	952,888	(3,670,624)	n/m	993,268	3,711,004	n/m	
Net Change in Working Capital	$ 1,383,840	$ 317,369	$ 1,066,471	336.0%	$ 170,428	$ 1,053,373	$ (882,945)	(83.8%)	$ 1,383,340	$ 1,212,912	12.3%	
Working Capital, Beginning of Period	3,256,288				4,469,699							
Working Capital, 9/30/2016	$ 4,640,128				$ 4,640,127							

1) King County grants received by Patricia Harris Manor ($625k) and Northwood Square ($195k) were budgeted in 2015.
2) Due to unbudgeted Spiritwood relocation payments.
3) External property management fees for Bellevue Manor, Patricia Harris Manor & Northwood Square were higher than budgeted. KCHA took over management on August 1st and new internal rate matches budget.
4) Spiritwood Replacement Reserves transferred to COCC Local (Fund Group 12).
5) Variance related to acquisition of Harrison House assets from tax credit partnership (Fund Group 8). Unbudgeted.
6) Hidden Village envelope project was budgeted to start in the 2nd quarter but began in the 4th quarter and will continue into 2017.
7) Disposition of Spiritwood capital assets in sale to tax credit partnership.
8) Due to transfer of Spiritwood equity to COCC and Spiritwood General Partner.
9) Transfer-in to fund Hidden Village construction project is under budget due to timing (See note #6).
10) Transfer of Spiritwood assets to tax credit partnership.

Other Federally-supported (Other)
Working Capital Budget vs. Actual Report
For the Period Ended 9/30/2016

	Quarter Ended September 30, 2016				Year-to-Date				2016 Annual Budget	Remainder to Receive/ Spend	Percent of Annual Budget	
Revenues	Actual	Budget	$ Var	% Var	Actual	Budget	$ Var	% Var				
Tenant Revenue	$ 3,417,019	$ 3,364,713	$ 52,306	1.6%	$ 9,994,212	$ 10,094,832	$ (100,620)	(1.0%)	$ 13,459,681	$ 3,465,469	74.3%	
Operating Fund Subsidy from HUD	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Section 8 Subsidy from HUD	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Other Operating Revenue	391,899	799,354	(407,455)	(51.0%)	1,177,241	1,577,054	(399,813)	(25.4%)	2,692,230	1,514,989	43.7%	
Non-operating Revenue	329,215	309,389	19,826	6.4%	1,701,510	3,956,454	(2,254,944)	(57.0%)	4,944,137	3,242,627	34.4%	(1)
Total Revenues	4,138,133	4,473,456	(335,323)	(7.5%)	12,872,963	15,628,340	(2,755,377)	(17.6%)	21,096,048	8,223,085	61.0%	
Expenses												
Salaries & Benefits	413,088	423,564	(10,476)	(2.5%)	1,157,140	1,182,109	(24,969)	(2.1%)	1,605,649	448,509	72.1%	
Routine Maintenance, Utilities, Taxes & Insurance	988,386	895,379	93,007	10.4%	2,658,959	2,597,113	61,846	2.4%	3,646,164	987,205	72.9%	
Direct Social Service Salaries & Benefits	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Other Social Service Support Expenses & HAP	26,256	6,162	20,094	326.1%	46,580	18,489	28,091	151.9%	24,650	(21,930)	189.0%	
Administrative Support Expenses	304,567	317,380	(12,813)	(4.0%)	959,054	947,319	11,735	1.2%	1,252,978	293,924	76.5%	
Non-operating Expenses	1,306,129	1,728,249	(422,120)	(24.4%)	3,959,446	4,354,430	(394,984)	(9.1%)	6,392,541	2,433,095	61.9%	
Total Expenses	3,038,426	3,370,734	(332,308)	(9.9%)	8,781,179	9,099,460	(318,281)	(3.5%)	12,921,982	4,140,803	68.0%	
Net Income	1,099,707	1,102,722	(3,015)	(0.3%)	4,091,783	6,528,880	(2,437,097)	(37.3%)	8,174,066	4,082,283	50.1%	
Other Sources/(Uses) of Working Capital												
(Increase) in Restricted/Designated Cash	(2,998,187)	(64,656)	(2,933,531)	4537.1%	(3,119,693)	(2,033,968)	(1,085,725)	53.4%	(2,098,624)	1,021,069	148.7%	(2)
Decrease in Restricted/Designated Cash	404,305	-	404,305	n/m	888,631	700,000	188,631	26.9%	950,000	61,369	93.5%	(3)
(Increase) in LT Receivables	(66,442)	(66,442)	-	0.0%	(223,731)	(199,325)	(24,406)	12.2%	(265,766)	(42,035)	84.2%	
Decrease in LT Receivables	-	-	-	n/m	1,191,786	1,191,786	-	0.0%	1,191,786	-	100.0%	
Acquisition of Capital Assets	(326,592)	(955,145)	628,553	(65.8%)	(1,634,050)	(2,348,684)	714,634	(30.4%)	(3,456,410)	(1,822,360)	47.3%	(4)
Disposition of Capital Assets	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Change in Suspense	(512)	-	(512)	n/m	-	-	-	n/m	-	-	n/m	
Change in Other Assets	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Change in Deferrals	31,483	-	31,483	n/m	(3,287)	-	(3,287)	n/m	-	3,287	n/m	
Increase in LT Debt	181	181	-	0.0%	543	543	-	0.0%	724	181	75.0%	
(Decrease) in LT Debt	(138,516)	(145,983)	7,467	(5.1%)	(3,775,008)	(3,573,552)	(201,456)	5.6%	(4,583,173)	(808,165)	82.4%	
Change in Other Liabilities	84,746	84,746	-	0.0%	131,527	254,239	(122,712)	(48.3%)	338,985	207,458	38.8%	(5)
Other Non-Working Capital Income/Expense Items	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Non Income/Expense Change in Equity	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Total Other Sources/(Uses) of Working Capital	(3,009,533)	(1,147,299)	(1,862,234)	162.3%	(6,543,282)	(6,008,961)	(534,321)	8.9%	(7,922,478)	(1,379,196)	82.6%	
Transfer In from (Out to) Other Funds												
Transfers In from Other Funds	2,485,537	616,461	1,869,076	303.2%	2,667,783	1,087,360	1,580,423	145.3%	2,841,609	173,826	93.9%	(6)
Transfers Out to Other Funds	(210,050)	(822,390)	612,340	(74.5%)	(392,297)	(1,646,851)	1,254,554	(76.2%)	(2,676,161)	(2,283,864)	14.7%	(7)
Net Transfer In/(Out)	2,275,486	(205,929)	2,481,415	n/m	2,275,486	(559,491)	2,834,977	n/m	165,448	(2,110,038)	1375.3%	
Net Change in Working Capital	$ 365,660	$ (250,506)	$ 616,166	n/m	$ (176,012)	$ (39,572)	$ (136,440)	344.8%	$ 417,036	$ 593,048	n/m	
Working Capital, Beginning of Period	1,699,634				2,241,306							
Working Capital, 9/30/2016	$ 2,065,294				$ 2,065,294							

1) A $3.0m CFP grant draw was budgeted as the funding source for the first Birch Creek semi-annual bond payment. However, the actual draw was only $653k and MTW funds were used for the remainder.
2) The transfer of the 2015 Birch Creek net cash flow distribution from the partnership to the Excess Cash Reserve was budgeted for the first quarter but actually occurred in the third. Also, an unbudgeted excess cash reserve deposit of $1m was made for Green River Homes 2.
3) The 2016 draws from restricted loan proceeds held by MKCRF to reimburse KCHA for construction costs at MKCRF properties was budgeted in the 1st quarter but draws totaling $404,789 were made during the 3rd quarter. Also, current year draws include $239K for 2015 MKCRF construction expenses. Unbudgeted.
4) The Greenleaf envelope upgrade and Juanita Trace roof replacement projects are below target due to a late start but are expected to be completed in the 4th quarter. Nine MKCRF unit upgrades have been completed through September although 25 units were budgeted for upgrade in 2016. Upgrades are dependent upon unit availability.
5) The year-to-date budget represents the budgeted increase of interest payable from the Birch Creek and Green River Homes 2 partnerships to KCHA. The actual increase is on target . However, this budgeted increase is offset by an unbudgeted net cash flow distribution of $122K from the Green River Homes 2 Partnership that was applied to the interest on notes receivable.
6) Unbudgeted transfer of $2.3m of MTW cash for the first semi-annual Birch Creek bond payment. See also note #1. This variance is partially offset by less than anticipated unit upgrade and capital construction transfers. (See notes 1 & 5)
7) The budgeted transfer from the Spiritwood partnership operating fund to fund the payment of the financing lease is not expected to occur in 2016. The payment is expected to be made from net cash flow distribution in March 2017.

Section 8
Working Capital Budget vs. Actual Report
For the Period Ended 9/30/2016

	Quarter Ended September 30, 2016				Year-to-Date				2016 Annual Budget	Remainder to Receive/ Spend	Percent of Annual Budget	
Revenues	Actual	Budget	$ Var	% Var	Actual	Budget	$ Var	% Var				
Tenant Revenue	$ 14,949	$ 31,800	$ (16,851)	(53.0%)	$ 54,960	$ 95,400	$ (40,440)	(42.4%)	$ 127,200	$ 72,240	43.2%	(1)
Operating Fund Subsidy from HUD	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Section 8 Subsidy from HUD	25,956,137	26,605,377	(649,240)	(2.4%)	77,806,178	78,076,451	(270,273)	(0.3%)	105,289,140	27,482,962	73.9%	
Other Operating Revenue	7,995,403	7,175,401	820,002	11.4%	23,834,701	21,426,367	2,408,334	11.2%	28,635,080	4,800,379	83.2%	(2)
Non-operating Revenue	10,020	6	10,014	166895.3%	10,020	20	10,000	49998.6%	26	(9,994)	38537.4%	(3)
Total Revenues	33,976,509	33,812,584	163,925	0.5%	101,705,859	99,598,238	2,107,621	2.1%	134,051,446	32,345,587	75.9%	
Expenses												
Salaries & Benefits	1,707,373	1,623,896	83,477	5.1%	4,617,179	4,520,063	97,116	2.1%	6,143,960	1,526,781	75.1%	
Routine Maintenance, Utilities, Taxes & Insurance	73,893	62,907	10,986	17.5%	203,915	189,246	14,669	7.8%	253,173	49,258	80.5%	
Direct Social Service Salaries & Benefits	32,821	32,975	(154)	(0.5%)	89,119	89,505	(386)	(0.4%)	122,481	33,362	72.8%	
Other Social Service Support Expenses & HAP	31,214,403	31,401,066	(186,663)	(0.6%)	93,290,478	92,371,596	918,882	1.0%	124,349,116	31,058,638	75.0%	(4)
Administrative Support Expenses	886,307	869,572	16,735	1.9%	2,737,524	2,635,501	102,023	3.9%	3,509,663	772,139	78.0%	
Non-operating Expenses	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Total Expenses	33,914,796	33,990,416	(75,620)	(0.2%)	100,938,216	99,805,911	1,132,305	1.1%	134,378,393	33,440,177	75.1%	
Net Income	61,712	(177,832)	239,544	n/m	767,644	(207,673)	975,317	n/m	(326,947)	(1,094,591)	n/m	
Other Sources/(Uses) of Working Capital												
(Increase) in Restricted/Designated Cash	54,397	-	54,397	n/m	(328,765)	-	(328,765)	n/m	-	328,765	n/m	(5)
Decrease in Restricted/Designated Cash	46,970	-	46,970	n/m	103,604	-	103,604	n/m	-	(103,604)	n/m	(6)
(Increase) in LT Receivables	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Decrease in LT Receivables	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Acquisition of Capital Assets	(496)	(126)	(370)	293.7%	(496)	(10,381)	9,885	(95.2%)	(10,508)	(10,012)	4.7%	(7)
Disposition of Capital Assets	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Change in Suspense	(60,927)	-	(60,927)	n/m	129,908	-	129,908	n/m	-	(129,908)	n/m	(8)
Change in Other Assets	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Change in Deferrals	(101,367)	-	(101,367)	n/m	(103,604)	-	(103,604)	n/m	-	103,604	n/m	(6)
Increase in LT Debt	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
(Decrease) in LT Debt	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Change in Other Liabilities	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Other Non-Working Capital Income/Expense Items	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Non Income/Expense Change in Equity	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Total Other Sources/(Uses) of Working Capital	(61,423)	(126)	(61,297)	48648.5%	(199,353)	(10,381)	(188,972)	1820.4%	(10,508)	188,845	1897.2%	
Transfer In from (Out to) Other Funds												
Transfers In from Other Funds	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Transfers Out to Other Funds	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Net Transfer In/(Out)	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Net Change in Working Capital	$ 289	$ (177,958)	$ 178,247	n/m	$ 568,291	$ (218,054)	$ 786,345	n/m	$ (337,455)	$ (905,746)	n/m	
Working Capital, Beginning of Period	121,316				(446,686)							
Working Capital, 9/30/2016	$ 121,605				$ 121,605							

