



SPECIAL MEETING OF THE BOARD OF COMMISSIONERS

June 19, 2017 at 8:30 a.m.

Hidden Village
Community Conference Room
14508 S.E. 24th Street
Bellevue, WA 98007

A G E N D A

- I. Call to Order**
- II. Roll Call**
- III. Welcome to Hidden Village**
- IV. Introduction of President/CEO-Bellevue Boys and Girls Club**
- V. Public Comment**
- VI. Approval of Minutes** **1**
 - Board Meeting Minutes – May 15, 2017
- VII. Approval of Agenda**
- VIII. Consent Agenda**
 - A. Voucher Certification Reports for April 2017 **2**
- IX. Resolutions for Discussion & Possible Action**
 - A. **Resolution No. 5566:** A Change in the Salary Schedule for Represented Employees Authorizing a 2.3% Cost of Living Adjustment (COLA) in Year One and 100% of the CPI-W in Year Two of the Collective Bargaining Agreement **3**
- X. Briefings & Reports**
 - A. New Bank Accounts **4**
 - B. First Quarter 2017 Financial Statements **5**
- XI. Study Session: KCHA Managed Property Condition Report** **6**

XII. Executive Director Report

XIII. Neighborhood Housing Strategy

XIV. KCHA in the News

7

XV. Commissioner Comments

XVI. Adjournment

Following the Board meeting, Commissioners are invited to visit nearby KCHA properties. A map has been included for reference. Contact Jessica Olives if you would like a staff member to accompany you.

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.

T
A
B

N
U
M
B
E
R

1

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

Monday, May 15, 2017

I. CALL TO ORDER

The annual meeting of the Board of Commissioners of the King County Housing Authority was held on Monday, May 15, 2017 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 8:32 a.m.

II. ROLL CALL

Present: Commissioner Doug Barnes (Chair), Commissioner Susan Palmer, Commissioner TerryLynn Stewart, and Commissioner John Welch

Excused: Commissioner Michael Brown (Vice-Chair)

III. ELECTION OF OFFICERS

A. CHAIRPERSON

On motion by Commissioner Stewart and seconded by Commissioner Palmer, the Board elected Commissioner Douglas Barnes to serve as the Chairperson and unanimously approved the appointment.

B. VICE CHAIR

On motion by Commissioner Stewart and seconded by Commissioner Palmer, the Board elected Commissioner Michael Brown to serve as the Chairperson and unanimously approved the appointment.

IV. PUBLIC COMMENT

None.

V. APPROVAL OF MINUTES

On motion by Commissioner Palmer and seconded by Commissioner Stewart, the Board unanimously approved the minutes from the Board of Commissioners' meeting of April 17, 2017.

VI. APPROVAL OF AGENDA

On motion by Commissioner Stewart and seconded by Commissioner Palmer, the Board unanimously approved the May 15, 2017 Board of Commissioners' meeting agenda.

VII. CONSENT AGENDA

A. Voucher Certification Reports for March 2017

March 2017

GENERAL PROPERTIES

Bank Wires / ACH Withdrawals	29,508,403.91
<i>Subtotal</i>	<i>29,508,403.91</i>
Accounts Payable Vouchers	
Key Bank Checks #308442-#309036	6,921,589.73
Tenant Accounting Checks #10339- #10368	6,014.90
Commerce Bank Direct Payment	70,653.99
<i>Subtotal</i>	<i>6,998,258.62</i>
Payroll Vouchers	
Checks - #90412 – #90434	26,765.81
Direct Deposit	1,346,376.49
<i>Subtotal</i>	<i>1,373,142.30</i>
Section 8 Program Vouchers	
Checks - #616985-#617343	217,682.09
Refund Checks	8,400.44
ACH - #376681-#379531	11,467,735.05
<i>Subtotal</i>	<i>11,693,817.58</i>
Purchase Card / ACH Withdrawal	206,545.20
<i>Subtotal</i>	<i>206,545.20</i>
GRAND TOTAL	49,780,167.61

BOND PROPERTIES

Bond Properties Total (31 different properties)	84,718,203.17
---	----------------------

B. **Revised Resolution No. 5539:** Approval to revise Resolution: Authorization of the Disposition of Greenbridge West Bulk Parcels by negotiated sale to Conner Homes, or a subsidiary or related entity of Conner Homes

On motion by Commissioner Stewart and seconded by Commissioner Welch, the Board unanimously approved the consent agenda.

VIII. RESOLUTIONS FOR DISCUSSION AND POSSIBLE ACTION

- A. **Resolution No. 5563:** Authorizing the extension of maturity and modification of the terms of various notes; authorizing the Authority to obtain an extension of the stated expiration date of the letter of credit supporting payment of the Authority's Variable Rate Demand Revenue Bonds, 2000 (Overlake TOD Project) and Variable Rate Demand Revenue Bonds, 2000, Series B (Overlake TOD); authorizing the execution of related documents; and determining related matters.

Tim Walter, Senior Director of Development and Asset Management, presented Resolution No. 5563. Mr. Walter provided an overview and background information on the proposed resolution.

Mr. Walter explained that Board approval of Resolution No. 5563 would authorize the extension of the maturity date and allow the Executive Director to negotiate interest rate and fee changes as well as further authorize the extension and renewal of the Overlake Letter of Credit through 2040.

On motion by Commissioner Palmer and seconded by Commissioner Stewart, the Board unanimously approved Resolution No. 5563.

- B. **Resolution No. 5564:** Authorizing the amendment of Resolution No. 5544; relating to the Credit Enhanced Financing for Highland Village Apartments

Mr. Walter combined presentations for Resolution No. 5564 and 5565, and explained the purpose of the proposed amendment.

A correction was made to the agenda pertaining to the Resolution numbers. As reflected in the meeting materials, Resolution No. 5564 amends Resolution No. 5544 and separately Resolution No. 5565 amends Resolution No. 5542.

On motion by Commissioner Welch and seconded by Commissioner Stewart, the Board unanimously approved Resolution No. 5564.

- C. **Resolution No. 5565:** Authorizing the amendment of Resolution No. 5542; relating to Credit Enhanced Financing for Abbey Ridge Apartments

On motion by Commissioner Welch and seconded by Commissioner Palmer, the Board unanimously approved Resolution No. 5565.

IX. BRIEFINGS & REPORTS

- A. **First Quarter 2017 Executive Dashboard**

Megan Hyla, Director of Policy and Intergovernmental Affairs, provided an update and overview of the First Quarter 2017 Executive Dashboard report.

B. New Bank Accounts

Connie Davis, Deputy Executive Director, reported that KCHA had opened one new bank account related to the Corinthian Apartments.

C. Housing Choice Voucher (HCV) Waitlist Opening Update

Sean Heron, Senior Director of Leased Housing Program provided briefing on the opening and closing of the HCV waiting list. Mr. Heron reported that the housing authority received more than 19,000 applications and clarified next steps.

Mr. Heron also provided an overview of the improvements made to the process, since the last HCV waiting list opening. Mr. Heron commended Jeb Best, Director of Housing Choice Vouchers for his efforts on the management of the project and coordination with other departments. Mr. Heron also provided detail highlights on applicant demographics.

D. Energy Performance Contract Update

Matt Peterson, Maintenance Manager, provided an overview of the Energy Performance Contract and updated the Board on the project status. Mr. Peterson explained progress to date and provided an overview of a variety of measures to take place in KCHA's public housing developments related to Energy Conservation.

E. FFY 2017 Budget Impact: Housing Choice Voucher and Public Housing Programs

Connie Davis, Deputy Executive Director, presented expected impacts to KCHA's Housing Choice Voucher and Public Housing programs. Ms. Davis also mentioned that a revised budget will be presented to the Board at a meeting in the near future for review.

X. EXECUTIVE DIRECTOR'S REPORT

Stephen Norman, Executive Director, addressed a news article that was included in the Board materials, titled 'Gentrification of White Center' and referenced Greenbridge.

XI. COMMISSIONERS LEGISLATIVE TRIP UPDATE

Following the request of Chair Barnes, Jennifer Huber-DeChon, Housing Quality Inspector, provided her perspective and observations on the Board legislative trip to Washington DC conducted in April.

Chair Barnes commended Ms. Huber-DeChon for her efforts and thanked her for her participation. The Chair also commended staffs' approach in meeting with

various legislative representatives, through presentation of pictures which accompanied resident stories and experiences.

Commissioner Welch, thanked staff for prep work and organizing the legislative trip. Mr. Welch stated that a lot of information was provided on issues facing the Housing Authority and commended Jennifer on how she was able to communicate resident stories in a compelling way.

Stephen Norman also thanked Ms. Huber-DeChon and the Board for their participation and efforts.

XII. KCHA IN THE NEWS

None.

XIII. COMMISSIONER COMMENTS

Commissioner Stewart voiced concerns regarding a reduction in sign-ups for the summer school lunch program at White Center Elementary.

Commissioner Welch mentioned a televised program on the Low Income Housing Tax Credit Program. Mr. Walter offered to provide an additional briefing on this topic to Commissioners at some future time.

XIV. ADJOURNMENT

On motion by Commissioner Palmer, seconded by Commissioner Stewart, the Board adjourned the meeting at 10:20 a.m.

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

DOUGLAS J. BARNES, Chair
Board of Commissioners

STEPHEN J. NORMAN
Secretary

T A B N U M B E R



To: Board of Commissioners

From: Linda Riley, Controller

Date: June 1, 2017

Re: **VOUCHER CERTIFICATION FOR APRIL 2017**

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



 Linda Riley
 Controller
 June 1, 2017

Bank Wires / ACH Withdrawals		4,657,915.69
	<i>Subtotal</i>	4,657,915.69
Accounts Payable Vouchers		
Key Bank Checks - #309037-#309516		4,640,643.06
Tenant Accounting Checks - #10369-#10383		4,352.13
Commerce Bank Direct Payment		42,949.71
	<i>Subtotal</i>	4,687,944.90
Payroll Vouchers		
Checks - #90435-#90461		31,961.48
Direct Deposit		1,329,312.81
	<i>Subtotal</i>	1,361,274.29
Section 8 Program Vouchers		
Checks - #617344-#617690		370,046.47
Refund Checks		38,456.68
ACH - #379532-#382355		11,354,610.27
	<i>Subtotal</i>	11,763,113.42
Purchase Card / ACH Withdrawal		245,261.80
	<i>Subtotal</i>	245,261.80
	GRAND TOTAL	22,715,510.10

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

FROM: Wen Xu

SUBJECT: VOUCHER CERTIFICATION FOR APRIL 2017

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



Wen Xu
Director, Managed Assets
June 6, 2017

Property	Wired to Operating Account(s) for Obligations of Property			Notes:
Apr-17	Date	\$	Claim	
Bellepark East	4/6/2017	\$2,898.78	A/P	
	4/12/2017	\$21,536.87	A/P & Payroll	
	4/13/2017	\$81,000.00	Excess Cash to KCHA	
	4/19/2017	\$4,358.12	A/P	
	4/27/2017	\$7,401.18	A/P & Payroll	
Colonial Gardens	4/6/2017	\$1,213.88	A/P	
	4/12/2017	\$27,350.53	A/P & Payroll	
	4/13/2017	\$67,000.00	Excess Cash to KCHA	
	4/19/2017	\$5,820.39	A/P	
	4/27/2017	\$16,439.02	A/P & Payroll	
Cottonwood	4/6/2017	\$29,673.96	A/P	
	4/12/2017	\$16,302.02	A/P & Payroll	
	4/13/2017	\$42,000.00	Excess Cash to KCHA	
	4/19/2017	\$4,669.64	A/P	
	4/27/2017	\$19,858.13	A/P & Payroll	
Cove East	4/6/2017	\$12,981.56	A/P	
	4/12/2017	\$45,356.39	A/P & Payroll	
	4/13/2017	\$132,000.00	Excess Cash to KCHA	
	4/19/2017	\$3,985.87	A/P	
	4/27/2017	\$34,420.09	A/P & Payroll	
Landmark	4/6/2017	\$1,282.08	A/P	
	4/12/2017	\$44,170.73	A/P & Payroll	
	4/13/2017	\$256,000.00	Excess Cash to KCHA	
	4/19/2017	\$27,158.24	A/P	
	4/27/2017	\$6,223.16	A/P & Payroll	
Timberwood	4/6/2017	\$11,000.00	A/P & Payroll	
	4/6/2017	\$7,052.16	A/P	
	4/12/2017	\$53,451.62	A/P & Payroll	
	4/13/2017	\$178,000.00	Excess Cash to KCHA	
	4/27/2017	\$36,778.91	A/P & Payroll	
Woodland North	4/6/2017	\$8,189.03	A/P	
	4/12/2017	\$27,559.06	A/P & Payroll	
	4/13/2017	\$78,000.00	Excess Cash to KCHA	
	4/19/2017	\$4,831.02	A/P	
	4/27/2017	\$15,987.52	A/P & Payroll	
Woodside East	4/6/2017	\$12,589.49	A/P	
	4/12/2017	\$35,069.26	A/P & Payroll	
	4/13/2017	\$136,000.00	Excess Cash to KCHA	
	4/19/2017	\$6,539.57	A/P	
	4/27/2017	\$20,546.71	A/P & Payroll	
Alpine Ridge	4/6/2017	\$2,836.52	Payroll & A/P	
	4/13/2017	\$5,071.99	A/P	
	4/13/2017	\$42,000.00	Excess Cash to KCHA	
	4/20/2017	\$2,738.77	Payroll	
	4/27/2017	\$18,709.64	A/P	
Arbor Heights	4/6/2017	\$3,756.26	Payroll & A/P	
	4/13/2017	\$15,015.94	A/P	
	4/13/2017	\$7,000.00	Excess Cash to KCHA	
	4/20/2017	\$5,599.67	Payroll	
	4/27/2017	\$15,673.77	A/P	
Aspen Ridge	4/6/2017	\$5,926.14	Payroll & A/P	
	4/13/2017	\$5,202.89	A/P	
	4/13/2017	\$55,000.00	Excess Cash to KCHA	
	4/20/2017	\$4,625.71	Payroll	
	4/27/2017	\$4,994.03	A/P	
Auburn Square	4/6/2017	\$9,909.61	Payroll & A/P	
	4/13/2017	\$21,650.05	A/P	
	4/13/2017	\$140,000.00	Excess Cash to KCHA	
	4/20/2017	\$8,017.26	Payroll	
	4/27/2017	\$26,701.45	A/P	
Carriage House	4/6/2017	\$18,355.65	Payroll & A/P	
	4/13/2017	\$27,384.61	A/P	
	4/13/2017	\$130,000.00	Excess Cash to KCHA	