1) Collection of retro-rents have been less than anticipated in the budget.
2) Revenue is exceeding budget as there have been 1,443 more incoming port unit months that budgeted, and the average per unit cost through the third quarter has been $907.60 vs. the budget of $877.25.
3) Variance due to prior year reimbursement received in 2016.
4) Overall HAP expenses have been greater than budget due to high ports-in expenses (see also note 2) offset by lower than budgeted per units costs for the rest of the HCV program.
5) Due to restriction of HAP reserves for non-Block Grant Vouchers ($292k) and creation of new HASP reserve ($36k). Unbudgeted.
6) Change in FSS reserve account. Unbudgeted.
7) 700 Building monument sign budgeted for the 1st quarter was delayed until 2017
8) Refunds received from owners who had been overpaid were posted to suspense. $103k was cleared in September and work is continuing towards resolution of the remaining balances.

MTW
Working Capital Budget vs. Actual Report
For the Period Ended 9/30/2016

	Quarter Ended September 30, 2016				Year-to-Date				2016 Annual Budget	Remainder to Receive/ Spend	Percent of Annual Budget	
Revenues	Actual	Budget	$ Var	% Var	Actual	Budget	$ Var	% Var				
Tenant Revenue	$ -	$ -	$ -	n/m	$ -	$ -	$ -	n/m	$ -	$ -	n/m	
Operating Fund Subsidy from HUD	95,931	92,863	3,068	3.3%	287,434	278,591	8,843	3.2%	371,455	84,021	77.4%	
Section 8 Subsidy from HUD	8,573,341	2,013,630	6,559,711	325.8%	13,112,178	7,487,290	5,624,888	75.1%	8,991,344	(4,120,834)	145.8%	(1)
Other Operating Revenue	2,931	2,723	208	7.6%	8,376	8,168	208	2.5%	10,890	2,515	76.9%	
Non-operating Revenue	84,362	74,234	10,128	13.6%	267,598	253,029	14,569	5.8%	319,097	51,499	83.9%	
Total Revenues	8,756,565	2,183,450	6,573,115	301.0%	13,675,585	8,027,078	5,648,507	70.4%	9,692,786	(3,982,799)	141.1%	
Expenses												
Salaries & Benefits	441,846	478,076	(36,230)	(7.6%)	1,218,611	1,340,692	(122,081)	(9.1%)	1,818,771	600,160	67.0%	(2)
Routine Maintenance, Utilities, Taxes & Insurance	-	-	-	n/m	82	-	82	n/m	-	(82)	n/m	
Direct Social Service Salaries & Benefits	557,335	560,687	(3,352)	(0.6%)	1,487,362	1,521,862	(34,500)	(2.3%)	2,082,546	595,184	71.4%	
Other Social Service Support Expenses & HAP	971,765	1,263,133	(291,368)	(23.1%)	2,711,169	3,633,386	(922,217)	(25.4%)	4,908,816	2,197,647	55.2%	(3)
Administrative Support Expenses	106,658	153,523	(46,865)	(30.5%)	265,555	449,146	(183,591)	(40.9%)	599,965	334,410	44.3%	(4)
Non-operating Expenses	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Total Expenses	2,077,604	2,455,419	(377,815)	(15.4%)	5,682,779	6,945,086	(1,262,307)	(18.2%)	9,410,098	3,727,319	60.4%	
Net Income	6,678,960	(271,969)	6,950,929	n/m	7,992,806	1,081,992	6,910,814	638.7%	282,688	(7,710,118)	2827.4%	
Other Sources/(Uses) of Working Capital												
(Increase) in Restricted/Designated Cash	(1,032)	-	(1,032)	n/m	(17,266)	-	(17,266)	n/m	-	17,266	n/m	
Decrease in Restricted/Designated Cash	612,023	618,123	(6,100)	(1.0%)	1,915,695	1,854,369	61,326	3.3%	4,236,120	2,320,425	45.2%	
(Increase) in LT Receivables	(253,456)	(247,163)	(6,293)	2.5%	(465,921)	(741,490)	275,569	(37.2%)	(988,653)	(522,732)	47.1%	(5)
Decrease in LT Receivables	19,142	819,996	(800,854)	(97.7%)	2,048,787	1,659,993	388,794	23.4%	1,679,991	(368,796)	122.0%	(6)
Acquisition of Capital Assets	(63,768)	(53,700)	(10,068)	18.7%	(257,619)	(227,359)	(30,260)	13.3%	(281,060)	(23,441)	91.7%	
Disposition of Capital Assets	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Change in Suspense	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Change in Other Assets	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Change in Deferrals	1,032	-	1,032	n/m	18,449	-	18,449	n/m	-	(18,449)	n/m	
Increase in LT Debt	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
(Decrease) in LT Debt	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Change in Other Liabilities	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Other Non-Working Capital Income/Expense Items	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Non Income/Expense Change in Equity	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Total Other Sources/(Uses) of Working Capital	313,941	1,137,256	(823,315)	(72.4%)	3,242,126	2,545,513	696,613	27.4%	4,646,398	1,404,272	69.8%	
Transfer In from (Out to) Other Funds												
Transfers In from Other Funds	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Transfers Out to Other Funds	(5,643,825)	(3,908,169)	(1,735,656)	44.4%	(10,139,171)	(11,872,633)	1,733,462	(14.6%)	(15,542,871)	(5,403,700)	65.2%	(7)
Net Transfer In/(Out)	(5,643,825)	(3,908,169)	(1,735,656)	44.4%	(10,139,171)	(11,872,633)	1,733,462	(14.6%)	(15,542,871)	(5,403,700)	65.2%	
Net Change in Working Capital	$ 1,349,076	$ (3,042,882)	$ 4,391,958	n/m	$ 1,095,761	$ (8,245,128)	$ 9,340,889	n/m	$ (10,613,785)	$ (11,709,546)	n/m	
Working Capital, Beginning of Period	8,857,490				9,110,805							
Working Capital, 9/30/2016	$ 10,206,566				$ 10,206,566							

1) This line is the difference between the amount of HCV block revenue received from HUD and the cost of HAP expenses paid to landlords and administrative fees charged by the HCV program to cover the costs of administering the program. HUD issues monthly revenue payments to KCHA based on last year's leasing levels and costs. Additional amounts are requested by KCHA as needed to fund non-HCV expenses such as resident services, homeless programs and the research initiative. As a result, actual results will routinely vary from budget.
2) MTW salaries are under budget due to positions that were vacant at various times through the year, including Senior Administrative Program Manager and Management Analyst.
3) Homeless programs expenses are below target due to the timing of invoices received from partner agencies. In addition, two new programs budgeted for 2016, Flat Rent PBA and PACT II, have been delayed until 2017.
4) Costs related to the evaluation of KCHA's place-based evaluation initiatives were budgeted evenly throughout the year but 75% of the budgeted expenses are expected to be spent in the 4th quarter.
5) The budgeted MTW funding for the Greenbridge internal loan will no longer take place as the COCC will not be funding future development work at Greenbridge. This is because federal funds cannot be used towards the development of for-sale residential lots.
6) Repayment of $1.9m from Greenbridge on the internal loan from MTW. Proceeds from lot sales funded the repayment. Unbudgeted.
7) Transfers-out are under target due to delays in some construction projects. Construction activity is expected to increase in the 4th quarter.

Local Properties (KCHA)
Working Capital Budget vs. Actual Report
For the Period Ended 9/30/2016

	Quarter Ended September 30, 2016				Year-to-Date				2016 Annual Budget	Remainder to Receive/ Spend	Percent of Annual Budget	
Revenues	Actual	Budget	$ Var	% Var	Actual	Budget	$ Var	% Var				
Tenant Revenue	$ 12,479,107	$ 12,175,467	$ 303,640	2.5%	$ 36,916,685	$ 36,207,013	$ 709,672	2.0%	$ 48,437,215	$ 11,520,530	76.2%	
Operating Fund Subsidy from HUD	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Section 8 Subsidy from HUD	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Other Operating Revenue	62,486	48,017	14,469	30.1%	133,757	145,525	(11,768)	(8.1%)	235,494	101,737	56.8%	
Non-operating Revenue	76,515	101,232	(24,717)	(24.4%)	478,239	419,290	58,949	14.1%	633,796	155,557	75.5%	
Total Revenues	12,618,108	12,324,716	293,392	2.4%	37,528,681	36,771,828	756,853	2.1%	49,306,505	11,777,824	76.1%	
Expenses												
Salaries & Benefits	1,008,616	1,097,326	(88,710)	(8.1%)	3,122,282	3,295,151	(172,869)	(5.2%)	4,385,791	1,263,509	71.2%	
Routine Maintenance, Utilities, Taxes & Insurance	3,017,193	3,094,619	(77,426)	(2.5%)	8,592,289	9,305,613	(713,324)	(7.7%)	12,249,812	3,657,523	70.1%	(1)
Direct Social Service Salaries & Benefits	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Other Social Service Support Expenses & HAP	73,728	68,297	5,431	8.0%	171,862	199,991	(28,129)	(14.1%)	263,938	92,076	65.1%	
Administrative Support Expenses	1,099,995	1,071,744	28,251	2.6%	3,354,373	3,375,352	(20,979)	(0.6%)	4,445,519	1,091,146	75.5%	
Non-operating Expenses	1,372,843	1,596,586	(223,743)	(14.0%)	4,933,678	4,746,236	187,442	3.9%	6,431,739	1,498,061	76.7%	
Total Expenses	6,572,376	6,928,572	(356,196)	(5.1%)	20,174,485	20,922,343	(747,858)	(3.6%)	27,776,799	7,602,314	72.6%	
Net Income	6,045,732	5,396,144	649,588	12.0%	17,354,196	15,849,485	1,504,711	9.5%	21,529,706	4,175,510	80.6%	
Other Sources/(Uses) of Working Capital												
(Increase) in Restricted/Designated Cash	(333,704)	(328,969)	(4,735)	1.4%	(1,623,210)	(988,610)	(634,600)	64.2%	(1,317,011)	306,199	123.2%	(2)
Decrease in Restricted/Designated Cash	(449,987)	839,245	(1,289,232)	n/m	460,709	2,758,248	(2,297,539)	(83.3%)	3,497,513	3,036,804	13.2%	(3)
(Increase) in LT Receivables	25,595	(61,119)	86,714	n/m	(102,786)	(183,360)	80,574	(43.9%)	(244,480)	(141,694)	42.0%	(4)
Decrease in LT Receivables	0	-	0	n/m	5,263,651	214,937	5,048,714	2348.9%	214,937	(5,048,714)	2448.9%	(5)
Acquisition of Capital Assets	(22,373,474)	(3,369,946)	(19,003,528)	563.9%	(31,322,691)	(9,526,724)	(21,795,967)	228.8%	(11,881,505)	19,441,186	263.6%	(6)
Disposition of Capital Assets	(2,959,603)	-	(2,959,603)	n/m	7,041,697	-	7,041,697	n/m	-	(7,041,697)	n/m	(7)
Change in Suspense	60	-	60	n/m	(20,541)	-	(20,541)	n/m	-	20,541	n/m	
Change in Other Assets	(0)	-	(0)	n/m	70,839	-	70,839	n/m	-	(70,839)	n/m	(8)
Change in Deferrals	25,418	-	25,418	n/m	(43,302)	-	(43,302)	n/m	-	43,302	n/m	(9)
Increase in LT Debt	19,057,285	-	19,057,285	n/m	23,412,285	-	23,412,285	n/m	-	(23,412,285)	n/m	(10)
(Decrease) in LT Debt	(546,274)	(1,398,856)	852,582	(60.9%)	(9,535,479)	(4,166,071)	(5,369,408)	128.9%	(6,609,527)	2,925,952	144.3%	(11)
Change in Other Liabilities	72,285	63,198	9,087	14.4%	(979,129)	(5,403)	(973,726)	18022.0%	57,796	1,036,925	n/m	(12)
Other Non-Working Capital Income/Expense Items	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Non Income/Expense Change in Equity	0	-	0	n/m	(161)	-	(161)	n/m	-	161	n/m	
Total Other Sources/(Uses) of Working Capital	(7,482,398)	(4,256,447)	(3,225,951)	75.8%	(7,378,117)	(11,896,983)	4,518,866	(38.0%)	(16,282,277)	(8,904,160)	45.3%	
Transfer In from (Out to) Other Funds												
Transfers In from Other Funds	34,443	34,454	(11)	(0.0%)	5,402,789	103,360	5,299,429	5127.2%	137,810	(5,264,979)	3920.5%	(13)
Transfers Out to Other Funds	(839,910)	(854,828)	14,918	(1.7%)	(7,965,432)	(2,710,794)	(5,254,638)	193.8%	(3,565,620)	4,399,812	223.4%	(13)
Net Transfer In/(Out)	(805,467)	(820,374)	14,907	(1.8%)	(2,562,643)	(2,607,434)	44,791	(1.7%)	(3,427,810)	(865,167)	74.8%	
Net Change in Working Capital	$ (2,242,133)	$ 319,323	$ (2,561,456)	n/m	$ 7,413,436	$ 1,345,068	$ 6,068,368	451.2%	$ 1,819,619	$ (5,593,817)	407.4%	
Working Capital, Beginning of Period	9,485,922				(169,648)							
Working Capital, 9/30/2016	$ 7,243,788				$ 7,243,788							

1) Most maintenance categories were under budget in the first half of the year but increased to budgeted levels in the 3rd quart er; a trend that is expected to continue into the 4th quarter. Even so, this category will likely finish 2016 below budget.
2) Variance due to unbudgeted earnest money deposit of $500K for the acquisition of Abbey Ridge, plus some unbudgeted replacement reserve deposits.
3) Some budgeted non-routine maintenance expenditures to be funded with withdrawals from replacement reserves have been delayed to 2017.
4) Harrison House interest on lease and notes receivable was budgeted evenly throughout the year but the receivable was written -off as KCHA acquired the property from the tax credit partnership.
5) Disposal of Harrison House note and lease receivable as KCHA acquired the property from the tax credit partnership.
6) Acquisition of Highland Village for $19.8m & Harrison House from the tax credit partnership for $5.54m. Unbudgeted. Also, ma intenance & unit upgrade projects at Carriage House, Vantage Glen , Walnut Apartments and Windsor Heights Apartments are below target due to late start and lack of unit availability .
7) Charter House land and building disposed through a sale to Bremerton Housing Authority. Also, the disposal of Harrison House tax credit partnership capital assets upon acquisition by KCHA. Unbudgeted.
8) Disposal of Harrison House capital and intangible assets as KCHA acquired the property from the tax credit partnership.
9) A Vantage Glen 2015 Tenmast security deposit transaction error was corrected in 2016.
10) Draw from Key Bank LOC for the acquisition of Highland Village ($19.8 million) and pay-off the Somerset Rasmussen loan ($3.6 million). Unbudgeted.
11) Write-off of Harrison House KCHA loans ($4.175 million) as KCHA acquired the property from the tax credit partnership. Also, pa y-off of the Charter House line of credit as the property was sold to Bremerton Housing Authority. Unbudgeted.
12) Write-off of interest payable on KCHA loans as KCHA acquired Harrison House property from the tax credit partnership.
13) Equity transfer related to acquisition of Harrison House by KCHA from the tax credit partnership . Unbudgeted.

Local Properties (Other)
Working Capital Budget vs. Actual Report
For the Period Ended 9/30/2016

	Quarter Ended September 30, 2016				Year-to-Date				2016 Annual	Remainder to Receive/	Percent of Annual	
Revenues	Actual	Budget	$ Var	% Var	Actual	Budget	$ Var	% Var	Budget	Spend	Budget	
Tenant Revenue	$ 162,515	$ 163,113	$ (598)	(0.4%)	$ 499,256	$ 489,338	$ 9,918	2.0%	$ 652,450	$ 153,194	76.5%	
Operating Fund Subsidy from HUD	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Section 8 Subsidy from HUD	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Other Operating Revenue	38,966	34,989	3,977	11.4%	122,454	101,001	21,453	21.2%	135,994	13,540	90.0%	
Non-operating Revenue	137,809	137,699	110	0.1%	413,397	413,096	301	0.1%	550,795	137,398	75.1%	
Total Revenues	339,289	335,801	3,488	1.0%	1,035,107	1,003,435	31,672	3.2%	1,339,239	304,132	77.3%	
Expenses												
Salaries & Benefits	48,197	47,366	831	1.8%	135,897	130,784	5,113	3.9%	178,154	42,257	76.3%	
Routine Maintenance, Utilities, Taxes & Insurance	64,507	62,530	1,977	3.2%	202,209	181,565	20,644	11.4%	256,902	54,693	78.7%	
Direct Social Service Salaries & Benefits	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Other Social Service Support Expenses & HAP	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Administrative Support Expenses	27,245	28,692	(1,447)	(5.0%)	77,885	86,224	(8,339)	(9.7%)	114,915	37,030	67.8%	
Non-operating Expenses	117,695	87,139	30,556	35.1%	257,191	261,423	(4,232)	(1.6%)	348,564	91,373	73.8%	
Total Expenses	257,643	225,727	31,916	14.1%	673,181	659,996	13,185	2.0%	898,535	225,354	74.9%	
Net Income	81,646	110,074	(28,428)	(25.8%)	361,926	343,439	18,487	5.4%	440,704	78,778	82.1%	
Other Sources/(Uses) of Working Capital												
(Increase) in Restricted/Designated Cash	(20,268)	(6,747)	(13,521)	200.4%	(20,268)	(20,241)	(27)	0.1%	(26,988)	(6,720)	75.1%	
Decrease in Restricted/Designated Cash	-	60,000	(60,000)	(100.0%)	-	60,000	(60,000)	(100.0%)	60,000	60,000	0.0%	(1)
(Increase) in LT Receivables	(73,366)	(47,770)	(25,596)	53.6%	(73,366)	(73,366)	1	(0.0%)	(121,136)	(47,771)	60.6%	
Decrease in LT Receivables	-	-	-	n/m	-	-	-	n/m	-	-	n/m	(2)
Acquisition of Capital Assets	-	(58,546)	58,546	(100.0%)	(65)	(97,929)	97,864	(99.9%)	(114,184)	(114,119)	0.1%	(3)
Disposition of Capital Assets	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Change in Suspense	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Change in Other Assets	-	-	-	n/m	-	-	-	n/m	-	-	n/m	(4)
Change in Deferrals	300	-	300	n/m	300	-	300	n/m	-	(300)	n/m	
Increase in LT Debt	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
(Decrease) in LT Debt	-	-	-	n/m	-	(36,500)	36,500	(100.0%)	(236,500)	(236,500)	0.0%	(5)
Change in Other Liabilities	18,042	49,846	(31,804)	(63.8%)	18,042	54,542	(36,500)	(66.9%)	104,389	86,347	17.3%	(6)
Other Non-Working Capital Income/Expense Items	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Non Income/Expense Change in Equity	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Total Other Sources/(Uses) of Working Capital	(75,292)	(3,217)	(72,075)	2240.4%	(75,357)	(113,494)	38,137	(33.6%)	(334,419)	(259,062)	22.5%	
Transfer In from (Out to) Other Funds												
Transfers In from Other Funds	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Transfers Out to Other Funds	(105,000)	-	(105,000)	n/m	(176,206)	(71,206)	(105,000)	147.5%	(71,206)	105,000	247.5%	(7)
Net Transfer In/(Out)	(105,000)	-	(105,000)	n/m	(176,206)	(71,206)	(105,000)	147.5%	(71,206)	105,000	247.5%	
Net Change in Working Capital	$ (98,645)	$ 106,857	$ (205,502)	n/m	$ 110,363	$ 158,739	$ (48,376)	(30.5%)	$ 35,079	$ (75,284)	314.6%	
Working Capital, Beginning of Period	1,296,235				1,087,225							
Working Capital, 9/30/2016	$ 1,197,590				$ 1,197,589							

1) Transfer of Harrison House restricted deposits to fund group 7 upon acquisition of the property by KCHA from the tax credit partnership.
2) Disposal of Harrison House lease receivable as KCHA acquired the property from the tax credit partnership.
3) The Valley Park exterior painting projects were budgeted in the 2nd quarter but the project has been deferred to 2017.
4) Disposal of Harrison House intangible assets as KCHA acquired the property from the tax credit partnership.
5) Write-off of Harrison House KCHA loans ($4.175 million) and transfer of the King County loan to fund group 7 ($700K) as KCHA acquired the property from the tax credit partnership.
6) Write-off of interest payable on KCHA loans and transfer interest payable on King County loan to fund group 7 as KCHA acquired Harrison House property from the tax credit partnership.
7) Higher than anticipated excess cash transfer from Valley Park to KCHA.