	4/20/2017	\$11,894.99	Payroll	
	4/27/2017	\$36,593.13	A/P	
Cascadian	4/6/2017	\$14,211.65	Payroll & A/P	
	4/13/2017	\$29,245.35	A/P	
	4/13/2017	\$221,000.00	Excess Cash to KCHA	
	4/20/2017	\$11,673.22	Payroll	
	4/27/2017	\$36,417.90	A/P	
Fairwood	4/6/2017	\$12,050.21	Payroll & A/P	
	4/12/2017	\$4,994.00	A/P	
	4/13/2017	\$50,835.99	A/P	
	4/13/2017	\$135,000.00	Excess Cash to KCHA	
	4/20/2017	\$10,258.05	Payroll	
	4/27/2017	\$29,438.33	A/P	
Heritage Park	4/6/2017	\$6,556.60	Payroll & A/P	
	4/13/2017	\$21,659.47	A/P	
	4/13/2017	\$68,000.00	Excess Cash to KCHA	
	4/20/2017	\$5,159.65	Payroll	
	4/27/2017	\$19,117.93	A/P	
Laurelwood	4/6/2017	\$8,625.78	Payroll & A/P	
	4/13/2017	\$25,190.82	A/P	
	4/13/2017	\$55,000.00	Excess Cash to KCHA	
	4/20/2017	\$8,257.47	Payroll	
	4/27/2017	\$23,715.06	A/P	
Meadows	4/6/2017	\$18,208.33	Payroll & A/P	
	4/13/2017	\$24,459.01	A/P	
	4/13/2017	\$39,000.00	Excess Cash to KCHA	
	4/20/2017	\$6,141.50	Payroll	
	4/27/2017	\$19,177.48	A/P	
Newporter	4/6/2017	\$8,873.53	Payroll & A/P	
	4/13/2017	\$22,542.85	A/P	
	4/13/2017	\$95,000.00	Excess Cash to KCHA	
	4/20/2017	\$7,499.06	Payroll	
	4/27/2017	\$19,778.80	A/P	
Parkwood	4/6/2017	\$7,152.25	Payroll & A/P	
	4/13/2017	\$29,240.92	A/P	
	4/13/2017	\$70,000.00	Excess Cash to KCHA	
	4/20/2017	\$5,007.86	Payroll	
	4/27/2017	\$22,920.95	A/P	
Somerset East	4/6/2017	\$5,692.22	Payroll & A/P	
	4/13/2017	\$9,510.76	A/P	
	4/13/2017	\$17,000.00	Excess Cash to KCHA	
	4/20/2017	\$4,421.49	Payroll	
	4/27/2017	\$14,797.40	A/P	
Somerset West	4/6/2017	\$6,368.66	Payroll & A/P	
	4/13/2017	\$10,685.38	A/P	
	4/13/2017	\$20,000.00	Excess Cash to KCHA	
	4/20/2017	\$4,057.98	Payroll	
	4/27/2017	\$10,478.72	A/P	
Southwood Square	4/5/2017	\$7,500.00	Buffer to Operating	
	4/6/2017	\$13,660.74	Payroll & A/P	
	4/13/2017	\$32,404.97	A/P	
	4/14/2017	\$30,435.83	Debt Service	
	4/20/2017	\$6,794.51	Payroll	
	4/27/2017	\$6,428.93	A/P	
Walnut Park	4/6/2017	\$11,107.59	Payroll & A/P	
	4/13/2017	\$34,194.26	A/P	
	4/13/2017	\$215,000.00	Excess Cash to KCHA	
	4/20/2017	\$6,559.20	Payroll	
	4/27/2017	\$35,256.75	A/P	
Windsor Heights	4/6/2017	\$22,005.53	Payroll & A/P	
	4/13/2017	\$52,957.96	A/P	
	4/13/2017	\$224,000.00	Excess Cash to KCHA	
	4/20/2017	\$17,105.01	Payroll	
	4/27/2017	\$29,538.66	A/P	
Woodridge Park	4/6/2017	\$15,031.24	Payroll & A/P	
	4/13/2017	\$75,749.43	A/P	
	4/13/2017	\$79,000.00	Excess Cash to KCHA	
	4/20/2017	\$12,186.57	Payroll	
	4/27/2017	\$51,813.50	A/P	
Gilman Square	4/5/2017	\$16,730.86	A/P & Payroll	
	4/13/2017	\$225,000.00	Excess Cash to KCHA	
	4/19/2017	\$132,923.77	A/P	
	4/19/2017	\$12,008.57	Payroll	
Meadowbrook	4/5/2017	\$ 24,121.40	A/P & Payroll	
	4/13/2017	\$ 138,000.00	Excess Cash to KCHA	
	4/19/2017	\$ 10,127.35	A/P	

	4/19/2017	\$ 15,522.23	Payroll	
<u>Villages at South Station</u>	4/5/2017	\$30,470.77	A/P & Payroll	
	4/13/2017	\$100,000.00	Excess Cash to KCHA	
	4/19/2017	\$34,165.20	A/P	
	4/19/2017	\$16,923.49	Payroll	
<u>Rainier View I</u>	4/6/2017	\$12,289.12	A/P	
	4/13/2017	\$7,815.68	A/P	
	4/26/2017	\$7,353.70	A/P	
<u>Rainier View II</u>	4/6/2017	\$7,720.48	A/P	
	4/13/2017	\$7,944.38	A/P	
	4/26/2017	\$4,913.13	A/P	
<u>Si View</u>	4/6/2017	\$4,630.72	A/P	
	4/13/2017	\$2,493.60	A/P	
	4/26/2017	\$9,446.62	A/P	
<u>Abbey Ridge</u>	4/6/2017	\$82,948.36	A/P & Payroll	
	4/13/2017	\$75,000.00	Excess Cash to KCHA	
	4/20/2017	\$34,028.43	A/P & Payroll	
<u>Highland Village</u>	4/6/2017	\$39,617.35	A/P & Payroll	
	4/13/2017	\$80,000.00	Excess Cash to KCHA	
	4/20/2017	\$22,425.88	A/P & Payroll	
<u>Vashon Terrace</u>	4/13/2017	\$4,549.14	A/P	
	4/13/2017	\$10,000.00	Excess Cash to KCHA	
Portfolio Total:		\$6,609,676.61		

T A B N U M B E R

3



TO: Board of Commissioners

FROM: Connie Davis, Deputy Executive Director

DATE: June 10, 2017

RE: **Resolution No. 5566:** A Change in the Salary Schedule for Represented KCHA Employees Authorizing a 2.3% Cost of Living Adjustment in Year One and 100% of the Consumer Price Index for Clerical Workers in Year Two of the Collective Bargaining Agreement

Executive Summary

Resolution No. 5566 authorizes an increase in hourly rates for maintenance employees represented by the Seattle/King County Building and Construction Trades Council ("Council") of 2.3%, which represents 100% of the Consumer Price Index for Clerical Workers (CPI-W) for the Seattle Tacoma area annualized for the first six months of 2016. It also authorizes the award of 100% of CPI-W for the second twelve months of the contract, which ends in November 2018.

Background

The current collective bargaining agreement (CBA) with the Council expired on October 31, 2016. All contract language was open for negotiation. The terms settled on with the Council were rejected by the members two times, but on May 31, the bargaining unit voted to approve the final offer. Included in the economic package offered by the Authority was a cost of living increase to be paid effective with the first full pay period paid in November 2016, the date on which the COLA is traditionally enacted. Reflecting longstanding practice, the percentage increase reflects 100% of the CPI-W for the Seattle-Tacoma area based on first half of the calendar year or 2.3%. This is the same increase awarded to non-represented employees as adopted by the Board via Resolution 5552 in October 2016.

The annualized impact on the Authority's payroll of this COLA, including benefit costs, is estimated at \$121.1 thousand and was reflected in the estimates used in preparing KCHA's 2017 Operating Budget. Exhibit A reflects the new hourly and annual pay rates for employees covered by the CBA.

Due to the lengthy negotiations, the Council proposed a two year agreement which would award the members a second year cost of living increase, again equal to 100% of the CPI-W. That metric, annualized based on the first six months of 2017, will be released in July 2017. To date, the CPI-W has been 3.7% (January-February) and 3.3% (March-April), so it is almost certain to be at least 3% on an annualized basis; at that

rate the expected annual budget impact of this second COLA will be approximately \$161 thousand, somewhat higher than the 2.5% estimated in the 2017 budget. As this second COLA would not go into effect until November of 2017, however, its impact on the 2017 budget will be minimal.

Other terms of the Agreement include an increase to \$250 per week in the call out pay (from \$200) for employees who are assigned to respond to after-hours calls. KCHA also increased the allowance for required safety footwear from \$150 to \$219 per biennium. These terms add approximately \$9.3 thousand to the Authority's annual run rate. In addition, members will now be eligible for a 2% one-time top of the range payment for those employees with an outstanding rating for two consecutive years. Non-bargaining unit employees are already eligible for this compensation benefit. The Council accepted KCHA's medical benefit offer, which increased the average employee premium cost by 12.7%, roughly equivalent to the increase in KCHA's portion of the premium. For the second year of the contract, members will pay the same percentage of the overall premium. The Authority will be notified regarding 2018 medical premium rates in early September.

Recommendation

FY 2018 is likely to be a challenging year for KCHA's federal programs which support the maintenance employees. It is important, however, that KCHA remain competitive in overall compensation rates with private sector employers. While KCHA's hourly wages may currently lag private construction pay, total compensation, including Washington State's defined benefit pension, full year (not seasonal) pay and KCHA's exceptional medical insurance benefits, is much closer to private sector total compensation. This is not fully recognized by some employees, which we believe to be the reason the original offers were rejected.

The Council also changed the voting process for this third vote. Rather than a single, centralized voting place, business agents established three separate voting stations at different locations throughout the county. We believe this increased the turn out and assisted in the passage of the contract.

All economic benefits of the contract are retroactive to November 2016.

Passage of Resolution No. 5566 is recommended.