Local Properties Tax Credit GP
Working Capital Budget vs. Actual Report
For the Period Ended 9/30/2016

	Quarter Ended September 30, 2016				Year-to-Date				2016 Annual Budget	Remainder to Receive/ Spend	Percent of Annual Budget	
Revenues	Actual	Budget	$ Var	% Var	Actual	Budget	$ Var	% Var				
Tenant Revenue	$ 1,803	$ -	$ 1,803	n/m	$ 4,304	$ -	$ 4,304	n/m	$ -	$ (4,304)	n/m	
Operating Fund Subsidy from HUD	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Section 8 Subsidy from HUD	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Other Operating Revenue	2,546	-	2,546	n/m	1,409,366	136,348	1,273,018	933.7%	7,282,048	5,872,682	19.4%	(1)
Non-operating Revenue	640,726	770,422	(129,696)	(16.8%)	25,621,068	2,232,254	23,388,814	1047.8%	3,009,518	(22,611,550)	851.3%	(2)
Total Revenues	645,074	770,422	(125,348)	(16.3%)	27,034,737	2,368,602	24,666,135	1041.4%	10,291,566	(16,743,171)	262.7%	
Expenses												
Salaries & Benefits	60,588	60,532	56	0.1%	167,836	165,976	1,860	1.1%	226,504	58,668	74.1%	
Routine Maintenance, Utilities, Taxes & Insurance	21,904	2,941	18,963	644.8%	63,684	8,821	54,863	622.0%	11,759	(51,925)	541.6%	(3)
Direct Social Service Salaries & Benefits	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Other Social Service Support Expenses & HAP	52	-	52	n/m	117	-	117	n/m	-	(117)	n/m	
Administrative Support Expenses	235,657	101,709	133,948	131.7%	448,972	313,081	135,891	43.4%	416,155	(32,817)	107.9%	(4)
Non-operating Expenses	194,796	225,788	(30,992)	(13.7%)	485,702	558,077	(72,375)	(13.0%)	849,083	363,381	57.2%	
Total Expenses	512,996	390,970	122,026	31.2%	1,166,311	1,045,955	120,356	11.5%	1,503,501	337,190	77.6%	
Net Income	132,078	379,452	(247,374)	(65.2%)	25,868,426	1,322,647	24,545,779	1855.8%	8,788,065	(17,080,361)	294.4%	
Other Sources/(Uses) of Working Capital												
(Increase) in Restricted/Designated Cash	4,373	-	4,373	n/m	(331,079)	(300,000)	(31,079)	10.4%	(300,000)	31,079	110.4%	
Decrease in Restricted/Designated Cash	(19,780)	-	(19,780)	n/m	300,000	300,000	-	0.0%	300,000	-	100.0%	
(Increase) in LT Receivables	(4,673,242)	(6,220,400)	1,547,158	(24.9%)	(48,404,490)	(6,233,776)	(42,170,714)	676.5%	(7,154,838)	41,249,652	676.5%	(5)
Decrease in LT Receivables	(3,075)	-	(3,075)	n/m	616,968	411,588	205,380	49.9%	561,588	(55,380)	109.9%	(6)
Acquisition of Capital Assets	1	-	1	n/m	0	-	0	n/m	-	(0)	n/m	
Maintenance Projects	-	-	-	n/m	(125,513)	-	(125,513)	n/m	-	125,513	n/m	
Acquisition of Capital Assets	1	-	1	n/m	(125,512)	-	(125,512)	n/m	-	125,512	n/m	(7)
Disposition of Capital Assets	192	-	192	n/m	10,007,122	-	10,007,122	n/m	-	(10,007,122)	n/m	(8)
Change in Suspense	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Change in Other Assets	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Change in Deferrals	-	-	-	n/m	(19,780)	-	(19,780)	n/m	-	19,780	n/m	
Increase in LT Debt	11,600,000	5,895,000	5,705,000	96.8%	16,982,708	5,895,000	11,087,708	188.1%	5,895,000	(11,087,708)	288.1%	(9)
(Decrease) in LT Debt	-	-	-	n/m	(175,000)	(125,000)	(50,000)	40.0%	(2,979,570)	(2,804,570)	5.9%	(10)
Change in Other Liabilities	5,198	5,197	1	0.0%	15,593	15,593	0	0.0%	20,791	5,198	75.0%	
Other Non-Working Capital Income/Expense Items	-	-	-	n/m	85,869	-	85,869	n/m	-	(85,869)	n/m	(11)
Non Income/Expense Change in Equity	(18,899)	-	(18,899)	n/m	(18,898)	-	(18,898)	n/m	-	18,898	n/m	(12)
Total Other Sources/(Uses) of Working Capital	6,894,767	(320,203)	7,214,970	n/m	(21,066,499)	(36,595)	(21,029,904)	57466.6%	(3,657,029)	17,409,470	576.1%	
Transfer In from (Out to) Other Funds												
Transfers In from Other Funds	-	-	-	n/m	2,959,410	-	2,959,410	n/m	-	(2,959,410)	n/m	(12)
Transfers Out to Other Funds	(327,000)	-	(327,000)	n/m	(1,217,099)	(890,099)	(327,000)	36.7%	(890,099)	327,000	136.7%	(13)
Net Transfer In/(Out)	(327,000)	-	(327,000)	n/m	1,742,311	(890,099)	2,632,410	n/m	(890,099)	(2,632,410)	n/m	
Net Change in Working Capital	$ 6,699,845	$ 59,249	$ 6,640,596	11207.9%	$ 6,544,238	$ 395,953	$ 6,148,285	1552.8%	$ 4,240,937	$ (2,303,301)	154.3%	
Working Capital, Beginning of Period	545,303				700,910							
Working Capital, 9/30/2016	$ 7,245,148				$ 7,245,148							

1) Part of the Spiritwood and Corinthian partnerships' developer fee income was earned when the financing leases were signed in the first quarter while the balance of the developer fee income is expected when final development costs have been determined in the 4th quarter. The budget anticipated the entire developer fee would be received in the 4th quarter. Also, due to unbudgeted GP management fee received from Southwood net cash flow distribution.
2) Gain on sale of Spiritwood and Corinthian to their respective tax credit partnership under a capital lease agreement. Unbudgeted.
3) 2015 Corinthian Apartments maintenance and utility invoices received and paid in 2016. The invoices were not accrued in 2015 by the property management company .
4) Due to unbudgeted Corinthian bond issuance costs.
5) Variance due to new Spiritwood and Corinthian capital leases. Unbudgeted.
6) Higher than anticipated payment from partnership net cash flow distribution to Overlake CTED and Arbor Heights weatherization loans.
7) 2015 Corinthian non-routine maintenance expense paid in 2016.
8) Unbudgeted disposal of Corinthian capital assets. The capital assets were transferred to the partnership under a capital lease agreement.
9) Due to draw from the new Spiritwood and Corinthian LOC . Unbudgeted.
10) Due to unbudgeted repayment of $50k towards Corinthian KeyBank line of credit.
11) Due to sale of pre-closing Corinthian work- in -process costs to the tax credit partnership. Unbudgeted.
12) Technical accounting entry to account for closing and transfer of Spiritwood accounts to the GP fund.
13) Higher than anticipated excess cash transfer from Overlake, Southwood Square and Arbor Heights.

Local-Development
Working Capital Budget vs. Actual Report
For the Period Ended 9/30/2016

	Quarter Ended September 30, 2016				Year-to-Date				2016 Annual Budget	Remainder to Receive/ Spend	Percent of Annual Budget	
Revenues	Actual	Budget	$ Var	% Var	Actual	Budget	$ Var	% Var				
Tenant Revenue	$ 1,642	$ -	$ 1,642	n/m	$ 4,586	$ -	$ 4,586	n/m	$ -	$ (4,586)	n/m	
Operating Fund Subsidy from HUD	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Section 8 Subsidy from HUD	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Other Operating Revenue	12,415	711,700	(699,285)	(98.3%)	15,681	711,700	(696,019)	(97.8%)	711,731	696,050	2.2%	(1)
Non-operating Revenue	109,727	12,511	97,216	777.0%	403,835	37,529	366,306	976.1%	50,041	(353,794)	807.0%	(2)
Total Revenues	123,784	724,211	(600,427)	(82.9%)	424,101	749,229	(325,128)	(43.4%)	761,772	337,671	55.7%	
Expenses												
Salaries & Benefits	194,024	162,428	31,596	19.5%	446,826	446,324	502	0.1%	608,751	161,925	73.4%	
Routine Maintenance, Utilities, Taxes & Insurance	(2,244)	-	(2,244)	n/m	126	-	126	n/m	-	(126)	n/m	
Direct Social Service Salaries & Benefits	11,725	10,908	817	7.5%	32,271	29,607	2,664	9.0%	40,515	8,244	79.7%	
Other Social Service Support Expenses & HAP	15,200	15,200	-	0.0%	45,600	45,600	-	0.0%	60,800	15,200	75.0%	
Administrative Support Expenses	84,689	74,003	10,686	14.4%	94,943	222,012	(127,069)	(57.2%)	296,014	201,071	32.1%	(3)
Non-operating Expenses	(93,118)	212,017	(305,135)	n/m	91,188	643,736	(552,548)	(85.8%)	978,264	887,076	9.3%	(4)
Total Expenses	210,277	474,556	(264,279)	(55.7%)	710,954	1,387,279	(676,325)	(48.8%)	1,984,344	1,273,390	35.8%	
Net Income	(86,492)	249,655	(336,147)	n/m	(286,853)	(638,050)	351,197	(55.0%)	(1,222,572)	(935,719)	23.5%	
Other Sources/(Uses) of Working Capital												
(Increase) in Restricted/Designated Cash	(3,382)	(11)	(3,371)	30641.6%	(498,692)	(68,029)	(430,663)	633.1%	(68,041)	430,651	732.9%	(5)
Decrease in Restricted/Designated Cash	105,079	3,501	101,578	2901.4%	228,847	10,503	218,344	2078.9%	14,004	(214,843)	1634.2%	(6)
(Increase) in LT Receivables	(286)	-	(286)	n/m	(699)	-	(699)	n/m	-	699	n/m	
Decrease in LT Receivables	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Acquisition of Capital Assets	(4,352,004)	(3,205,479)	(1,146,525)	35.8%	(35,223,507)	(9,470,781)	(25,752,726)	271.9%	(31,487,035)	3,736,472	111.9%	
Maintenance Projects	60,271	-	60,271	n/m	(289)	-	(289)	n/m	-	289	n/m	
Acquisition of Capital Assets	(4,291,732)	(3,205,479)	(1,086,253)	33.9%	(35,223,796)	(9,470,781)	(25,753,015)	271.9%	(31,487,035)	3,736,761	111.9%	(7)
Disposition of Capital Assets	87,156	1,010,000	(922,844)	(91.4%)	2,079,227	2,020,000	59,227	2.9%	2,020,000	(59,227)	102.9%	(8)
Change in Suspense	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Change in Other Assets	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Change in Deferrals	25,000	-	25,000	n/m	35,000	-	35,000	n/m	-	(35,000)	n/m	
Increase in LT Debt	3,800,000	-	3,800,000	n/m	40,207,513	-	40,207,513	n/m	16,930,829	(23,276,684)	237.5%	(9)
(Decrease) in LT Debt	(1,467,000)	-	(1,467,000)	n/m	(1,467,000)	-	(1,467,000)	n/m	(3,633,120)	(2,166,120)	40.4%	(10)
Change in Other Liabilities	1,855,943	(452,836)	2,308,779	n/m	239	(708,510)	708,749	n/m	(261,347)	(261,586)	n/m	(11)
Other Non-Working Capital Income/Expense Items	-	-	-	n/m	14,559	-	14,559	n/m	-	(14,559)	n/m	
Non Income/Expense Change in Equity	14,479,205	-	14,479,205	n/m	14,514,105	-	14,514,105	n/m	-	(14,514,105)	n/m	(12)
Total Other Sources/(Uses) of Working Capital	14,589,983	(2,644,825)	17,234,808	n/m	19,889,303	(8,216,817)	28,106,120	n/m	(16,484,710)	(36,374,013)	n/m	
Transfer In from (Out to) Other Funds												
Transfers In from Other Funds	-	205,929	(205,929)	(100.0%)	186,982	712,787	(525,805)	(73.8%)	909,780	722,798	20.6%	(13)
Transfers Out to Other Funds	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Net Transfer In/(Out)	-	205,929	(205,929)	(100.0%)	186,982	712,787	(525,805)	(73.8%)	909,780	722,798	20.6%	
Net Change in Working Capital	$ 14,503,491	$ (2,189,241)	$ 16,692,732	n/m	$ 19,789,432	$ (8,142,080)	$ 27,931,512	n/m	$ (16,797,502)	$ (36,586,934)	n/m	
Working Capital, Beginning of Period	(12,232,433)				(17,518,375)							
Working Capital, 9/30/2016	$ 2,271,057				$ 2,271,057							

1) Weatherization contribution to the Spiritwood partnership was budgeted in the 3rd quarter but is expected to be received in the 4th quarter.
2) Lot sales price participation higher than anticipated.
3) Professional services below budget due to timing of projects and delayed activities.
4) It was determined that the Spiritwood lease interest should be a project cost and capitalized instead of being expensed as budgeted.
5) Increase in restricted account due to unbudgeted Spiritwood partnership loan proceeds to fund rehabilitation of the project . Also, deposit to Hope VI restricted program income as the Greenbridge lot sales resulted in higher than budgeted proceeds.
6) Unbudgeted draw from Seola Gardens and Greenbridge endowment reserves.
7) Spiritwood capital assets were acquired by the Spiritwood partnership under a $26.5m capital lease agreement.
8) The cost of lot sales for disposition Greenbridge Parcel 7 was budgeted evenly through out the year. During the second quarter , Parcel 7 was sold and related cost of lot sales totaling $1.9 million was recorded.
9) Increase in long term debt due to Spiritwood acquisition and development financing loans and Vantage Point Permanent Loan. Unbudgeted.
10) Payment of Vantage Point lease principal from the proceeds of the investor partner's equity contribution. Unbudgeted
11) Unbudgeted reclassification of the Greenbridge internal loan repayment to short term. Also, the budgeted MTW internal loan to Greenbridge expected to occur in the 4th quarter.
12) Vantage Point Investor Partner equity Contribution. The amount was budgeted in fund group 2.
13) The budgeted transfer from the Spiritwood partnership operating fund to fund the payment of the financing lease is not expected to occur in 2016. The payment is expected to be made from net cash flow distribution in March 2017.

Local-Other Funds
Working Capital Budget vs. Actual Report
For the Period Ended 9/30/2016

	Quarter Ended September 30, 2016				Year-to-Date				2016 Annual Budget	Remainder to Receive/ Spend	Percent of Annual Budget	
Revenues	Actual	Budget	$ Var	% Var	Actual	Budget	$ Var	% Var				
Tenant Revenue	$ -	$ -	$ -	n/m	$ -	$ -	$ -	n/m	$ -	$ -	n/m	
Operating Fund Subsidy from HUD	97,745	96,268	1,477	1.5%	292,857	288,805	4,052	1.4%	385,073	92,216	76.1%	
Section 8 Subsidy from HUD	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Other Operating Revenue	1,998,799	2,064,163	(65,364)	(3.2%)	3,863,150	4,435,679	(572,529)	(12.9%)	5,831,710	1,968,560	66.2%	(1)
Non-operating Revenue	3,406	-	3,406	n/m	3,406	-	3,406	n/m	-	(3,406)	n/m	
Total Revenues	2,099,950	2,160,431	(60,481)	(2.8%)	4,159,413	4,724,484	(565,071)	(12.0%)	6,216,783	2,057,370	66.9%	
Expenses												
Salaries & Benefits	257,816	284,428	(26,612)	(9.4%)	733,948	782,226	(48,278)	(6.2%)	1,066,653	332,705	68.8%	
Routine Maintenance, Utilities, Taxes & Insurance	1,357	2,164	(807)	(37.3%)	9,083	6,591	2,492	37.8%	8,949	(134)	101.5%	
Direct Social Service Salaries & Benefits	15,436	15,810	(374)	(2.4%)	41,916	42,910	(994)	(2.3%)	58,718	16,802	71.4%	
Other Social Service Support Expenses & HAP	808,114	1,115,495	(307,381)	(27.6%)	2,630,674	3,183,148	(552,474)	(17.4%)	4,419,633	1,788,959	59.5%	(1)
Administrative Support Expenses	29,684	23,065	6,619	28.7%	71,404	71,334	70	0.1%	104,598	33,194	68.3%	
Non-operating Expenses	-	81,667	(81,667)	(100.0%)	-	153,126	(153,126)	(100.0%)	265,417	265,417	0.0%	(2)
Total Expenses	1,112,407	1,522,629	(410,222)	(26.9%)	3,487,024	4,239,335	(752,311)	(17.7%)	5,923,968	2,436,944	58.9%	
Net Income	987,544	637,802	349,742	54.8%	672,389	485,149	187,240	38.6%	292,815	(379,574)	229.6%	
Other Sources/(Uses) of Working Capital												
(Increase) in Restricted/Designated Cash	(10,464,529)	-	(10,464,529)	n/m	(10,464,529)	-	(10,464,529)	n/m	-	10,464,529	n/m	(3)
Decrease in Restricted/Designated Cash	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
(Increase) in LT Receivables	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Decrease in LT Receivables	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Acquisition of Capital Assets	(605,859)	(3,250,024)	2,644,165	(81.4%)	(1,115,998)	(9,750,072)	8,634,074	(88.6%)	(13,000,096)	(11,884,098)	8.6%	(4)
Disposition of Capital Assets	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Change in Suspense	(201,203)	-	(201,203)	n/m	(124,664)	-	(124,664)	n/m	-	124,664	n/m	(5)
Change in Other Assets	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Change in Deferrals	9,820	-	9,820	n/m	-	-	-	n/m	-	-	n/m	
Increase in LT Debt	10,464,529	3,250,000	7,214,529	222.0%	10,464,529	9,750,000	714,529	7.3%	13,000,000	2,535,471	80.5%	(6)
(Decrease) in LT Debt	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Change in Other Liabilities	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Other Non-Working Capital Income/Expense Items	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Non Income/Expense Change in Equity	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Total Other Sources/(Uses) of Working Capital	(797,241)	(24)	(797,217)	3321739.1%	(1,240,662)	(72)	(1,240,590)	1723041.3%	(96)	1,240,566	1292356.0%	
Transfer In from (Out to) Other Funds												
Transfers In from Other Funds	243,857	288,223	(44,366)	(15.4%)	720,657	864,669	(144,012)	(16.7%)	1,152,892	432,235	62.5%	
Transfers Out to Other Funds	(240,356)	(284,723)	44,367	(15.6%)	(710,154)	(854,169)	144,015	(16.9%)	(1,138,892)	(428,738)	62.4%	
Net Transfer In/(Out)	3,501	3,500	1	0.0%	$ 10,503	$ 10,500	$ 3	0.0%	14,000	3,497	75.0%	
Net Change in Working Capital	193,803	641,278	(447,475)	(69.8%)	(557,770)	495,577	(1,053,347)	n/m	$ 306,719	$ 864,489	n/m	
Working Capital, Beginning of Period	(342,339)				409,234							
Working Capital, 9/30/2016	(148,536)				$ (148,536)							

1) The Matchmaker and Dept. of Health and Human Services grants spending and draws are under target due to timing as the funds remain available until June 30, 2017 and September 30, 2017, respectively.
2) Due to delay in procuring Energy Performance Contract debt financing, the related interest repayment has yet to occur. (See note # 5).
3) Receipt of bond proceeds to finance work related to the Energy Performance Contract. Unbudgeted.
4) Due to delay of the Energy Performance Contract projects, the actual target for 2016 is re-forecasted at a substantially lower level.
5) Energy Performance Contract bonds issuance costs were coded to suspense and will be cleared in October.
6) Proceeds from the Energy Performance Contract QECB bonds were budgeted evenly throughout the year but didn't occur until late September.

COCC
Working Capital Budget vs. Actual Report
For the Period Ended 9/30/2016

	Quarter Ended September 30, 2016				Year-to-Date				2016 Annual Budget	Remainder to Receive/ Spend	Percent of Annual Budget	
Revenues	Actual	Budget	$ Var	% Var	Actual	Budget	$ Var	% Var				
Tenant Revenue	$ -	$ -	$ -	n/m	$ -	$ -	$ -	n/m	$ -	$ -	n/m	
Operating Fund Subsidy from HUD	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Section 8 Subsidy from HUD	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Other Operating Revenue	3,505,345	3,009,999	495,346	16.5%	9,575,765	9,443,079	132,686	1.4%	12,337,893	2,762,128	77.6%	
Non-operating Revenue	359,259	357,903	1,356	0.4%	1,124,746	1,073,716	51,030	4.8%	1,431,618	306,872	78.6%	
Total Revenues	3,864,604	3,367,902	496,702	14.7%	10,700,511	10,516,795	183,716	1.7%	13,769,511	3,069,000	77.7%	
Expenses												
Salaries & Benefits	2,748,700	2,897,136	(148,436)	(5.1%)	7,884,979	8,105,444	(220,466)	(2.7%)	11,006,069	3,121,091	71.6%	
Routine Maintenance, Utilities, Taxes & Insurance	504,661	494,485	10,176	2.1%	1,363,413	1,354,462	8,951	0.7%	1,849,232	485,819	73.7%	
Direct Social Service Salaries & Benefits	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Other Social Service Support Expenses & HAP	-	-	-	n/m	14	-	14	n/m	-	(14)	n/m	
Administrative Support Expenses	541,459	786,568	(245,109)	(31.2%)	1,665,504	2,479,402	(813,898)	(32.8%)	3,255,513	1,590,009	51.2%	(1)
Non-operating Expenses	158,558	154,337	4,221	2.7%	458,897	463,013	(4,116)	(0.9%)	617,351	158,454	74.3%	
Total Expenses	3,953,377	4,332,526	(379,149)	(8.8%)	11,372,808	12,402,321	(1,029,514)	(8.3%)	16,728,165	5,355,358	68.0%	
Net Income	(88,774)	(964,624)	875,850	(90.8%)	(672,297)	(1,885,526)	1,213,229	(64.3%)	(2,958,654)	(2,286,357)	22.7%	
Other Sources/(Uses) of Working Capital												
(Increase) in Restricted/Designated Cash	(1,066,399)	(9,750)	(1,056,649)	10837.4%	(1,076,248)	(19,500)	(1,056,748)	5419.2%	(19,500)	1,056,748	5519.2%	(2)
Decrease in Restricted/Designated Cash	(27,484)	6,000	(33,484)	n/m	6,801	46,000	(39,199)	(85.2%)	52,000	45,199	13.1%	
(Increase) in LT Receivables	(232,844)	(110,313)	(122,531)	111.1%	(259,049)	(180,938)	(78,111)	43.2%	(391,250)	(132,201)	66.2%	(3)
Decrease in LT Receivables	119,096	186,693	(67,597)	(36.2%)	467,009	560,081	(93,072)	(16.6%)	746,774	279,765	62.5%	
Acquisition of Capital Assets	(21,998)	(100)	(21,898)	21898.4%	(296,069)	(220,298)	(75,771)	34.4%	(220,396)	75,673	134.3%	(4)
Disposition of Capital Assets	-	-	-	n/m	7,276	-	7,276	n/m	-	(7,276)	n/m	
Change in Suspense	31,543	-	31,543	n/m	90,265	-	90,265	n/m	-	(90,265)	n/m	
Change in Other Assets	-	(500,000)	500,000	(100.0%)	-	(1,500,000)	1,500,000	(100.0%)	(2,000,000)	(2,000,000)	0.0%	(5)
Change in Deferrals	(6,800)	-	(6,800)	n/m	(6,800)	-	(6,800)	n/m	-	6,800	n/m	
Increase in LT Debt	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
(Decrease) in LT Debt	(225,000)	(225,000)	-	0.0%	(675,000)	(675,000)	-	0.0%	(900,000)	(225,000)	75.0%	
Change in Other Liabilities	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Other Non-Working Capital Income/Expense Items	-	-	-	n/m	-	-	-	n/m	-	-	n/m	
Non Income/Expense Change in Equity	3,186,383	-	3,186,383	n/m	3,186,383	-	3,186,383	n/m	-	(3,186,383)	n/m	(6)
Total Other Sources/(Uses) of Working Capital	1,756,497	(652,470)	2,408,967	n/m	1,444,568	(1,989,655)	3,434,223	n/m	(2,732,372)	(4,176,940)	n/m	
Transfer In from (Out to) Other Funds												
Transfers In from Other Funds	2,670,109	2,074,997	595,112	28.7%	5,457,496	4,932,607	524,889	10.6%	5,807,601	350,105	94.0%	(7)
Transfers Out to Other Funds	(116,218)	(755,593)	639,375	(84.6%)	(259,038)	(1,090,106)	831,068	(76.2%)	(1,218,960)	(959,922)	21.3%	(8)
Net Transfer In/(Out)	2,553,891	1,319,404	1,234,487	93.6%	5,198,459	3,842,501	1,355,958	35.3%	4,588,641	(609,818)	113.3%	
Net Change in Working Capital	$ 4,221,614	$ (297,690)	$ 4,519,304	n/m	$ 5,970,730	$ (32,680)	$ 6,003,410	n/m	$ (1,102,385)	$ (7,073,115)	n/m	
Working Capital, Beginning of Period	26,864,535				25,115,418							
Working Capital, 9/30/2016	$ 31,086,149				$ 31,086,149							