Exhibit A
Maintenance Wage Rates November 12, 2016-November 10, 2017
2.3% Increase

POSITION	POS #	Term	% of RMM2	HOURLY	Per Year
Landscafer/Cleaner - Grade 1 - Step 1	20713			18.08	37,606.40
Landscafer/Cleaner - Grade 1 - Step 2				18.83	39,166.40
Landscafer/Cleaner - Grade 1 - Step 3				19.57	40,705.60
Landscafer/Cleaner - Grade 1 - Step 4				20.33	42,286.40
Landscafer/Cleaner - Grade 1 - Step 5				21.04	43,763.20
Laborer - Grade 2 - Step 1	20704			23.63	49,150.40
Laborer - Grade 2 - Step 2				24.42	50,793.60
Laborer - Grade 2 - Step 3				25.19	52,395.20
Laborer - Grade 2 - Step 4				25.93	53,934.40
Laborer - Grade 2 - Step 5				26.70	55,536.00
Site Based Maintenance Mechanic - Grade 3 - Step 1	20700			25.31	52,644.80
Site Based Maintenance Mechanic - Grade 3 - Step 2				25.96	53,996.80
Site Based Maintenance Mechanic - Grade 3 - Step 3				26.62	55,369.60
Site Based Maintenance Mechanic - Grade 3 - Step 4				27.31	56,804.80
Site Based Maintenance Mechanic - Grade 3 - Step 5				28.02	58,281.60
Regional Maintenance Mechanic Trainee 1		0-6 mos	80%	23.96	49,836.80
Regional Maintenance Mechanic Trainee 2		7-12 mos	85%	25.46	52,951.60
Regional Maintenance Mechanic Trainee 3		13-18 mos	90%	26.96	56,066.40
Regional Maintenance Mechanic Trainee 4		19-24 mos	95%	29.20	60,736.00
Regional Maintenance Mechanic - Grade 4 - Step 1	20702			29.95	62,296.00
Regional Maintenance Mechanic - Grade 4 - Step 2				30.73	63,918.40
Regional Maintenance Mechanic - Grade 4 - Step 3				31.47	65,457.60
Regional Maintenance Mechanic - Grade 4 - Step 4				32.25	67,080.00
Regional Maintenance Mechanic - Grade 4 - Step 5				33.01	68,660.80
Maintenance Operations Specialist - Grade 5 - Step 1	20703			34.66	72,092.80

THE HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5566

A RESOLUTION RELATING TO THE SALARY SCHEDULE FOR HOUSING AUTHORITY EMPLOYEES REPRESENTED BY THE SEATTLE/KING COUNTY BUILDING AND CONSTRUCTION TRADES COUNCIL AUTHORIZING A PAY INCREASE OF 100% OF THE COST OF LIVING EFFECTIVE AT THE BEGINNING OF THE FIRST TWO WEEK PAY PERIOD OCCURRING ENTIRELY IN NOVEMBER

WHEREAS, in May 2017 the Authority reached an agreement for wages, benefits and other working conditions for maintenance employees covered by the long standing collective bargaining agreement between the King County Housing Authority and the Seattle/King County Building and Construction Trades Council (the "Council") for the two year period beginning November 12, 2016 and,

WHEREAS, the Council has accepted the Authority's offer for wages and benefits, including recommendations for its ratification; and

WHEREAS, pursuant to this agreement, the wages and benefits paid to employees represented the Council include a cost of living adjustment; and,

WHEREAS, the negotiated percentage increase in wages for such employees is based on the annualized consumer price index increase for Urban Wage Earners and Clerical Workers in the Seattle-Tacoma area as issued by the U.S. Department of Labor, Bureau of Labor Statistics calculated using the first half of the calendar year and updated for a revision to the consumer price index for 2016 and 2017, respectively, effective at the beginning of the first two-week pay period occurring entirely in November; and

WHEREAS, the above referenced index is 2.3% for Year One (November 12, 2016 to November 10, 2017); and

WHEREAS, the Cost of Living Increase for Year Two of the Contract will be published in July 2017; and

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

SECTION 1: The Exhibit A attached to the Collective Bargaining Agreement (“CBA”) is hereby amended to reflect a 2.3% cost of living increase in all positions, a copy of which is attached hereto and made a part hereof. The rates set forth in the Maintenance Salary Schedule is increased effective at the beginning of the first two week pay period occurring entirely in November 2016 based on the percentage increase equal to the annualized consumer price index increase for Urban Wage Earners and Clerical Workers in the Seattle-Tacoma area as issued by the U.S. Department of Labor, Bureau of Labor Statistics.

SECTION 2: Exhibit A will be updated to reflect 100% of the annualized consumer price index increase for Urban Wage Earners and Clerical Workers in the Seattle-Tacoma area as issued by the U.S. Department of Labor, Bureau of Labor Statistics and as published in July 2017.

ADOPTED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING AT A MEETING THEREOF THIS 19th DAY OF JUNE 2017.

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

DOUGLAS J. BARNES, Chair
Board of Commissioners

STEPHEN J. NORMAN
Secretary-Treasurer

T A B N U M B E R



To: Board of Commissioners

From: Craig Violante, Director of Finance

Date: June 14, 2017

Re: **New Bank Accounts**

Since the last Board meeting KCHA opened five new bank accounts.

Wonderland Estates

- South King County Affordable Community Group Wonderland – Operating Account
- South King County Affordable Community Group Wonderland – Operating Reserve Account
- South King County Affordable Community Group Wonderland – Replacement Reserve Account
- South King County Affordable Community Group Wonderland – Security Deposit Account
- South King County Affordable Community Group Wonderland – Tenant Account

Bank: KeyBank

Need: The Authority is taking over property management of Wonderland Estates resulting in the need for a series of new bank accounts.

Account Purposes:

- The Authority opened up a full business checking account with KeyBank that will be used to pay operating expenses related to Wonderland Estates, a KCHA-managed property owned by South King County Affordable Community Group (SKCACG). Transactions will include lockbox deposits transferred from the Tenant Account daily and transfers to and from the Reserve and Security Deposit accounts. The account will issue checks and send wire transfers to make SKCACG lease payments.
- As property manager for Wonderland Estates, KCHA is required to maintain an Operating Reserve account. Transactions will include and be limited to deposits from and transfers to the operating account. The Operating Reserve account is required by the financing agreement between King County and SKCACG.
- The Replacement Reserve Account has been set up to hold replacement reserves in a separate account. Transactions will included and be limited to

deposits from and transfers to the operating account. KCHA practice is to hold non-KCHA replacement reserves in a separate bank account.

- The Security Deposit Account will be used to hold tenant security deposits. Transactions will include and be limited to deposits from the operating 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.
- The Tenant Account will be used to collect rent payments from Wonderland Estates tenants. Checks will be processed through a lockbox and funds will be transferred to the Operating Account daily.

T
A
B

N
U
M
B
E
R

5



To: Board of Commissioners

From: Craig Violante, Director of Finance

Date: June 13, 2017

Re: **First Quarter 2017 Financial Statements**

EXECUTIVE SUMMARY

Although the final HCV block grant funding letter has not yet been received from HUD, indications are that it will likely include an RFIF inflation factor of 2.6% and a prorate of approximately 97.5%. If both of these assumptions prove true, total block grant funding for 2017 will be approximately \$117.0 million, exceeding original budget projections by \$3.5 million and 2016 receipts by \$0.8 million. Actual cash receipts in the first quarter lag projections due to HUD cash management procedures but will normalize as the year progresses.

Cash received from the Public Housing Operating Fund Subsidy program has been below budget projections during the first quarter for three reasons. First, subsidy payments have been prorated at 85% throughout the first quarter vs. budget projections of 86%. Next, most of the first quarter 2017 funding was based on 2016 approved subsidy levels and therefore did not include additional 2017 funding requests related to the Energy Performance Contract (EPC) project. Finally, funding for Burien Park, Northwood and Northlake House has been delayed as Project Expense Level (PEL) information was not received from HUD until May; the incremental subsidy has now been requested and will be received during 2017 with payments retroactive to October 2016.

Average Housing Choice Voucher (HCV) Housing Assistance Payments (HAP) have trended much higher than anticipated in the budget. For all voucher types, the budget assumed average costs would be \$867.83 per voucher by the end of March, but actual costs hit \$901.21. If this trend continues, current projections show that total 2017 costs could be at least \$3.2 million higher than budgeted, effectively consuming the incremental 2017 funding.

Both KCHA working capital (the difference between the agency's current assets and current liabilities) and cash declined during the quarter, as \$12 million of the Spiritwood lease payment received at the end of 2016 was used toward debt reduction during the first quarter. From a working capital perspective, this decline was offset by increases in other fund groups, such as \$2.5 million in the bond portfolio. In

addition to the Spiritwood debt reduction, \$2.4 million of earmarked reserves were spent on the EPC project.

QUARTERLY HIGHLIGHTS

Net Operating Income through March was right on target, achieving 99.6% of the first quarter budget.

Work continued on the EPC project. The chart below reflects progress through the end of the quarter.

Construction Progress

Installed vs. Unit Scheduled		
Water Conserv.	<div style="width: 66.1%;"></div>	66.1%
Lighting	<div style="width: 31.3%;"></div>	31.3%
DHPs	<div style="width: 35.6%;"></div>	35.6%
ERVs	<div style="width: 16.6%;"></div>	16.6%
Bath Fans	<div style="width: 30.6%;"></div>	30.6%

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 three months of 2017, KCHA's ratio is 2.09.

CASH AND INVESTMENT SUMMARIES

Overall cash balances decreased by \$18.7 million during the quarter, driven by the Spiritwood debt repayment and the EPC project as discussed above. For a complete report on KCHA's overall cash position at the end of the first quarter, please see page 9.

Investment Summaries (in millions)

	Amount	Yield	% of Total
Invested in the Local Government Investment Pool & Masterfund	\$67.1	0.72%	38.0%
Invested by KCHA	55.0	1.12%	31.2%
Cash held by trustees	15.7	0.10% *	8.9%
Cash held in checking and savings accounts	21.6	0.10% *	12.3%
Invested by KCHA	\$159.5	0.80%	90.4%
Cash loaned for low income housing & EPC project purposes	17.0	4.98%	9.6%
Loaned by KCHA	17.0	4.98%	9.6%
Total	\$176.5	1.21%	100.0%

*Estimate

Second Quarter 2017 Financial Report
June 19, 2017 Board Meeting
Page 3 of 8

The overall Return on Investment (ROI) on KCHA investments, including loans made for low income housing and EPC project purposes, was 1.21%, up from 1.05% last quarter. The Washington State Treasurer's Local Government Investment Pool (LGIP) average interest rate for the quarter was 0.72%.

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

MTW Cash, Beginning of Quarter	\$16.5
<i>Quarterly change:</i>	
Standard Block Grant cash receipts from HUD	26.5
Additional Section 8 HAP funding requested and received from HUD	1.8
Interest income	0.2
Repayment of EPC loan	0.2
Quarterly Block Grant HAP payments	(22.4)
Quarterly Block Grant administrative fees paid to Section 8	(2.1)
Used for debt service	(1.1)
Additional subsidy transferred to Public Housing properties	(0.8)
Capital construction projects	(0.8)
Unit Upgrades	(0.2)
Direct social service expenses	(1.2)
Homeless Housing expenses	(0.2)
Administrative expenses	(0.3)
Other net changes	(0.3)
MTW Cash, End of Quarter	\$15.8
<i>Less Reserves:</i>	
Restricted Reserve-Green River Collateral	(7.8)
HAP Reserve (\$4.8 million is pledged as FHLB collateral)	(6.9)
Supportive Housing Reserve	(1.1)
Technology Reserve	(0.3)
MTW Working Capital Cash, End of Quarter	(\$0.3)
COCC Cash, Beginning of Quarter	\$44.8
<i>Quarterly change:</i>	
Fee revenue	2.9
Transfer of excess cash to COCC	0.8
Used for construction projects	(0.6)
Administrative expenses	(3.1)
Other net change	(0.2)
COCC Cash, End of Quarter	\$44.6
<i>Less Reserves:</i>	
Liquidity Reserves for King County credit enhancement	(9.0)
Replacement reserves of former Section 8 New Construction properties	(0.4)
COCC Working Capital Cash, End of Quarter	\$35.2

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 first quarter.

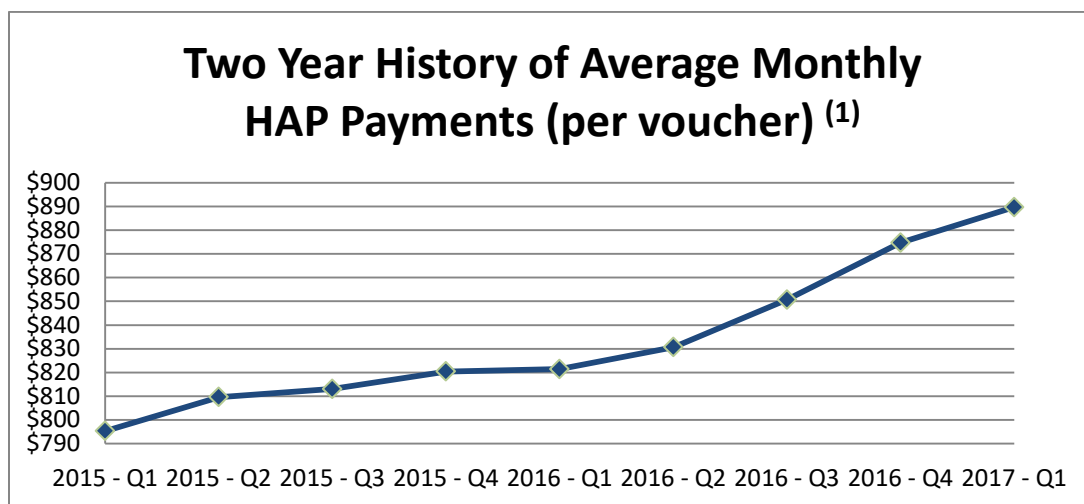
	Actuals Thru 3/31/2017	Budget Thru 3/31/2017	YTD Variance	Percent of Annual Budget	2017 Annual Budget
CONSTRUCTION ACTIVITIES					
<i>Managed by Capital Construction Department</i>					
Public Housing	\$832,789	\$797,289	\$35,500	10.3%	\$8,115,639
509 Properties	203,257	236,420	(33,163)	14.2%	1,426,916
Other Properties	623,628 (1)	1,294,895	(671,267)	30.7%	2,031,351
	1,659,675	2,328,604	(668,929)	14.3%	11,573,906
<i>Managed by Housing Management Department</i>					
Unit Upgrade Program	851,882	979,077	(127,195)	21.8%	3,916,279
Energy Performance Contract	2,058,621 (2)	2,613,145	(554,524)	19.7%	10,476,305
Other Projects	255,256 (3)	745,063	(489,807)	6.7%	3,824,145
	3,165,759	4,337,285	(1,171,526)	17.4%	18,216,729
<i>Managed by Asset Management Department</i>					
Bond Properties-managed by KCHA staff	61,791	123,000	(61,209)	9.4%	656,650
Bond Properties-managed by external property mgt	1,557,992 (4)	2,468,516	(910,524)	11.1%	14,093,252
	1,619,783	2,591,516	(971,733)	11.0%	14,749,902
Subtotal Construction Activities	6,445,217	9,257,405	(2,812,188)	14.5%	44,540,537
DEVELOPMENT ACTIVITY					
<i>Managed by Hope VI Department</i>					
Greenbridge	260,381	586,891	(326,510)	16.9%	1,540,792
Notch	29,903	106,597	(76,694)	14.2%	211,200
Salmon Creek/Nia	25	22,025	(22,000)	0.0%	541,641
	290,308	715,513	(425,205)	12.7%	2,293,633
<i>Managed by Development Department</i>					
Spiritwood	33,842 (5)	1,269,638	(1,235,796)	2.7%	1,269,638
Other Projects	199	100,000	(99,801)	0.1%	361,664
	34,041	1,369,638	(1,335,597)	2.1%	1,631,302
Subtotal Development Activity	324,349	2,085,151	(1,760,802)	8.3%	3,924,935
TOTAL CONSTRUCTION & DEVELOPMENT	6,769,567	\$11,342,556	(4,572,989)	14.0%	\$48,465,472
PROPERTY ACQUISITIONS & OTHER ASSETS					
Other Assets	75,426				
TOTAL PER WORKING CAPITAL REPORT	6,844,992				

- 1) Timing. Hidden Village should be on target by the end of the second quarter.
- 2) EPC related capital activity was budgeted evenly throughout the year. The rate of activity is expected to increase as the year progresses.
- 3) An elevator replacement at Plaza Seventeen was budgeted to occur in the 1st quarter but is delayed to the 2nd quarter. Also, other capital work is expected to catch up as the year progresses.
- 4) Maintenance projects at bond properties were behind schedule in the 1st quarter but are expected to catch up as the year progresses.
- 5) More construction costs related to the Spiritwood Partnership development project were incurred in 2016 than was anticipated in the budget resulting in actual activity being under target in 2017.

PROGRAM ACTIVITIES

HOUSING CHOICE VOUCHERS

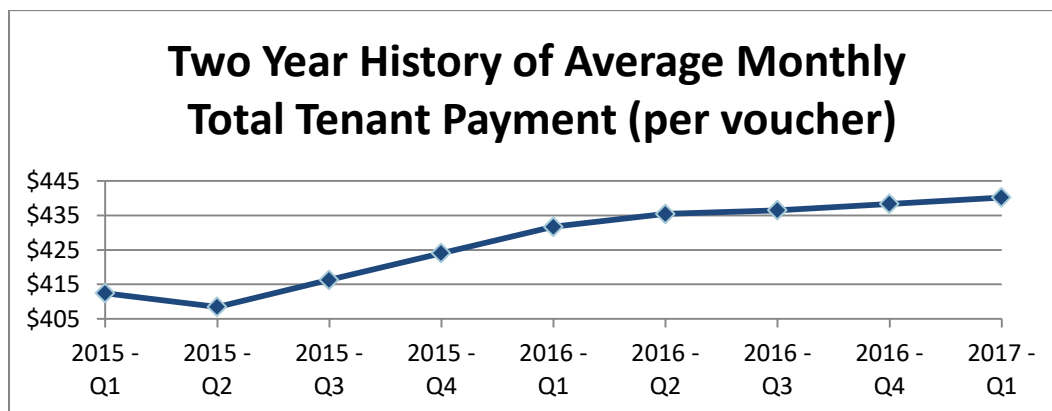
The average quarterly HAP payment to landlords for all HCV vouchers was \$889.69, compared to \$874.72 last quarter and \$821.39 one year ago.



(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 rose throughout all of 2016 and into 2017. With steadily rising market rents and the ability of KCHA to more adequately size its subsidy payments to landlords in support of program participants in higher priced sub-markets, 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 \$440.17, up from \$438.35 the previous quarter, and \$431.72 from one year ago, the rate of growth slowed over 2016 and into 2017, likely resulting from the new payment standards.



The data below shows how the number of families who are paying more than 30%, 40% and 50% of their income towards rent has changed over the past nine months. In April, new payment standards were automatically given to those families paying more than 50%, dropping this metric to 683 households.

Families Paying More Than 30%		Families Paying More Than 40%		Families Paying More Than 50%	
Jul-16	Mar-17	Jul-16	Mar-17	Jul-16	Mar-17
2,259	2,348	875	856	971	923

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 three months, cash available to draw from HUD has lagged original budget projections.

(In thousands of dollars)

	Actual	Budget	Variance	% Var
HCV Block Grant Revenue	26,525.0	28,306.6	(\$1,781.5)	(6.3%) (1)
Funding of HAP Payments to Landlords	(22,400.6)	(22,147.3)	253.3	(1.1%)
Funding of Section 8 Administrative Costs	(2,065.9)	(2,056.4)	9.5	(0.5%)
Excess of HCV Block Grant Funding over Expenses	\$ 2,058.5	\$ 4,102.8	\$ (2,044.3)	(49.8%)

- 1) Receiving block grant payments from HUD is a three stage process. First, HUD must issue budget authority to housing authorities, which it does on a periodic basis. Second, cash is advanced to each PHA based on prior year expense levels. Finally, additional cash is requested from HUD when sufficient budget authority exists and KCHA has a need for additional cash. Accordingly, quarterly cash receipts vary.

2. Payments to Public Housing sites to subsidize the difference between operating costs and tenant revenue

Through the first quarter, the transfer of MTW funds to subsidize Public Housing operations has been on target.

(In thousands of dollars)

	Actual	Budget	Variance	% Var
Additional Transfers to PH AMPs Based on Need	(\$777.6)	(\$777.7)	(\$0.0)	0.0%
Net Flow of Cash(from)/to MTW from/(to) PH	(\$777.6)	(\$777.7)	(\$0.0)	0.0%

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	\$78.6	\$100.8	(\$22.2)	(22.0%)
Homeless Initiatives	(173.0)	(420.5)	\$247.5	(58.9%)
Resident Services	(1,267.9)	(1,357.8)	\$89.9	(6.6%)
Use of MTW Funds for Special Programs	(\$1,362.3)	(\$1,677.6)	\$315.3	(18.8%)

- 1) Interim Public Housing subsidy in the first quarter was less than anticipated in the budget but is expected to increase.
- 2) Service providers have been slow in billing the Authority. Also, the Highline School District Rapid Rehousing Program was budgeted to incur \$165K of expenses but the Authority has yet to be billed. Billing has increased during the 2nd quarter.

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	\$1,079.69	\$1,433.05	(\$353.4)	(32.7%) (1)
Misc. Other Uses	1,332.8	1,365.7	(32.9)	(2.5%)
	\$2,412.5	\$2,798.8	(\$386.3)	(16.0%)

- 1) The Ballinger sewer line project is not slated to go to bid until the 3rd 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 \$197,550 or 0.74% of program gross revenues. Expenses are below the first quarter budget of \$248,335 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	1,981.9	1,938.2	\$43.7	2.2%
Cash transferred-in from local properties	757.9	2,357.9	(1,600.0)	(211.1%) (1)
Investment income	489.9	473.6	16.3	3.3%
Other income	292.0	286.3	5.8	2.0%
	<u>\$3,521.8</u>	<u>\$5,056.0</u>	<u>(\$1,534.2)</u>	<u>(43.6%)</u>
Expenses				
Salaries & Benefits	2,327.5	2,493.8	(\$166.3)	(7.1%)
Administrative Expenses	448.1	733.6	(285.5)	(63.7%) (2)
Occupancy Expenses	48.3	66.1	(17.9)	(37.0%) (2)
Other Expenses	186.8	188.0	(1.2)	(0.7%)
	<u>\$3,010.7</u>	<u>\$3,481.6</u>	<u>(\$470.9)</u>	<u>(15.6%)</u>
Net Change in Available COCC Resources	<u>\$511.1</u>	<u>\$1,574.4</u>	<u>(\$1,063.3)</u>	

- 1) Excess cash of \$1.6 million was budgeted to be transferred from the Overlake general partner to the COCC; instead the excess cash was transferred to a different fund group to pay down the Abbey Ridge line-of-credit
- 2) Various categories are under target but are expected to catch up as the year progresses.

REPORTS TABLE OF CONTENTS

Summary Reports

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

Budget vs. Actual Reports

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

King County Housing Authority
Consolidated Cash Report
As of 3/31/2017

	Total Cash 3/31/2017	Total Cash 12/31/2016	Cash of Other Entities 3/31/2017
Unrestricted			
COCC	\$ 35,068,081	\$ 35,251,288	\$ -
Other Funds	28,619,522	35,162,440	1,645,818
<i>Total</i>	63,687,602	70,413,728	1,645,818
For Program Use Only			
MTW	(341,892)	109,454	-
Public Housing	5,053,455	5,703,758	1,818,127
Section 8	(380,437)	6,771,343	-
Other Funds	2,902,757	3,777,992	-
<i>Total</i>	7,233,882	16,362,547	1,818,127
Set Aside for Short-term Debt Service			
Other Funds	3,106,193	3,252,247	-
<i>Total</i>	3,106,193	3,252,247	-
Dedicated for Specific Purposes			
MTW	3,590,493	3,860,318	-
Public Housing	-	-	268,919
Section 8	17,846	17,846	-
COCC	9,559,277	9,539,810	-
Other Funds	37,310,827	36,672,240	-
<i>Total</i>	50,478,442	50,090,214	268,919
Restricted			
MTW	12,585,087	12,577,012	-
Public Housing	251,515	251,741	1,453,382
Section 8	1,462,981	1,409,247	-
Other Funds	20,682,894	23,908,299	1,297,350
<i>Total</i>	34,982,478	38,146,299	2,750,732
TOTAL CASH BALANCES	<u><u>\$ 159,488,597</u></u>	<u><u>\$ 178,265,034</u></u>	<u><u>\$ 6,483,596</u></u>
Dedicated for Specific Purposes			
Excess Cash Reserves	9,388,000	9,388,000	
Project Reserves	3,200,000	3,200,000	
Exit Tax Reserves (Designated)	6,052,827	6,052,827	
HAP Reserves	2,113,882	2,113,882	
Program Income from Hope VI loans	1,102,102	619,433	
Program Income from Hope VI Lot Sales	5,250,502	5,250,502	
Restricted Interest	54,418	53,366	
Replacement Reserves	12,679,754	12,518,703	
Operating Reserves	90,529	87,529	
Technology Reserves	347,433	351,527	
Liquidity	9,006,732	9,006,732	
Supportive Housing Reserves	1,129,178	1,394,909	
HASP	17,846	17,846	
State Gas Tax Rebate	45,240	34,958	
	<u><u>\$ 50,478,442</u></u>	<u><u>\$ 50,090,214</u></u>	
Restricted			
Excess Cash Reserves	\$ 548,432	\$ 1,993,107	
Project Reserves	8,266,943	10,325,564	
Endowment Reserves	71,032	105,728	
Replacement Reserves	8,551,562	8,230,039	
Operating Reserves	144,654	144,606	
Bond Reserves-1 year payments	437,000	437,000	
Residual Receipt Reserves	564,899	564,899	
FSS Reserves	855,693	793,883	
Collateral Reserves	7,777,136	7,777,136	
HAP Reserves-Also collateral	4,742,605	4,742,605	
HAP Reserves - Non-Block Grant vouchers	672,634	672,634	
Earnest Money	25,000	25,000	
Security Deposit	2,324,888	2,334,098	
	<u><u>\$ 34,982,478</u></u>	<u><u>\$ 38,146,299</u></u>	