1) Although categories that are under budget (Professional Services, Administrative Contracts) are expected to see more activity in the 4th quarter, they will likely end 2016 below budget.
2) Spiritwood Replacement Reserves transferred to the COCC. Unbudgeted
3) Siemens ESCO Finance Lease was paid off by KCHA and converted into an internal loan from the COCC. Unbudgeted
4) Variance due to an unplanned vehicle purchase. A vehicle that was scheduled to be replaced in 2017 was replaced in 2016 in lieu of repairs. A $22k Regional Maintenance lot paving project at Green River Homes in the 3rd quarter was unbudgeted.
5) $500k per quarter was budgeted for investment in the Regional Equitable Development Initiative fund to support future affordable housing projects. However, it is unlikely that any investment will be made until 2017 at the earliest.
6) Transfer of equity from the closed Spiritwood fund to the COCC.
7) Excess cash transfer from Birch Creek, Green River Homes 2, and Fairwind GP funds. Unbudgeted.
8) Transfers for Hidden Village construction activity is less than anticipated in the budget, but expected to increase in the 4th quarter.

TAB NUMBER 7

To: Board of Commissioners

From: Andrew Calkins, Senior Program Manager

Date: November 15, 2016

Re: **Development of 2017 Housing Choice Voucher Payment Standards**

Executive Summary

On November 21, 2016, staff will brief the Board of Commissioners on the development of 2017's Housing Choice Voucher (HCV) payment standards. KCHA began implementing multi-tiered payment standards in March 2016, however, rapid increases in market rents necessitate further increases in the payment standards. During the November meeting, staff will brief the Board on current rental market trends, the impact on voucher holders, and discuss the development of 2017's preliminary payment standards. No board action is requested until the December 2016 meeting.

Background

Payment standards represent the maximum dollar amount that KCHA will provide to assist a voucher holder to pay for rent and utilities. In March 2016, KCHA departed from its long-standing two-tiered system and implemented ZIP code-based payment standards in order to more closely align subsidy limits with King County's diverging rental submarkets. By more closely matching local rents, the current five-tiered system seeks to broaden geographic choice and ensures that voucher holders can secure safe and affordable housing in both low and high rent areas of the county, while controlling long-term program costs.

Current 2016 Payment Standards

	Studios	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR
Tier 1	$795	$980	$1,175	$1,560	$2,090	$2,340	$2,665
Tier 2	$880	$1,065	$1,240	$1,675	$2,230	$2,595	$2,900
Tier 3	$905	$1,215	$1,445	$1,770	$2,340	$2,695	$3,035
Tier 4	$1,225	$1,430	$1,655	$2,005	$2,605	$2,995	$3,385
Tier 5	$1,390	$1,570	$1,925	$2,235	$2,990	$3,545	$3,885

To date, approximately 50% of tenant-based voucher holders have either received the March 2016 payment standards through an interim or annual review, rent increase, or change of unit. Given this rolling implementation, KCHA has only begun to incur a substantial portion of the cost associated with this year's payment standard change.

Preliminary locational outcomes indicate that a portion of voucher holders have taken advantage of the new localized payment standards that for the first time more closely mirror the rental market in higher cost areas, specifically in East King County. This has resulted in slight percentage shifts in the number of tenant-based voucher holders in various tiers, and will be discussed more fully at the board meeting.

Rental Market Trends & Impact on Voucher Holders

Rents in the Puget Sound region continued to rise in 2016, with average rents increasing at a nation-leading rate. According to Dupre+Scott, over the last twelve months average two bedroom rents increased 13% in Kent, 8% in West Bellevue, 10% in Federal Way, and 11% in Burien. Across the county, vacancy rates remained low in 2016. In South King County, vacancy rates were very low at 2.7%.

KCHA's tenant-based voucher holders have not been insulated from market trends. Between September and November, approved rent increases for non-subsidized one and two bedroom units averaged $98 and $133, respectively, in Tier 1 ZIP codes. Further, while the percentage of shelter burdened tenant-based households (those spending at least 40% of their income on rent and utilities) has fallen from 30% following implementation of this year's payment standards, rising rents have limited the decline to 25% – above the estimated 15% rate of shelter burden that would have resulted had rents held steady.

Local real estate experts expect that market pressure will again result in the Seattle-Metro region leading the nation in rent increases during 2017 – with the region experiencing a 6% growth in average rents. More troubling, rent increases are expected to grow fastest in Seattle's suburbs in the coming year. For example, Zillow estimates average rents will grow at least 8% higher over the next twelve months in the typically low cost areas of White Center, Kent, Skyway, and Shoreline. These expected increases outpace those for the higher-cost Seattle and Bellevue rental markets.

Development of 2017 Payment Standards

The development of payment standards for 2017 revolves around three main inquiries:

- Should any ZIP codes be moved to a different tier?
- Do the current five tiers adequately capture variability in submarket rents?
- At what level should payment standards be set for each tier?

To answer these questions, staff has examined shopping success rates, average total tenant payments (TTP), lease-up gross rents for KCHA voucher holders, rent increases, and a host of market indicators. Market indicators have included both historical submarket trends and estimations of future rent increases from Dupre+Scott and Zillow Research.

During the November briefing, staff will present the findings from this analysis and discuss whether market changes warrant alterations to payment standard tiers and ZIP code groupings. A preliminary proposal for the 2017 payment standard amounts and their budgetary impact will also be presented. Approval of the new payment standards will be requested at the December board meeting.

TAB NUMBER 8

TO: Board of Commissioners

FROM: Connie Davis, Deputy Executive Director

DATE: November 15, 2016

RE: **Draft Calendar Year 2017 Operating Budget**

At the November Board meeting staff will be discussing the broad outlines of the CY 2017 KCHA budget. The final budget will be presented for Board consideration at the December meeting.

The Budget currently contains staff's best estimates prior to the presidential election. The election results may have substantial impact on KCHA's funding depending on final FFY 2017 appropriation levels. It is likely that some of the assumptions presented in November will change prior to finalizing KCHA's budget and that the Authority will develop contingency plans, particularly around new hires or any new or expanded initiative proposals, in order to respond to budgetary unknowns as we move into our fiscal year.

HOUSING CHOICE VOUCHERS

When the CY 2016 Budget was adopted, there was a material uncertainty as to the amount of resources available to support KCHA's largest deeply subsidized program, Housing Choice Vouchers (HCV). Despite market conditions which were causing steep declines in vacancies and a rapid run up in rental rates, HUD was not providing additional funds to meet escalating rental costs. As the Board is aware, in March 2016, after adoption of the 2016 budget, KCHA was unexpectedly awarded a 12% inflation factor on its HCV funding as well as a nearly 100% prorate. These two changes added more than $13.5 million to KCHA's available funds in support of HCV and by extension, its public housing, homeless, resident services and capital programs. The 12% inflation factor increased the base block grant, and is now incorporated into core revenues for 2017.

As the Board will hear in this month's briefing on Payment Standards, inflation in the rental market in Seattle-King County exceeded our projections in 2016 and this trend is expected to extend into 2017 and beyond. This is particularly true in the more traditionally affordable areas of the county, including White Center, Burien and

Shoreline, where significant numbers of KCHA's voucher holders reside. Sub-market rent increases in these communities have an outsized impact on total program costs. KCHA shifted to a five tier payment standard and significantly adjusted subsidy levels a year ago to match rising market conditions. Payment standards are now being reviewed and adjusted annually, with new subsidy levels scheduled for review and consideration by the Board over the next two Board meetings. Projected subsidy adjustments are being built into next year's Housing Choice Voucher program budget.

Even with annual resets in subsidy levels it is becoming increasingly difficult for Housing Choice Voucher households to secure housing in this market. Rents are increasing and screening criteria are tightening across the region. We are also seeing a disturbing trend, as the market tightens, of landlords opting out of the Housing Choice Voucher program completely, particularly in south King County. Most housing authorities routinely only issue vouchers for 60 days, with extensions to 120 days due to hardship. After that the voucher is recaptured and reissued. Our statistics show that fewer than 20% of our clients are finding housing within 60 days, increasing to 44% at 120 days. We are routinely extending the search time beyond the 120 day limit. As we focus more of our housing resources on those households that are most in need, frequently homeless, we are increasingly working with clients who have significant barriers to securing housing on the private market and who require "high touch" assistance to succeed. Staff is offering additional assistance to residents who are struggling to find units and are working with landlords to keep them engaged with the program. Funds will be included in the proposed 2017 budget to support $200 thousand in flexible funding to help get tenants into units through security deposits and credit repair assistance.

Because the HCV block grant supports such a wide array of KCHA programs, MTW working capital, defined as the amount of revenues not dedicated to HCV rental and administrative costs, is an important metric. Based on current estimates, the MTW working capital for 2017 is $17.2 million. With the addition of the RFIF funding and other adjustments, our estimate at mid year 2016 increased 2016's MTW working capital to $23.7 million. The original 2016 budget adopted by the Board had $9.0 million in MTW working capital.

The working capital decline is primarily driven by two factors – forecasted HAP costs and projected federal subsidy levels. On the cost side, staff is assuming a 5.8% increase in rental rates in 2017 which includes the impact of changing payment standards. In addition to increased per unit rental costs, the budget projection anticipates an increase in the number of units under lease. With the need being so great, KCHA is proposing to increase the number of households housed in the HCV program by 488 additional households by December 2017. This includes the conversion of 198 units in four KCHA buildings which are currently 100% assisted by project based Section 8 subsidy to public housing, freeing up those vouchers for reissuance. Including special purpose vouchers outside the block grant, the total number of households being served at the end of 2017 is projected to be 9,924. On the revenue side, staff is projecting a 98.5% pro rate and no inflation factor in 2017. Until the election this was seen as a fairly conservative projection.

Notwithstanding these caveats, the MTW working capital generated appears adequate to fund KCHA's other departmental priorities with the exception of the capital program, which has a separate funding source from the Capital Fund Program.

PERSONAL SERVICE COSTS

Aside from housing assistance payments, salaries and benefits are the single largest operating expense at KCHA. The baseline increase in personal service costs across the Authority is roughly 4.1% when compared to 2016 levels. The greatest drivers of this change are:

1. Cost of Living Adjustments. After several years of relatively low inflationary adjustments, the CPI-W for our area was 2.3% in 2016. We are also assuming a 2.5% increase in the budget in November 2017. Between represented and non-represented employees, this adds $558 thousand to payroll costs.
2. Medical Premiums. As a participant in the Washington State healthcare program, KCHA received a nearly 12% increase in its premium charge for CY 2017. It appears that prescription drug costs were a large factor in this change, as was a surcharge on employer groups like KCHA which was passed by the State legislature earlier this year. Average cost per employee for 2017 is expected to be $13,768 versus $12,440 in 2016.
3. Over the past 10 years, the cost of participating in the State pension system has gone up dramatically. The state actuary is now forecasting the employer's portion to be 12.52% as of July 2017 as opposed to the current 11.18%. Employee's portions will also rise. The blended rate used in the 2017 budget is 11.93%
4. KCHA continues to fund a 2% of eligible payroll merit pool. Employees not at the top of their range with "exceeds standards" ratings are eligible for a merit increase. Employees rated "outstanding" for two consecutive years who are at the top of their range may receive a one time, 2% bonus amount which does not increase base pay.