KING COUNTY HOUSING AUTHORITY
Statements of Financial Position
(In \$1,000's; excludes non-KCHA-managed
component units)
For the Period Ended March 31, 2017

	FEDERALLY-SUPPORTED PROGRAMS (managed by KCHA)						LOCAL PROGRAMS						Memo: KCHA COMBINED
	Public Housing		Other Housing		Other Programs		KCHA Owned Housing	Outside Owned Housing	Tax Credit Gen Prtnr Activity	Develop Activity	Other	COCC	
ASSETS	KCHA Owned	Outside Owned	KCHA Owned	Outside Owned	Section 8 Program	MTW Program							
Working Capital Assets													
Cash-Unrestricted	\$ -	\$ (992.1)	\$ 4,622.9	\$ 4,251.8	\$ -	\$ -	\$ 11,434.8	\$ 345.5	\$ (90.6)	\$ 244.7	\$ 10,335.5	\$ 35,068.1	\$ 65,220.6
Cash-Restricted Within Program	5,053.5	1,822.1	42.00	-	(380.4)	(341.9)	\$ 1,000.0	(4.0)	-	2,968.2	(108.3)	0.0	9,052.2
Cash-Restricted for WC Purposes	-	-	-	2,487.5	0.0	0.0	493.4	-	125.2	-	-	-	3,106.2
Accounts Receivables	(28.3)	1,119.9	65.2	1,874.0	862.2	602.8	191.0	268.6	7,848.0	399.1	824.5	1,144.5	15,171.5
Prepaid Assets & Inventory	106.2	77.8	34.9	114.0	38.6	1.0	634.9	4.6	3.3	0.1	\$31.1	88.6	1,135.2
Total Working Capital Assets	5,131.4	2,027.8	4,765.0	8,727.4	520.4	261.9	12,755.2	614.8	7,885.9	3,612.1	11,082.8	36,301.2	93,685.8
Liabilities Offsetting Working Capital Assets													
Accounts Payable	(150.1)	(216.9)	(243.0)	(743.5)	(336.7)	(15.2)	(458.8)	(33.2)	(1.5)	0.2	(436.4)	(31.1)	(2,666.1)
Payroll Liabilities	(305.4)	(148.9)	(101.4)	(233.1)	(669.3)	(376.5)	(60.1)	(17.3)	(26.4)	(6.2)	(661.9)	(1,554.8)	(4,161.3)
Accrued Liabilities	(4.0)	(145.8)	(19.5)	(718.8)	(24.2)	(557.6)	(279.5)	(20.1)	(48.7)	(201.1)	(1,701.0)	(36.89)	(3,757.2)
Deferrals	(0.0)	(8.0)	(81.7)	-	(12.6)	-	(101.8)	-	(46.9)	-	(479.0)	-	(729.9)
Current Portion of Long-term debt	-	(2,165.0) (1)	(290.8)	(8,943.9) (2)	-	-	(5,364.3) (3)	-	(305.0)	-	-	(900.0)	(17,969.0)
Total Offsetting Liabilities	(459.5)	(2,684.7)	(736.5)	(10,639.4)	(1,042.8)	(949.3)	(6,264.4)	(70.5)	(428.5)	(207.0)	(3,278.2)	(2,522.8)	(29,283.6)
Working Capital	4,671.9	(656.9)	4,028.5	(1,912.0)	(522.4)	(687.4)	6,490.8	544.2	7,457.4	3,405.1	7,804.6	33,778.4	64,402.2
Other Assets													
Cash-Designated	-	3,300.6	1,477.0	12,954.7	17.8	3,590.5	13,425.4	-	-	6,407.0	-	9,559.3	50,732.4
Cash-Restricted	251.5	1,459.4	1,260.3	870.7	1,463.0	12,585.1	9,793.4	272.4	548.4	146.1	8,266.9	-	36,917.2
Receivables	-	127,008.3	0.0	71,052.0	-	26,585.4	505.3	17,376.7	83,264.4	453.7	209.6	31,327.1	357,782.6
Capital Assets	99,567.8	109,642.9	47,216.6	188,443.5	-	-	225,746.4	5,561.7	-	2,773.7	-	15,095.0	694,047.7
Work-in-Process	3,815.9	227.7	2,497.9	20,307.4	0.0	0.0	184.7	-	(32.1)	15,803.3	6,690.6	22.8	49,518.3
Suspense	-	-	0.0	-	5.6	-	0.5	-	-	-	0.0	111.2	117.3
Other Assets	-	2,119.1	-	820.6	-	-	(1,591.4) (4)	22.2	24.3	49.6	-	-	1,444.2
Total Other Assets	103,635.2	243,758.0	52,451.9	294,448.8	1,486.4	42,761.0	248,064.4	23,232.9	83,805.1	25,633.4	15,167.2	56,115.3	1,190,559.8
TOTAL ASSETS (net of WC offsets)	\$ 108,307.1	\$ 243,101.0	\$ 56,480.4	\$ 292,536.8	\$ 964.1	\$ 42,073.7	\$ 254,555.2	\$ 23,777.2	\$ 91,262.5	\$ 29,038.4	\$ 22,971.8	\$ 89,893.7	\$ 1,254,961.9
LIABILITIES & EQUITY													
Other Liabilities													
Deferrals-Related to Restr Cash	\$ 177.2	\$ 74.5	\$ 94.9	\$ 167.7	\$ 790.3	\$ 65.3	\$ 1,863.9	\$ 17.0	\$ -	\$ 75.0	\$ -	\$ -	3,325.9
Debt	-	93,238.7	12,115.6	156,942.2	-	-	220,883.6	9,292.4	53,622.7	19.8	0.0	24,402.4	570,517.5
Other Liabilities	1.2	8,673.4	1,006.9	2,262.7	-	-	735.2	930.2	340.0	12,511.5	21,520.62	-	47,981.9
	178.5	101,986.6	13,217.4	159,372.6	790.3	65.3	223,482.7	10,239.6	53,962.7	12,606.4	21,520.6	24,402.4	621,825.3
Equity													
Equity	108,128.7	141,114.5	43,262.9	133,164.2	173.7	42,008.3	31,072.4	13,537.5	37,299.8	16,432.1	1,451.2	65,491.3	633,136.5
	108,128.7	141,114.5	43,262.9	133,164.2	173.7	42,008.3	31,072.4	13,537.5	37,299.8	16,432.1	1,451.2	65,491.3	633,136.5
TOTAL LIAB & EQ (net of curr liab)	\$ 108,307.1	\$ 243,101.1	\$ 56,480.3	\$ 292,536.8	\$ 964.1	\$ 42,073.7	\$ 254,555.1	\$ 23,777.2	\$ 91,262.5	\$ 29,038.4	\$ 22,971.8	\$ 89,893.7	\$ 1,254,961.8

1) Primarily due to a \$2.0M Vantage Point line-of-credit. Source of repayment is grant from the State of Washington (\$2.0M) which is expected to be received in May 2017.

2) \$3.6M Spiritwood developer fee note, \$2.1M Birch Creek bonds; \$671K Birch Creek Lease; \$864K Green River Homes II bonds; \$270 K Green River Homes notes, and \$518K MKCRF-KCHA note. Expected sources of repayments include some combination of CFP, Replacement Housing Factor (RHF) grants, MTW revenue, site operations and current reserves.

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

4) Fair market value of derivatives is a negative \$1.6M-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 March 31, 2017

	FEDERALLY-SUPPORTED PROGRAMS (managed by KCHA)						LOCAL PROGRAMS						Memo: KCHA COMBINED
	Public Housing		Other Housing		Other Programs		KCHA Owned Housing	Outside Owned Housing	Tax Credit Gen Prtnr Activity	Develop Activity	Other	COCC	
	KCHA Owned	Outside Owned	KCHA Owned	Outside Owned	Section 8 Program	MTW Program							
Revenues													
Tenant Revenue	\$1,245.9	\$528.7	\$1,094.7	\$3,649.8	\$21.3	\$0.0	\$14,112.7	\$167.2	\$1.2	\$0.0	\$0.0	\$0.0	\$20,821.4
Operating Fund Subsidy from HUD	821.2	455.9	81.7	-	-	78.6	-	-	-	-	388.5	-	1,825.9
Section 8 Subsidy from HUD	-	-	87.8	-	27,929.9	2,058.5 (3)	-	-	-	-	-	-	30,076.2
Other Operating Revenue	13.4	1,171.1	107.5	592.2	8,536.4	2.7	126.9	29.1	264.1	6.3	1,117.6	3,029.8	14,997.1
Non-operating Revenue	74.5	1,037.4	14.5	323.7	-	212.0	29.8	137.5	810.1	36.7	34.9	493.8	3,205.0
Total Revenues	2,155.0	3,193.1	1,386.2	4,565.6	36,487.6	2,351.9	14,269.4	333.9	1,075.4	42.9	1,541.0	3,523.6	70,925.7
Expenses													
Salaries & Benefits	505.5	248.0	184.2	396.4	1,534.9	451.8	1,051.1	41.8	56.7	144.5	235.3	2,596.7	7,447.1
Routine Maintenance, Utilities, Taxes & Insurance	1,028.0	652.6	392.4	779.9	67.6	-	3,159.8	70.7	1.0	0.3	3.3	425.7	6,581.4
Direct Social Service Salaries & Benefits	-	-	-	-	29.2	520.8	-	-	-	1.6	14.0	-	565.7
Other Social Service Support Expenses & HAP	24.7	1,377.6	12.2	0.4	33,807.7	610.8	60.5	-	0.0	-	879.7	0.1	36,773.8
Administrative Support Expenses	492.3	267.5	142.0	336.1	922.8	91.2	1,231.8	29.7	111.2	28.0	22.0	503.7	4,178.2
Non-operating Expenses	(18.6)	684.7	117.4	1,532.1	-	-	1,416.2	90.0	269.1	0.1	-	186.8	4,277.8
Total Expenses	2,031.9	3,230.3	848.3	3,044.9	36,362.2	1,674.6	6,919.4	232.2	438.0	174.6	1,154.3	3,713.1	59,824.0
Net Income	123.1	(37.2)	537.9	1,520.7	125.4	677.3	7,350.0	101.6	637.4	(131.7)	386.7	(189.5)	11,101.7
Other Sources/(Uses) of Working Capital													
(Increase) in Restricted/Designated Cash	.0	(52.4)	(22.2)	(73.6)	(53.7)	(8.1)	(391.4)	(7.0)	(255.3)	(514.8)	.0	(19.5)	(1,398.0)
Decrease in Restricted/Designated Cash	.2	.1	.0	23.0	.0	269.8	2.4	-	1,700.0	65.8	2,058.6	.0	4,120.0
(Increase) in LT Receivables	-	(743.8)	-	(66.4)	-	.0	.0	(48.1)	(12,474.6) (1)	(4.6)	-	(244.1) (6)	(13,581.5)
Decrease in LT Receivables	-	967.0	-	1,751.3	-	207.2	.0	115.4	13,323.1 (5)	-	-	164.5	16,528.5
Acquisition of Capital Assets	(1,064.2)	(244.5)	(956.2)	(517.2)	.0	(.0)	(1,619.6)	(20.2)	1.3	(290.3)	(2,058.6)	(75.4)	(6,845.0)
Disposition of Capital Assets	-	-	.0	-	-	-	.0	-	.0	485.6	-	3.0	488.6
Change in Suspense	-	(.1)	.0	.0	(5.6)	-	(.5)	-	-	-	.0	(109.0) (6)	(115.1)
Change in Other Assets	-	.0	-	(0.00)	-	-	.0	0.00	-	.0	-	-	0.0
Change in Deferrals	(3.2)	.0	(2.2)	35.9	53.7	8.1	(2.1)	(.3)	.0	.0	-	.0	90.0
Increase in LT Debt	-	.0	.0	11,790.2 (1)	-	-	.0	-	3,019.6	.0	.0	.0	14,809.8
(Decrease) in LT Debt	.0	(185.9)	(71.2)	(13,534.1) (2)	-	-	(3,774.6)	(386.0) (4)	(15,125.0) (5)	.0	-	(225.0) (6)	(33,301.8)
Change in Other Liabilities	.0	399.1	(21.8)	79.1	-	-	41.1	(65.2)	2.9	244.1	(187.6)	-	491.8
Other Non-Working Capital Inc/Exp	-	-	-	-	-	-	.0	-	.0	.0	-	-	-
Non Income/Expense Change in Equity	-	.0	.0	.0	-	-	(1.7)	-	.0	.0	145.3	.0	143.7
Total Other Sources/(Uses) of Working Capital	(1,067.1)	139.6	(1,073.5)	(511.8)	(5.6)	477.0	(5,746.5)	(411.3)	(9,808.0)	(14.3)	(42.2)	(505.4)	(18,569.2)
Transfer In from (Out to) Other Funds													
Transfers In from Other Funds	1,079.7	1,827.6	666.9	299.8	-	-	1,749.5	-	-	513.7	222.8	765.6	7.1
Transfers Out to Other Funds	-	(513.7)	(7.7)	(299.8)	-	(2,956.5)	(757.9)	-	(1,700.0)	-	(222.8)	(667.2)	(7.1)
Net Transfer In/(Out)	1,079.7	1,313.9	659.2	-	-	(2,956.5)	991.6	-	(1,700.0)	513.7	-	98.3	-
Net Change in Working Capital	135.7	1,416.3	123.7	1,008.9	119.8	(1,802.2) (3)	2,595.1	(309.7) (4)	(10,870.6) (1)	367.8	344.4	(596.5) (7)	(7,467.4)
Working Capital, 12/31/2016	4,536.2	(2,073.2)	3,904.7	(2,920.9)	(642.1)	1,114.8	3,895.6	854.0	18,012.6	3,037.3	7,460.1	34,374.9	71,554.0
Working Capital, 3/31/2017	4,671.9	\$(656.9)	\$4,028.4	\$(1,912.0)	\$(522.4)	\$(687.4)	\$6,490.7	\$544.2	\$7,142.0	\$3,405.1	\$7,804.6	\$33,778.4	\$64,086.6

1) Primarily due to an \$11.8M subordinate loan due to KCHA from the Spiritwood Manor tax credit partnership.

2) Due to an \$11.7M payment on the Spiritwood Manor line-of-credit but the tax credit partnership as well as a \$1.5M payment by the Birch Creek tax credit partnership on notes payable to KCHA.

3) Receiving block grant payments from HUD is a three stage process. First, HUD must issue budget authority to housing authorities, which it does on a periodic basis. Second, cash is advanced to each PHA based on prior year expense levels. Finally, additional cash is requested from HUD when sufficient budget authority exists and KCHA has a need for additional cash. Accordingly, quarterly cash receipts vary.

4) Due to a payment by the New Market Tax Credit partnership on a KeyBank line-of-credit.

5) Primarily due to the receipt of \$11.7M from the Spiritwood Manor tax credit partnership and the related payment of the same amount by KCHA on the Key Bank Line-of-Credit.

6) Due to an internal loan to Development (\$243K), transactions in suspense that were cleared in the 2nd quarter (\$109K), and a payment on the MKCRF Federal Home Loan Bank note (\$225K).

KCHA Combined
Working Capital Budget vs. Actual Report
For the Period Ended 3/31/2017

	Quarter Ended March 31, 2017				Year-to-Date				2017 Annual Budget	Remainder to Receive/ Spend	(n/m= not meaningful) Percent of Annual Budget
Revenues	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var			
Tenant Revenue	\$20,821,410	\$20,110,159	\$711,251	3.5%	\$20,821,410	\$20,110,159	\$711,251	3.5%	\$81,390,738	\$60,569,328	25.6%
Operating Fund Subsidy from HUD	1,825,868	2,318,235	(492,367)	(21.2%)	1,825,868	2,318,235	(492,367)	(21.2%)	9,272,913	7,447,045	19.7%
Section 8 Subsidy from HUD	30,076,219	31,885,707	(1,809,488)	(5.7%)	30,076,219	31,885,707	(1,809,488)	(5.7%)	128,128,381	98,052,162	23.5%
Other Operating Revenue	14,793,886	14,414,742	379,144	2.6%	14,793,886	14,414,742	379,144	2.6%	59,106,800	44,312,914	25.0%
Non-operating Revenue	3,408,281	3,191,701	216,580	6.8%	3,408,281	3,191,701	216,580	6.8%	17,780,465	14,372,184	19.2%
Total Revenues	70,925,664	71,920,544	(994,880)	(1.4%)	70,925,664	71,920,544	(994,880)	(1.4%)	295,679,297	224,753,633	24.0%
Expenses											
Salaries & Benefits	7,447,149	7,982,581	(535,432)	(6.7%)	7,447,149	7,982,581	(535,432)	(6.7%)	34,025,474	26,578,325	21.9%
Routine Maintenance, Utilities, Taxes & Insurance	6,581,412	6,849,493	(268,081)	(3.9%)	6,581,412	6,849,493	(268,081)	(3.9%)	29,525,330	22,943,918	22.3%
Direct Social Service Salaries & Benefits	565,673	569,833	(4,160)	(0.7%)	565,673	569,833	(4,160)	(0.7%)	2,469,280	1,903,607	22.9%
Other Social Service Support Expenses & HAP	36,773,765	36,548,209	225,556	0.6%	36,773,765	36,548,209	225,556	0.6%	151,242,898	114,469,133	24.3%
Administrative Support Expenses	4,178,179	4,754,355	(576,176)	(12.1%)	4,178,179	4,754,355	(576,176)	(12.1%)	19,187,155	15,008,976	21.8%
Non-operating Expenses	4,277,781	4,784,477	(506,696)	(10.6%)	4,277,781	4,784,477	(506,696)	(10.6%)	19,986,605	15,708,824	21.4%
Total Expenses	59,823,958	61,488,948	(1,664,990)	(2.7%)	59,823,958	61,488,948	(1,664,990)	(2.7%)	256,436,742	196,612,784	23.3%
Net Income	11,101,706	10,431,596	670,110	6.4%	11,101,706	10,431,596	670,110	6.4%	39,242,555	28,140,849	28.3%
Other Sources/(Uses) of Working Capital											
(Increase) in Restricted/Designated Cash	(1,397,990)	(1,113,509)	(284,481)	25.5%	(1,397,990)	(1,113,509)	(284,481)	25.5%	(3,356,491)	(1,958,501)	41.7%
Decrease in Restricted/Designated Cash	4,119,979	4,309,555	(189,576)	(4.4%)	4,119,979	4,309,555	(189,576)	(4.4%)	19,347,633	15,227,654	21.3%
(Increase) in LT Receivables	(13,581,547)	(16,584,967)	3,003,420	(18.1%)	(13,581,547)	(16,584,967)	3,003,420	(18.1%)	(20,047,479)	(6,465,932)	67.7%
Decrease in LT Receivables	16,528,499	21,181,513	(4,653,014)	(22.0%)	16,528,499	21,181,513	(4,653,014)	(22.0%)	40,090,636	23,562,137	41.2%
Acquisition of Capital Assets	(6,844,992)	(15,474,795)	8,629,803	(55.8%)	(6,844,992)	(15,474,795)	8,629,803	(55.8%)	(72,698,325)	(65,853,333)	9.4%
Disposition of Capital Assets	488,603	493,456	(4,853)	(1.0%)	488,603	493,456	(4,853)	(1.0%)	4,017,434	3,528,831	12.2%
Change in Suspense	(115,145)	-	(115,145)	n/m	(115,145)	-	(115,145)	n/m	-	115,145	n/m
Change in Other Assets	0	0	0	n/m	0	0	0	n/m	(1,082,088)	(1,082,088)	n/m
Change in Other Deferrals	90,019	-	90,019	n/m	90,019	-	90,019	n/m	-	(90,019)	n/m
Increase in LT Debt	14,809,801	18,307,709	(3,497,908)	(19.1%)	14,809,801	18,307,709	(3,497,908)	(19.1%)	12,576,720	(2,233,081)	117.8%
(Decrease) in LT Debt	(33,301,812)	(31,922,877)	(1,378,935)	4.3%	(33,301,812)	(31,922,877)	(1,378,935)	4.3%	(76,232,791)	(42,930,979)	43.7%
Change in Other Liabilities	491,759	766,563	(274,804)	(35.8%)	491,759	766,563	(274,804)	(35.8%)	(280,878)	(772,637)	n/m
Other Non-Working Capital Income/Expense Items	-	-	-	n/m	0	-	0	n/m	-	0	n/m
Non Income/Expense Change in Equity	143,673	(20,735)	164,408	n/m	143,673	(20,735)	164,408	n/m	16,382,353	16,238,680	0.9%
Total Other Sources/(Uses) of Working Capital	(18,569,152)	(20,058,087)	1,488,935	(7.4%)	(18,569,152)	(20,058,087)	1,488,935	(7.4%)	(81,283,276)	(62,714,124)	22.8%
Transfer In from (Out to) Other Funds											
Transfers In from Other Funds	7,125,654	7,659,493	(533,839)	(7.0%)	7,125,654	7,659,493	(533,839)	(7.0%)	31,638,386	24,512,732	22.5%
Transfers Out to Other Funds	(7,125,654)	(7,659,493)	533,839	(7.0%)	(7,125,654)	(7,659,493)	533,839	(7.0%)	(31,638,386)	(24,512,732)	22.5%
Net Transfer In/(Out)	0	0	0	n/m	0	0	0	n/m	0	0	n/m
Net Change in Working Capital	(\$7,467,446)	(\$9,626,491)	\$2,159,045	(22.4%)	(\$7,467,446)	(\$9,626,491)	\$2,159,045	(22.4%)	(\$42,040,721)	(\$34,573,275)	17.8%
Working Capital, Beginning of Period	71,554,005				71,554,007						
Working Capital, 3/31/2017	\$64,086,560				\$64,086,561						

- KCHA has budgeted \$116K of Operating Subsidy for Burien Park, Northwood, Brookside, and Northlake House through March but the funds have yet to be received as KCHA is still in the process of submitting a subsidy request for these sites. Also, cash receipts through March were based on 2016 subsidy filings (using a prorate one percent less than assumed in the budget) which exclude additional amounts requested in 2017 for the EPC. Beginning in April, HUD began using 2017 subsidy requests as the basis of interim subsidy; therefore, funding levels are expected to increase. However, a final prorate won't be issued until later in the year.
- Various categories are under target (Administrative contracts, Training, Professional services) but are expected to increase as the year progresses.
- The budgeted 1st quarter interest on the Spiritwood KeyBank LOC was paid in April and the Energy Performance Contract MTW loan interest is being capitalized as project cost instead of being expensed as budgeted.
- Primarily due to an unbudgeted deposit of \$255K into the Overlake Interest Stabilization account.
- \$2.5M was budgeted to be loaned to the Corinthian tax credit partnership from the general partner fund in order to make a payment on a line-of-credit; however, management has determined this payment is no longer needed.
- The acquisition of capital assets, receivables, and debt related to the exit of the Southwood Square tax credit partnership was budgeted to occur in the 1st quarter but occurred in the 2nd quarter. Also, various capital projects are under target but are expected to catch up as the year progresses.
- A draw from the Greenbridge internal loan was less than anticipated in the budget but draws in subsequent quarters are expected to increase.

Public Housing (KCHA)
Working Capital Budget vs. Actual Report
For the Period Ended 3/31/2017