KCHA has done an excellent job in recent years of managing its L&I experience rating. 2017's rate has just been released and stands at .79. Our goal now is to maintain this rating; it is the lowest we are likely to see.

Funding is being proposed in the budget to support continued staff development, specialized training, enhanced communications, program evaluation and continued improvements to our internal analytic capacity.

Several departments have requested additional personnel. None has been approved at this point. Additional approved FTEs, if any, will be discussed at the December meeting.

HOUSING MANAGEMENT

Public housing and other highly subsidized properties managed by the Housing Management staff are projecting a 2.5% increase in total revenue. There will be an additional 214 units added to the public housing portfolio as Brookside, Burien Park, Northwood, Northwood Square and North Lake House are transitioned to public housing subsidy from local funding and project-based Section 8. This shift does not change the actual number of units under management, but will reduce revenues as Section 8 provides higher support than the public housing operating subsidy. Authority wide, however, the additional operating subsidy and capital funds, calculated at $688 thousand (unprorated), is new money coming from HUD, with the repositioned Section 8 assistance being used to serve additional families in the HCV program. A .3% COLA for social security recipients is assumed, as is a 3-15% rent increase in Section 8 rents at the MKCRF properties based on a continued market upswing in their area market rents.

Operating subsidy is prorated at a projected 86% versus the current year's actual proration at approximately 89.63%. Included in the subsidy estimate is roughly $1.2 million in utility incentives sourced from the Energy Performance Contract; it is likely that the final incentive figure for 2017 will be higher as the project completes. 75% of these funds must be spent on project costs; however, as KCHA is partially self-funding the EPC via a $12 million MTW loan, internal repayments count as project costs but are returned to the Authority as MTW working capital. The balance of the EPC is funded through $10 million in QECB loans which are interest only for the first few years and carry a very low net interest rate of 1.62%. Work on the EPC will continue throughout the year on virtually all KCHA public housing properties and is slated to conclude in the fourth quarter.

HUD is estimating that next year's utilities will be lower than current year utility costs by around 7%. KCHA is using a 2% inflation factor in this budget because water and sewer costs continue to climb (75% of our utility costs) and our local costs are less impacted by the falling natural gas and fuel oil prices which drive the national model.

Housing Management continues its ambitious unit upgrade program and is proposing work on 150 additional units in 2017. One-third of this total will be at a single site, Ballinger Homes, as that property undergoes a significant capital project. The total budget impact is $3.9 million or $26,192 per unit. The department is also proposing an increase in the 2017 Small Projects budget of $1.7 million to a total of $3.1 million. Typically these projects are too small to be completed by the Capital Construction Department, but too large to be handled by site personnel. The total request between these initiatives and the projected capital pipeline is likely to be pared down before the budget is finalized.

In conjunction with the HCV department, Housing Management is putting a continued emphasis on improving its business practices through increasing the functionality of Tenmast and OnBase, key computer program tools used to manage and support the two departments, and through work process engineering. The Tenmast program has been live for exactly one year. Issues still remain with report and form writing functionality although the speed and data issues which plagued the early days have been much reduced. KCHA remains within the overall cost projection for the Tenmast conversion and will continue to invest in refining the utility of these software platforms.

LOCAL PROGRAMS

This category includes properties managed by the Asset Management Department through fee managers. Acquired through a variety of bond, LIHTC and grant funding since 1987, this portfolio now contains 35 properties/4,706 units directly owned by the Authority and 12 properties/982 units in Tax Credit Partnerships. This portfolio is core to KCHA's mission of providing workforce housing throughout the County. This program also is the primary source of unrestricted cash flows which support corporate overhead and the balance sheet strength so necessary to the acquisition of additional properties.

The hot rental market is also impacting these properties. Vacancies are dropping to the time it takes to turn-over a unit. Rents are increasingly more affordable than in surrounding complexes. While street rents are forecast to climb by roughly 4.5% in 2017, reflecting rising operational costs, our rents in some higher cost markets now lag market by more than 30%. This is in line with the initial strategy driving this portfolio, which was to hold rent increases to amounts needed to cover expenses, positioning rents increasingly below market over time. Recent acquisitions such as Gilman Square and the Villages at South Station currently have closer to market rents, but will become more affordable over time.

Net cash flow for the KCHA owned portfolio is projected at $18.1 million before debt service, an increase of $641 thousand over 2016. Deducting the four properties purchased or transitioned from limited partnerships this year (Abbey Ridge, Highland Village, Arbor Heights and Southwood Square) results in an adjusted cash flow before debt service for 2017 of $16.4 million, $1.0 million under last year. This is primarily due to additional scheduled expenditures for capital and non-routine improvements, much of which was deferred from 2016 due to two major tax credit redevelopments, Spiritwood and Corinthian, which consumed the lion's share of in-house construction management capacity this year. Projected capital expenditures in 2017 are $14.1 million versus $11.1 million in 2016. $1.2 million of the 2017 budget will be expended at newly acquired properties.

RESIDENT SERVICES

Although the focus of the Resident Services department has traditionally been on residents living in KCHA's deeply subsidized properties, staff is increasingly involved in the HCV program as well, partnering with the HCV department to keep clients in housing and in responding to some of the most challenging residents who consume an inordinate amount of staff time. An additional FTE to provide mental health coordination with the regional service system has been proposed, bringing the staff to 35.4 employees, up one FTE from 2016.

In addition to its direct client work, the department manages a broad array of contracts with social service providers - estimated at $3.3 million in 2017; $2.3 million of this total is paid with KCHA resources, with the balance coming from private and government grants. Grant proceeds are estimated to be $208 thousand less than 2016. A major focus of this work remains our educational initiatives.

The proposed budget continues funding for a variety of after-school, early learning, housing stability, self-sufficiency and elderly support programs. A new $1.5 million three year grant from the Gates Foundation will support the evolving design of tenant mobility programs to provide access to high opportunity neighborhoods was received too late to include in the draft budget, but will be added for the final version..

DEVELOPMENT AND HOPE VI

Development will continue to look for opportunities to add units to KCHA's portfolio with a goal of one 100+ unit apartment complex in a high opportunity area or within close access to a transit hub and one 20+ unit apartment complex adjacent to an existing public housing site. Although $20 million is included in the budget for this purpose, the assumption is that acquisition costs will be paid through short term external financing.

The department intends to complete both Spiritwood and Corinthian Apartment projects and draw KCHA's developer fee in late 2017. Depending on the availability of other sources of equity, some of this developer fee may be deferred. Also on the 2017 work plan is preliminary work necessary for the LIHTC syndication of Highland Village, probably in early 2018.

The HOPE VI department will be closing out its activities in Seola Gardens in 2017 as the last homes are sold. The focus remains on Greenbridge. The department plans to complete submission of all permits and developer extensions for infrastructure improvements for the bulk parcels east of 6th Place Apartments. By the end of next year, BDR, Connor Homes and Homesight should be busy on their respective sites, ultimately resulting in an additional 105 homeownership opportunities on the site. The department is projecting $4.0 million in lot sales next year and $2.3 million in capital expenditures in support of these activities, including the build-out of one additional retail storefront on 8th Avenue.

KCHA has requested $12.8 million in assistance from King County's TOD program to assist with the financing of our four most recent property acquisitions. The outcome of these requests should be known before year's end, and any funding awarded received in 2017. An additional $1 million is anticipated from the City of Bellevue as its initial contribution to the acquisition costs for Highland Village. Requests will be made to the state legislature this coming session to further assist with the Highland Village acquisition and with the infrastructure build-out at Greenbridge. None of these asks are reflected in revenue projections.

HOMELESS HOUSING

Services to the homeless have been identified as a top Board priority for several years. The Homeless Housing Initiative (HHI) department manages more than 120 contracts with multiple providers who provide an array of services from direct housing assistance to move-in and housing stability support for hard to house populations. This department is the housing laboratory of the Authority and has designed and implemented several innovative programs targeting specific sub-groups within the larger homeless population. For example, the Student and Family Stability Initiative (SFSI) is a rapid rehousing model providing time limited rental and service assistance to families in the Highline School who may simply need a leg up to stabilize their living situations. 80 families (down from a 2016 budget of 100) are expected to be assisted in 2017, and the program is shifting from pilot to operating mode as the department looks to support future growth in new school districts. The Next Step program which modeled stepped down rental assistance to young adults (YA) is phasing out, as leveraged service funding is being shifted to other non-KCHA YA programs. HHI works very closely with HCV in managing the VASH voucher program. The Authority was recently awarded an additional 150 VASH vouchers, bringing the total administered by the Authority to 688.

CAPITAL CONSTRUCTION AND WEATHERIZATION

The proposed budget for Capital Construction reflects $11.9 million in expenditures across public housing, MKCRF and other properties managed internally. Major projects are slated for Ballinger Homes, Northridge I and II, Firwood Circle, Hidden Village and Kings Court. These six sites make up 60.4% of total funded activity in 2017. The department is adjusting their business processes to design and develop projects on a schedule which would allow them to construct between April and October. Currently many projects are pushed into the second half of the year. This will mean the A&E work for 2018 projects will be undertaken in late 2017.

Funding sources for capital work include MTW, the Capital Fund Program (CFP), operations and replacement reserves. CFP will comprise a larger percentage of funding in 2017 as KCHA is required to expend these funds within four years of award. An emphasis on using MTW funds in prior years has resulted in $6.8 million in CFP funds reaching that deadline by May 2018.

An emergent issue for the department is a ramped up requirement by HUD for Environmental Assessments (EAs) for all projects funded from public housing, CFP, EPC or MTW funding. These EAs are labor intensive and with this heightened requirement, the department has asked for an additional FTE to handle the workload.

As this complex budget continues to come together, staff will be working on the year end 2017 cash projections for the major MTW and COCC fund groups as well as tracking developments on the Congressional appropriations front. There will be preliminary estimates of these balances included in the presentation made at the November Board meeting.

TAB NUMBER 9

King County Housing Authority

To: Board of Commissioners

From: Craig Violante, Director of Finance

Date: November 15, 2016

Re: **New Bank Accounts**

Since the last Board meeting KCHA opened two new bank accounts.

Abbey Ridge Apartments

- Housing Authority of the County of King – Abbey Ridge – Depository

Bank: Bank of America

Purpose: The Authority opened a full business checking account with Bank of America that will be used to receive and hold property income. The Depository Account will also wire funds to the Operating Account to fund operating expenses.

Highland Village Apartments

- Housing Authority of the County of King – Highland Village – Operating
- Housing Authority of the County of King – Highland Village – Security Deposits

Bank: US Bank

Purpose: The Operating Account is a full business checking account and will be used to issue payments on behalf of the property in the form of checks, wires, and ACH payments. Incoming deposits will be in the form of wires from the Depository Account.

The Security Deposit account 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.

TAB NUMBER 10

King County Housing Authority

TO: Board of Commissioners

FROM: Linda Riley, Controller LR

DATE: November 3, 2016

RE: **3rd Quarter 2016 Summary Write-Offs**

For the 3rd quarter of 2016, 35 accounts were written off with a total of $39,776, compared to $13,136 in the same period last year. Out of the 35 accounts, four large accounts totaling $20,474 accounted for 51% of the total write-offs. Housing Management staff is making a concerted effort to review and write-off accounts that are not collectible. We continue to expect to see a higher rate of write-offs in the coming months as the accounts are reviewed. A breakdown for accounts written off is listed below.