	Quarter Ended March 31, 2017				Year-to-Date				2017 Annual Budget	Remainder to Receive/ Spend	Percent of Annual Budget
Revenues	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var			
Tenant Revenue	\$ 1,245,858	\$ 1,180,950	\$ 64,908	5.5%	\$ 1,245,858	\$ 1,180,950	\$ 64,908	5.5%	\$ 4,723,773	\$ 3,477,915	26.4%
Operating Fund Subsidy from HUD	821,231	1,052,930	(231,699)	(22.0%)	821,231	1,052,930	(231,699)	(22.0%)	4,211,709	3,390,478	19.5%
Section 8 Subsidy from HUD	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Other Operating Revenue	13,369	-	13,369	n/m	13,369	-	13,369	n/m	10,485	(2,884)	127.5%
Non-operating Revenue	74,545	212,572	(138,027)	(64.9%)	74,545	212,572	(138,027)	(64.9%)	6,314,871	6,240,326	1.2%
Total Revenues	2,155,002	2,446,452	(291,450)	(11.9%)	2,155,002	2,446,452	(291,450)	(11.9%)	15,260,838	13,105,836	14.1%
Expenses											
Salaries & Benefits	505,503	571,286	(65,783)	(11.5%)	505,503	571,286	(65,783)	(11.5%)	2,416,627	1,911,124	20.9%
Routine Maintenance, Utilities, Taxes & Insurance	1,027,999	1,075,992	(47,993)	(4.5%)	1,027,999	1,075,992	(47,993)	(4.5%)	4,944,718	3,916,719	20.8%
Direct Social Service Salaries & Benefits	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Other Social Service Support Expenses & HAP	24,682	21,474	3,208	14.9%	24,682	21,474	3,208	14.9%	85,886	61,204	28.7%
Administrative Support Expenses	492,313	535,632	(43,319)	(8.1%)	492,313	535,632	(43,319)	(8.1%)	2,455,938	1,963,625	20.0%
Non-operating Expenses	(18,642)	1,516	(20,158)	n/m	(18,642)	1,516	(20,158)	n/m	6,056	24,698	n/m
Total Expenses	2,031,854	2,205,900	(174,046)	(7.9%)	2,031,854	2,205,900	(174,046)	(7.9%)	9,909,225	7,877,371	20.5%
Net Income	123,148	240,552	(117,404)	(48.8%)	123,148	240,552	(117,404)	(48.8%)	5,351,613	5,228,465	2.3%
Other Sources/(Uses) of Working Capital											
(Increase) in Restricted/Designated Cash	-	(5,325)	5,325	(100.0%)	-	(5,325)	5,325	(100.0%)	(21,300)	(21,300)	0.0%
Decrease in Restricted/Designated Cash	226	-	226	n/m	226	-	226	n/m	-	(226)	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	(1,064,171)	(1,580,427)	516,256	(32.7%)	(1,064,171)	(1,580,427)	516,256	(32.7%)	(11,191,532)	(10,127,361)	9.5%
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	(3,164)	-	(3,164)	n/m	(3,164)	-	(3,164)	n/m	-	3,164	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	-	(9,255)	9,255	(100.0%)	-	(9,255)	9,255	(100.0%)	(37,011)	(37,011)	0.0%
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	(1,067,109)	(1,595,007)	527,898	(33.1%)	(1,067,109)	(1,595,007)	527,898	(33.1%)	(11,249,843)	(10,182,734)	9.5%
Transfer In from (Out to) Other Funds											
Transfers In from Other Funds	1,079,688	1,382,593	(302,905)	(21.9%)	1,079,688	1,382,593	(302,905)	(21.9%)	5,898,230	4,818,542	18.3%
Transfers Out to Other Funds	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Net Transfer In/(Out)	1,079,688	1,382,593	(302,905)	(21.9%)	1,079,688	1,382,593	(302,905)	(21.9%)	5,898,230	4,818,542	18.3%
Net Change in Working Capital	\$ 135,727	\$ 28,138	\$ 107,589	382.4%	\$ 135,727	\$ 28,138	\$ 107,589	382.4%	\$ -	\$ (135,727)	n/m
Working Capital, Beginning of Period	4,536,179				4,536,179						
Working Capital, 3/31/2017	\$ 4,671,906				\$ 4,671,906						

- The Authority has budgeted \$116K of Operating Subsidy for Burien Park, Northwood, Brookside, and Northlake House through March but the funds have yet to be received as KCHA is still in the process of submitting a subsidy request for these sites. Also, cash receipts through March were based on 2016 subsidy filings (using a prorate one percent less than assumed in the budget) which exclude additional amounts requested in 2017 for the EPC. Beginning in April, HUD began using 2017 subsidy requests as the basis of interim subsidy; therefore, funding levels are expected to increase. However, a final prorate won't be issued until later in the year.
- CFP grant draws for Ballinger Homes water lines and Valli Kee Site improvement (Phase2) projects were budgeted throughout the year but the projects are not expected to start until 2nd quarter.
- Primarily due to unfilled open positions and other positions being filled by temporary employees who don't qualify for benefits at Ballinger, Firwood Circle and College Place.
- The Ballinger sewer line project is due to go out to bid in the 3rd quarter.
- Transfers of MTW funds for unit upgrades and other capital projects was less than anticipated in the budget, but is expected to increase as the year progresses.

Public Housing (Other)
Working Capital Budget vs. Actual Report
For the Period Ended 3/31/2017

	Quarter Ended March 31, 2017				Year-to-Date				2017 Annual Budget	Remainder to Receive/ Spend	Percent of Annual Budget
Revenues	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var			
Tenant Revenue	\$ 528,657	\$ 499,461	\$ 29,196	5.8%	\$ 528,657	\$ 499,461	\$ 29,196	5.8%	1,997,817	1,469,160	26.5%
Operating Fund Subsidy from HUD	455,880	561,720	(105,840)	(18.8%)	455,880	561,720	(105,840)	(18.8%)	2,246,869	1,790,989	20.3%
Section 8 Subsidy from HUD	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Other Operating Revenue	1,171,125	1,169,375	1,750	0.1%	1,171,125	1,169,375	1,750	0.1%	3,488,301	2,317,176	33.6%
Non-operating Revenue	1,037,437	1,037,397	40	0.0%	1,037,437	1,037,397	40	0.0%	4,144,700	3,107,263	25.0%
Total Revenues	3,193,099	3,267,953	(74,854)	(2.3%)	3,193,099	3,267,953	(74,854)	(2.3%)	11,877,687	8,684,588	26.9%
Expenses											
Salaries & Benefits	248,007	263,717	(15,710)	(6.0%)	248,007	263,717	(15,710)	(6.0%)	1,119,479	871,472	22.2%
Routine Maintenance, Utilities, Taxes & Insurance	652,589	600,760	51,829	8.6%	652,589	600,760	51,829	8.6%	2,692,413	2,039,824	24.2%
Direct Social Service Salaries & Benefits	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Other Social Service Support Expenses & HAP	1,377,595	1,365,922	11,673	0.9%	1,377,595	1,365,922	11,673	0.9%	5,485,432	4,107,837	25.1%
Administrative Support Expenses	267,464	248,950	18,514	7.4%	267,464	248,950	18,514	7.4%	937,248	669,784	28.5%
Non-operating Expenses	684,676	666,669	18,007	2.7%	684,676	666,669	18,007	2.7%	2,666,656	1,981,980	25.7%
Total Expenses	3,230,330	3,146,018	84,312	2.7%	3,230,330	3,146,018	84,312	2.7%	12,901,228	9,670,898	25.0%
Net Income	(37,231)	121,935	(159,166)	n/m	(37,231)	121,935	(159,166)	n/m	(1,023,541)	(986,310)	3.6%
Other Sources/(Uses) of Working Capital											
(Increase) in Restricted/Designated Cash	(52,418)	(52,416)	(2)	0.0%	(52,418)	(52,416)	(2)	0.0%	(209,664)	(157,246)	25.0%
Decrease in Restricted/Designated Cash	149	249,999	(249,850)	(99.9%)	149	249,999	(249,850)	(99.9%)	1,000,000	999,851	0.0%
(Increase) in LT Receivables	(743,816)	(743,814)	(2)	0.0%	(743,816)	(743,814)	(2)	0.0%	(2,975,237)	(2,231,421)	25.0%
Decrease in LT Receivables	967,020	735,947	231,073	31.4%	967,020	735,947	231,073	31.4%	850,947	(116,073)	113.6%
Acquisition of Capital Assets	(244,505)	(568,951)	324,446	(57.0%)	(244,505)	(568,951)	324,446	(57.0%)	(2,944,839)	(2,700,334)	8.3%
Disposition of Capital Assets	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Change in Suspense	(66)	-	(66)	n/m	(66)	-	(66)	n/m	-	66	n/m
Change in Other Assets	0	-	0	n/m	0	-	0	n/m	-	(0)	n/m
Change in Deferrals	33	-	33	n/m	33	-	33	n/m	-	(33)	n/m
Increase in LT Debt	-	1,500,000	(1,500,000)	(100.0%)	-	1,500,000	(1,500,000)	(100.0%)	1,500,000	1,500,000	0.0%
(Decrease) in LT Debt	(185,938)	(105,274)	(80,664)	76.6%	(185,938)	(105,274)	(80,664)	76.6%	(221,098)	(35,160)	84.1%
Change in Other Liabilities	399,146	396,633	2,513	0.6%	399,146	396,633	2,513	0.6%	1,586,532	1,187,386	25.2%
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	139,605	1,412,124	(1,272,519)	(90.1%)	139,605	1,412,124	(1,272,519)	(90.1%)	(1,413,359)	(1,552,964)	n/m
Transfer In from (Out to) Other Funds											
Transfers In from Other Funds	1,827,648	1,849,677	(22,029)	(1.2%)	1,827,648	1,849,677	(22,029)	(1.2%)	4,702,237	2,874,589	38.9%
Transfers Out to Other Funds	(513,740)	-	(513,740)	n/m	(513,740)	-	(513,740)	n/m	(325,000)	188,740	158.1%
Net Transfer In/(Out)	1,313,908	1,849,677	(535,769)	(29.0%)	1,313,908	1,849,677	(535,769)	(29.0%)	4,377,237	3,063,329	30.0%
Net Change in Working Capital	\$ 1,416,283	\$ 3,383,736	\$ (1,967,453)	(58.1%)	\$ 1,416,283	\$ 3,383,736	\$ (1,967,453)	(58.1%)	1,940,337	524,054	73.0%
Working Capital, Beginning of Period	(2,073,200)				(2,073,200)						
Working Capital, 3/31/2017	\$ (656,917)				\$ (656,917)						

- 1) Subsidy cash receipts through March were based on 2016 subsidy filings (using a prorate one percent less than assumed in the budget) which exclude additional amounts requested in 2017 for the EPC. Beginning in April, HUD began using 2017 subsidy requests as the basis of interim subsidy; therefore, funding levels are expected to increase. However, a final prorate won't be issued until later in the year.
- 2) A \$1 million draw from Egis exit tax reserve was inadvertently budgeted as the funding source for the Egis elevator projections. These projects will actually be funded as part of the EPC project.
- 3) KCHA notes paid from tax credit partnerships' net cash flow distribution was higher than anticipated in the budget.
- 4) The elevator projects at Munro Manor and Plaza Seventeen were budgeted evenly throughout the year but the projects are not expected to occur until 3rd and 4th quarters. Munro Manor is design only in 2017 and Plaza Seventeen is a full replacement.
- 5) The budgeted Vantage Point King County HFP Loan of \$1.5M is now expected to occur in the 2nd quarter.
- 6) The Zephyr KCHA loan was partially paid using the development surplus cash. Unbudgeted.
- 7) HOPE VI loan interest payment from net cash flow distribution was budgeted in the 2nd quarter but occurred in the 1st quarter.

Other Federally-supported (KCHA)
Working Capital Budget vs. Actual Report
For the Period Ended 3/31/2017

	Quarter Ended March 31, 2017				Year-to-Date				2017 Annual Budget	Remainder to Receive/ Spend	Percent of Annual Budget
Revenues	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var			
Tenant Revenue	\$ 1,094,687	\$ 1,136,753	\$ (42,066)	(3.7%)	\$ 1,094,687	\$ 1,136,753	\$ (42,066)	(3.7%)	\$ 4,546,992	\$ 3,452,305	24.1%
Operating Fund Subsidy from HUD	81,708	104,760	(23,052)	(22.0%)	81,708	104,760	(23,052)	(22.0%)	419,038	337,330	19.5%
Section 8 Subsidy from HUD	87,824	103,444	(15,620)	(15.1%)	87,824	103,444	(15,620)	(15.1%)	413,775	325,951	21.2%
Other Operating Revenue	107,489	102,091	5,398	5.3%	107,489	102,091	5,398	5.3%	359,818	252,329	29.9%
Non-operating Revenue	14,525	6,626	7,899	119.2%	14,525	6,626	7,899	119.2%	69,267	54,742	21.0%
Total Revenues	1,386,234	1,453,674	(67,440)	(4.6%)	1,386,234	1,453,674	(67,440)	(4.6%)	5,808,890	4,422,656	23.9%
Expenses											
Salaries & Benefits	184,233	197,787	(13,554)	(6.9%)	184,233	197,787	(13,554)	(6.9%)	839,343	655,110	21.9%
Routine Maintenance, Utilities, Taxes & Insurance	392,439	422,774	(30,335)	(7.2%)	392,439	422,774	(30,335)	(7.2%)	1,789,991	1,397,552	21.9%
Direct Social Service Salaries & Benefits	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Other Social Service Support Expenses & HAP	12,247	4,356	7,891	181.1%	12,247	4,356	7,891	181.1%	34,425	22,178	35.6%
Administrative Support Expenses	142,013	136,453	5,560	4.1%	142,013	136,453	5,560	4.1%	589,837	447,824	24.1%
Non-operating Expenses	117,392	85,938	31,454	36.6%	117,392	85,938	31,454	36.6%	343,749	226,357	34.2%
Total Expenses	848,323	847,308	1,015	0.1%	848,323	847,308	1,015	0.1%	3,597,345	2,749,022	23.6%
Net Income	537,910	606,366	(68,456)	(11.3%)	537,910	606,366	(68,456)	(11.3%)	2,211,545	1,673,635	24.3%
Other Sources/(Uses) of Working Capital											
(Increase) in Restricted/Designated Cash	(22,188)	(22,077)	(111)	0.5%	(22,188)	(22,077)	(111)	0.5%	(88,308)	(66,120)	25.1%
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	(956,153)	(1,499,652)	543,499	(36.2%)	(956,153)	(1,499,652)	543,499	(36.2%)	(2,916,946)	(1,960,793)	32.8%
Disposition of Capital Assets	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Change in Suspende	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Change in Other Assets	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Change in Deferrals	(2,189)	-	(2,189)	n/m	(2,189)	-	(2,189)	n/m	-	2,189	n/m
Increase in LT Debt	-	-	-	n/m	-	-	-	n/m	-	-	n/m
(Decrease) in LT Debt	(71,210)	(70,694)	(516)	0.7%	(71,210)	(70,694)	(516)	0.7%	(282,776)	(211,566)	25.2%
Change in Other Liabilities	(21,750)	(21,750)	-	0.0%	(21,750)	(21,750)	-	0.0%	(87,000)	(65,250)	25.0%
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	(1,073,490)	(1,614,173)	540,683	(33.5%)	(1,073,490)	(1,614,173)	540,683	(33.5%)	(3,375,030)	(2,301,540)	31.8%
Transfer In from (Out to) Other Funds											
Transfers In from Other Funds	666,900	1,378,247	(711,347)	(51.6%)	666,900	1,378,247	(711,347)	(51.6%)	2,384,965	1,718,065	28.0%
Transfers Out to Other Funds	(7,663)	-	(7,663)	n/m	(7,663)	-	(7,663)	n/m	-	7,663	n/m
Net Transfer In/(Out)	659,237	1,378,247	(719,010)	(52.2%)	659,237	1,378,247	(719,010)	(52.2%)	2,384,965	1,725,728	27.6%
Net Change in Working Capital	\$ 123,658	\$ 370,440	\$ (246,782)	(66.6%)	\$ 123,658	\$ 370,440	\$ (246,782)	(66.6%)	\$ 1,221,480	\$ 1,097,822	10.1%
Working Capital, Beginning of Period	3,904,723				3,904,723						
Working Capital, 3/31/2017	\$ 4,028,381				\$ 4,028,381						