The net collections remitted from our collection agency are $2,033.53 or approximately $1,543 greater than this period last year.

	Total WRITE-OFFS	**YTD WRITE-OFFS**
Rent Balance Forward to Vacate Month	$ 12,397.52	$ 18,582.57
Retro Rent Write-offs	$ -	$ 3,673.83
VACATE CHARGES:		
Rent Delinquent in Vacate Month	3,692.15	12,059.29
Cleaning & Damages	20,881.83	55,382.65
Paper Service & Court Costs	4,644.67	4,644.67
Miscellaneous Charges	2,815.84	7,889.10
Total Charges	32,034.49	79,975.71
Total All Charges	44,432.01	102,232.11
CREDITS:		
Security Deposits	(3,752.52)	(8,702.52)
Miscellaneous Payments & Credits	(903.35)	(6,724.08)
Total Credits	(4,655.87)	(15,426.60)
Total Net Write-offs	**$ 39,776.14**	**$ 86,805.51**
Net Write-offs by Portfolio		
KCHA	14,822.30	36,802.97
Green River	-	2,657.26
Green River II	-	1,188.93
Egis	17,199.95	26,352.18
Soosette Creek	5,713.25	16,214.38
Zephyr	-	801.45
Fairwind	1,920.00	1,920.00
Vantage Point	-	747.70
Spiritwood Manor	120.64	120.64
	$ 39,776.14	**$ 86,805.51**

Write-off and Collection Summary
2014 - 2016

NET WRITE-OFFS

	2016	2015	2014
January to March	23,434.99	15,702.57	40,825.34
April to June	23,594.38	6,936.09	23,983.44
July to September	39,776.14	13,136.18	19,120.45
October to December		5,492.73	19,003.22
TOTAL	86,805.51	41,267.57	102,932.45

NET COLLECTIONS

	2016	2015	2014
January to March	6,130.40	2,141.47	1,175.65
April to June	4,798.56	1,709.91	2,013.79
July to September	2,033.53	490.48	966.30
October to December		1128.87	1441.03
TOTAL	12,962.49	5,470.73	5,596.77

****Detail by tenant is available by request.**

TAB NUMBER 11

KCHA IN THE NEWS

KENTREPORTER

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COMMUNITY

Young at heart

Oct 6, 2016 at 10:30AM

Kent's Yvonne Monroe is graced with flowers and balloons at her 100th birthday party last Friday at the Harrison House, a senior living facility. *MARK KLAAS, Kent Reporter*

— Image Credit:

Worldwide adventures have kept Yvonne Monroe young after all these years.

Even at the age of 100, she yearns to visit a distant land.

"Maybe it's travel that has kept me young," Monroe said while enjoying family and friends during a party at the Harrison House in Kent last Friday, a day before her official birthday. "It's been a great life. I certainly feel so (blessed)."

The Kent woman, who grew up in Seattle, has been a Harrison House resident for 10 years.

Monroe, a seamstress most of her life, said she has traveled to every continent. She still likes to travel when she isn't with family and friends, playing pinnacle, crocheting or making jewelry.

Twice married and widowed, Monroe raised three children. She has six grandchildren and five great-grandchildren.

Monroe said there is no secret to longevity.

"Maybe it has been the genes," said the soft-spoken centenarian. "I feel great."

Find this article at:
http://www.kentreporter.com/community/396184411.html

☐ Check the box to include the list of links referenced in the article.

DAILY JOURNAL OF COMMERCE

Helping Business do Business Since 1893

October 13, 2016

Washington State Housing Finance Commission

Photo courtesy Alec Miller

From left: Michael Mirra, Stephen Norman, Betsy Hunter, Marilee Roloff and Chris Lowell.

The Seattle-based nonprofit WSHFC honored six people as Friends of Housing at the recent Housing Washington conference in Tacoma. They are: **Stephen Norman,** executive director of **King County Housing Authority; Joanne Quinn,** asset manager for the **Seattle Office of Housing; Betsy Hunter,** deputy director for **Plymouth Housing; Chris Lowell,** executive director of the **Housing Authority of Thurston County; Marilee Roloff,** founder of the Spokane teen shelter **Crosswalk**; and **Robert Rozen,** a Senate staffer who helped U.S. Sen. George Mitchell develop of the 1986 federal legislation that created the Low-Income Housing Tax Credit program. Also honored was **Michael Mirra,** who leads the **Tacoma Housing Authority.** He received the Margaret M. Sevy Affordable Housing Lifetime Achievement Award.

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Units are for seniors with household incomes at or below 60 percent of the area median income. Image courtesy of Sage Architectural Alliance

KCHA providing 8 project-based Section 8 to support operations & affordability

Providence project slated for March opening

By JOURNAL STAFF

Providence John Gabriel House, a 74-unit low-income senior housing project, is expected to open in March in downtown Redmond.

The five-story project at 8632 160th N.E. will also have 8,000 square feet on the first floor for the Program of All-inclusive Care for the Elderly, a health and wellness center, along with 38 stalls of below-grade parking.

Providence Health & Services owns the building and will manage it and the wellness center.

The apartments are for peo-

See PROVIDENCE — page 8

Providence

Continued from page 1

ple 62 and over with household incomes at or below 60 percent of the area median income, according to a press release from the city. For a one-person household, the maximum allowable income is $37,980.

Shelter Resources is the development consultant for the project, which is near medical, shopping and recreational facilities and Rapid Ride and other transit lines.

Sage Architectural Alliance designed the building and Walsh Construction is constructing it.

Also on the team are Bellwether Housing, a consultant to Providence; Goldsmith Engineering, civil engineer; Harrison Design, landscape architect; Michael Nouwens Structural Consultants, structural engineer; Associated Earth Sciences, soils and environmental engineer; AES Associates, Merit Electric, Fire Power and Structured Communications, electrical engineers; Sider + Byers Mechanical Engineers, Plumbing Today, Emerald Aire and Ventron LLC, mechanical engineers; Plumbing Today, plumbing engineer; and Kantor Taylor Nelson Evatt & Decina and Ogden Murphy Wallace, legal advice.

The city of Redmond donated the project site. Besides Providence Health & Services, the project was funded by A Regional Coalition for Housing, U.S. Bank, and the Housing and Community Development Program of the King County Department of Community and Human Services. The Washington State Housing Finance Commission provided tax credits.

Applications for prospective tenants will be available after 11 a.m. Oct. 31 at www.providencesupportivehousing.org. Providence Supportive Housing may be reached at (855) 360-5478 or at SupportiveHousingInfo@providence.org.

FEDERAL WAY MIRROR

Federal Way Multi-Service Center veterans housing project to open Dec. 8

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Just over 10 percent of the homeless population are veterans.

And 20 percent of homeless males once served in the military.

But the Multi-Service Center will soon make a difference in the lives of 44 homeless veterans once the William J. Wood Veterans House opens this December in Federal Way.

"Where it's really important is not only are we giving 44 units of housing to the homeless population, we're also honoring veterans at the same time," said Greg Hollmann, the Veteran Project Coordinator with the Multi-Service Center.

CEO Robin Corak said the Multi-Service Center is excited to see the project come to fruition.

"We want to give everybody living in the house every opportunity and resource needed to be successful," she said.

Veterans will be honored by little reminders of patriotism throughout the housing project they will call home. A 35-foot flag pole will greet them before they enter their building that will proudly display artwork fit for a soldier.

Hollmann said they are about 98 percent done filling the one-to-three bedroom, fully furnished units. Identified by Veterans Affairs, those who live in the veterans house will receive Department of Housing and Urban Development-Veterans Affairs Supportive Housing vouchers (also known as VASH vouchers), which are similar to Section 8 vouchers. The vouchers allow tenants to pay 30 percent of their income, whatever that may be, toward rent.

So far, the tenants range from young single fathers in the National Guard to grizzled Korean war veterans where the veterans house will likely "be the last place they'll ever live."

"We have people getting their lives together," Hollmann said. "Veterans who walked out of the woods the day they needed to do their paperwork."

Of the 44 units, 11 units will serve families.

Hollmann said while there was a 2010 initiative to put an end to homeless veterans, which has reduced homeless veterans by 37 percent, there's currently a "massive draw-down" as wars come to an end.

Approximately 50,000 soldiers, 17,000 airmen and 15,000 marines have been "forcibly pushed" out of the military and there are many who don't want to leave, said Hollmann, an Army veteran who was active for four years and spent two years in the Army Reserve.

And those who are pushed out may have mental health issues such as Post-Traumatic Stress Disorder or substance abuse.

"A lot of soldiers don't want to ask for help for PTSD because they're afraid to lose their security clearances and lose their job," Hollmann said.

Other times, soldiers aren't prepared for civilian life, such as paying rent and shopping for groceries, and some military occupations don't transfer to the civilian workforce.

"They don't have the basic skills of a college student," Hollmann said, adding that those lack of skills can feed into homelessness, especially when faced with King County's expensive housing market.

The William J. Wood Veterans House will be more than just infrastructure.

Hollmann said there will be wrap-around services with an on-site Veterans Affairs representative, three full-time case managers, job training rooms, computer labs, youth rooms and more. Hollmann said he's reached out to the veterans clinic and is contemplating bringing in flu shots, nutrition classes, and hopes the site can be host to groups or classes for Post-Traumatic Stress Disorder or marriage counseling.

"Let's make this seamless, so that all services are there," Hollmann said, noting that they designed the building for extra office space. "Mental health and chemical dependency – let's bring services to them."

The Multi-Service Center already has many services such as food banks, employment and education training, which will be of use to homeless veterans, but Hollmann said bridging those services with other veterans groups will be key.

"I really want people to realize this isn't a separate community in Federal Way, this is our community," Hollmann said. "We really want to integrate these people into the community."

Multi-Service Center's previous CEO, Councilwoman Dini Duclos, saw an increased need for serving veterans in South King County and she and Corak began work on the project, as both have family members and friends who have served in the military.

But getting the project to break ground was challenging.

The project was initially supposed to be funded through federal funding with the Department of Housing and Urban Development, but the government's sequestration changed regulations and the project died. Corak said King County was persistent and they found a way to make the project work, however, there was a second obstacle. Just as Multi-Service Center was getting ready to break ground two years ago in

November 2014, Sound Transit announced the possibility of light rail on Pacific Highway South, which may have subjected the project to eminent domain. However, the Sound Transit Board has since recommended a light rail route that wouldn't impact the project.

The William J. Wood Veterans House is possible due to the funding of the Washington State Department of Commerce Housing Trust Fund, King County Veterans and Human Services Levy administered by the King County Housing and Community Development, King County Housing Authority, Federal Home Loan Bank (Umpqua Bank as the sponsor), the National Equity Fund, LISC-NEF Bring Them Homes Initiative with MetLife Foundation, The Home Depot Foundation, Impact Capital, Washington Federal Bank, tax credits through the Washington State Housing Finance Commission, and the generous resources of Multi-Service Center and Shelter Resources, Inc.

As Multi-Service Center readies the Federal Way veterans housing project for completion, the organization is asking for donations that make a unit feel like home. Although the units are fully furnished, occupants will still be in need of home necessities such as towels, sheets, and other like-items. It costs about $300 to outfit one bedroom, Hollmann said.

To donate, contact the volunteer coordinator Joan Pratt at 253-838-6810 ext. 2005.

The William J. Wood Veterans House will host an open house from 3-6 p.m. on Thursday, Dec. 8. The housing project is located at 29404 Pacific Highway S. in Federal Way.

For more information on the William J. Wood Veterans House, visit mschelps.org/gethelp/housing/veterans.

http://www.federalwaymirror.com/life/federal-way-multi-service-center-veterans-housing-project-to-open-dec-8/

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