1) As the cost to repair the Lahehouse fire loss was below Authority's deductible amount of \$25K, insurance reimbursement was not requested.

2) The Hidden Village envelope upgrade project should be on target by the end of the second quarter.

3) Transfers from the COCC to fund the Hidden Village envelope upgrade project are below target. See note 2.

Other Federally-supported (Other)
Working Capital Budget vs. Actual Report
For the Period Ended 3/31/2017

	Quarter Ended March 31, 2017				Year-to-Date				2017 Annual Budget	Remainder to Receive/ Spend	Percent of Annual Budget
Revenues	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var			
Tenant Revenue	\$ 3,649,757	\$ 3,735,760	\$ (86,003)	(2.3%)	\$ 3,649,757	\$ 3,735,760	\$ (86,003)	(2.3%)	\$ 14,941,626	\$ 11,291,869	24.4%
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	388,959	386,873	2,086	0.5%	388,959	386,873	2,086	0.5%	2,978,237	2,589,278	13.1%
Non-operating Revenue	526,911	547,229	(20,318)	(3.7%)	526,911	547,229	(20,318)	(3.7%)	1,239,031	712,120	42.5%
Total Revenues	4,565,627	4,669,862	(104,235)	(2.2%)	4,565,627	4,669,862	(104,235)	(2.2%)	19,158,894	14,593,267	23.8%
Expenses											
Salaries & Benefits	396,444	399,126	(2,682)	(0.7%)	396,444	399,126	(2,682)	(0.7%)	1,688,273	1,291,829	23.5%
Routine Maintenance, Utilities, Taxes & Insurance	779,914	814,103	(34,189)	(4.2%)	779,914	814,103	(34,189)	(4.2%)	3,775,777	2,995,863	20.7%
Direct Social Service Salaries & Benefits	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Other Social Service Support Expenses & HAP	383	6,330	(5,947)	(94.0%)	383	6,330	(5,947)	(94.0%)	25,280	24,897	1.5%
Administrative Support Expenses	336,056	338,492	(2,436)	(0.7%)	336,056	338,492	(2,436)	(0.7%)	1,335,730	999,674	25.2%
Non-operating Expenses	1,532,138	1,795,415	(263,277)	(14.7%)	1,532,138	1,795,415	(263,277)	(14.7%)	7,754,452	6,222,314	19.8%
Total Expenses	3,044,935	3,353,466	(308,531)	(9.2%)	3,044,935	3,353,466	(308,531)	(9.2%)	14,579,512	11,534,577	20.9%
Net Income	1,520,692	1,316,396	204,296	15.5%	1,520,692	1,316,396	204,296	15.5%	4,579,382	3,058,690	33.2%
Other Sources/(Uses) of Working Capital											
(Increase) in Restricted/Designated Cash	(73,594)	(72,786)	(808)	1.1%	(73,594)	(72,786)	(808)	1.1%	(291,144)	(217,550)	25.3%
Decrease in Restricted/Designated Cash	23,021	487,996	(464,975)	(95.3%)	23,021	487,996	(464,975)	(95.3%)	2,987,996	2,964,975	0.8%
(Increase) in LT Receivables	(66,442)	(66,442)	-	0.0%	(66,442)	(66,442)	0	(0.0%)	(265,766)	(199,324)	25.0%
Decrease in LT Receivables	1,751,337	1,751,337	-	0.0%	1,751,337	1,751,337	-	0.0%	1,751,337	-	100.0%
Acquisition of Capital Assets	(517,213)	(1,686,197)	1,168,984	(69.3%)	(517,213)	(1,686,197)	1,168,984	(69.3%)	(3,695,822)	(3,178,609)	14.0%
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	35,873	-	35,873	n/m	35,873	-	35,873	n/m	-	(35,873)	n/m
Increase in LT Debt	11,790,181	12,334,474	(544,293)	(4.4%)	11,790,181	12,334,474	(544,293)	(4.4%)	11,461,846	(328,335)	102.9%
(Decrease) in LT Debt	(13,534,061)	(12,806,325)	(727,736)	5.7%	(13,534,061)	(12,806,325)	(727,736)	5.7%	(28,324,925)	(14,790,864)	47.8%
Change in Other Liabilities	79,102	66,442	12,660	19.1%	79,102	66,442	12,660	19.1%	265,766	186,664	29.8%
Other Non-Working Capital Income/Expense Items	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Non Income/Expense Change in Equity	-	-	-	n/m	-	-	-	n/m	16,403,088	16,403,088	0.0%
Total Other Sources/(Uses) of Working Capital	(511,795)	8,499	(520,294)	n/m	(511,795)	8,499	(520,294)	n/m	292,376	804,171	n/m
Transfer In from (Out to) Other Funds											
Transfers In from Other Funds	299,818	308,734	(8,916)	(2.9%)	299,818	308,734	(8,916)	(2.9%)	1,716,164	1,416,346	17.5%
Transfers Out to Other Funds	(299,818)	(308,734)	8,916	(2.9%)	(299,818)	(308,734)	8,916	(2.9%)	(1,716,164)	(1,416,346)	17.5%
Net Transfer In/(Out)	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Net Change in Working Capital	\$ 1,008,897	\$ 1,324,895	\$ (315,998)	(23.9%)	\$ 1,008,897	\$ 1,324,895	\$ (315,998)	(23.9%)	\$ 4,871,758	\$ 3,862,861	20.7%
Working Capital, Beginning of Period	(2,920,926)				(2,920,926)						
Working Capital, 3/31/2017	<u>\$ (1,912,029)</u>				<u>\$ (1,912,029)</u>						

- 1) Timing; the budgeted 1st quarter interest on the Spiritwood KeyBank LOC was paid in April.
- 2) The budgeted draw from Spiritwood reserves to pay contract retention is expected to occur in the 2nd quarter.
- 3) The Spiritwood asphalt project had been delayed due to weather conditions. The project is expected to catch up in the 2nd quarter.

Section 8
Working Capital Budget vs. Actual Report
For the Period Ended 3/31/2017

	Quarter Ended March 31, 2017				Year-to-Date				2017 Annual Budget	Remainder to Receive/ Spend	Percent of Annual Budget
Revenues	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var			
Tenant Revenue	\$ 21,330	\$ 22,500	\$ (1,170)	(5.2%)	\$ 21,330	\$ 22,500	\$ (1,170)	(5.2%)	\$ 90,000	\$ 68,670	23.7%
Operating Fund Subsidy from HUD	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Section 8 Subsidy from HUD	27,929,855	27,679,445	250,410	0.9%	27,929,855	27,679,445	250,410	0.9%	114,001,921	86,072,066	24.5%
Other Operating Revenue	8,536,436	8,332,647	203,789	2.4%	8,536,436	8,332,647	203,789	2.4%	33,359,147	24,822,711	25.6%
Non-operating Revenue	-	3,251	(3,251)	(100.0%)	-	3,251	(3,251)	(100.0%)	13,016	13,016	0.0%
Total Revenues	36,487,621	36,037,843	449,778	1.2%	36,487,621	36,037,843	449,778	1.2%	147,464,084	110,976,463	24.7%
Expenses											
Salaries & Benefits	1,534,854	1,658,040	(123,186)	(7.4%)	1,534,854	1,658,040	(123,186)	(7.4%)	7,073,868	5,539,014	21.7%
Routine Maintenance, Utilities, Taxes & Insurance	67,618	64,708	2,910	4.5%	67,618	64,708	2,910	4.5%	256,265	188,647	26.4%
Direct Social Service Salaries & Benefits	29,223	29,484	(261)	(0.9%)	29,223	29,484	(261)	(0.9%)	127,764	98,541	22.9%
Other Social Service Support Expenses & HAP	33,807,729	33,115,732	691,997	2.1%	33,807,729	33,115,732	691,997	2.1%	135,905,882	102,098,153	24.9%
Administrative Support Expenses	922,818	982,119	(59,301)	(6.0%)	922,818	982,119	(59,301)	(6.0%)	3,842,365	2,919,547	24.0%
Non-operating Expenses	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Total Expenses	36,362,243	35,850,083	512,160	1.4%	36,362,243	35,850,083	512,160	1.4%	147,206,144	110,843,901	24.7%
Net Income	125,378	187,760	(62,382)	(33.2%)	125,378	187,760	(62,382)	(33.2%)	257,940	132,562	48.6%
Other Sources/(Uses) of Working Capital											
(Increase) in Restricted/Designated Cash	(53,734)	-	(53,734)	n/m	(53,734)	-	(53,734)	n/m	-	53,734	n/m
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	-	(15,317)	15,317	(100.0%)	-	(15,317)	15,317	(100.0%)	(16,270)	(16,270)	0.0%
Disposition of Capital Assets	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Change in Suspense	(5,610)	-	(5,610)	n/m	(5,610)	-	(5,610)	n/m	-	5,610	n/m
Change in Other Assets	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Change in Deferrals	53,734	-	53,734	n/m	53,734	-	53,734	n/m	-	(53,734)	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	(5,610)	(15,317)	9,707	(63.4%)	(5,610)	(15,317)	9,707	(63.4%)	(16,270)	(10,660)	34.5%
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	\$ 119,768	\$ 172,443	\$ (52,675)	(30.5%)	\$ 119,768	\$ 172,443	\$ (52,675)	(30.5%)	\$ 241,670	\$ 121,902	49.6%
Working Capital, Beginning of Period	(642,135)				(642,135)						
Working Capital, 3/31/2017	\$ (522,367)				\$ (522,367)						

- 1) Long-term Management Analyst and Housing Specialist positions have yet to be filled. Also, some positions are being filled by temporary staff as some staff are out on FMLA .
2) Change in FSS reserve account. Unbudgeted.

MTW

Working Capital Budget vs. Actual Report
For the Period Ended 3/31/2017

	Quarter Ended March 31, 2017				Year-to-Date				2017 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	78,585	100,761	(22,176)	(22.0%)	78,585	100,761	(22,176)	(22.0%)	403,043	324,458	19.5%
Section 8 Subsidy from HUD	2,058,540	4,102,818	(2,044,278)	(49.8%)	2,058,540	4,102,818	(2,044,278)	(49.8%)	13,712,685	11,654,145	15.0%
Other Operating Revenue	2,723	6,973	(4,251)	(61.0%)	2,723	6,973	(4,251)	(61.0%)	27,890	25,168	9.8%
Non-operating Revenue	212,030	211,801	229	0.1%	212,030	211,801	229	0.1%	811,012	598,983	26.1%
Total Revenues	2,351,877	4,422,353	(2,070,476)	(46.8%)	2,351,877	4,422,353	(2,070,476)	(46.8%)	14,954,630	12,602,753	15.7%
Expenses											
Salaries & Benefits	451,835	485,595	(33,760)	(7.0%)	451,835	485,595	(33,760)	(7.0%)	2,053,186	1,601,351	22.0%
Routine Maintenance, Utilities, Taxes & Insurance	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Direct Social Service Salaries & Benefits	520,800	526,489	(5,689)	(1.1%)	520,800	526,489	(5,689)	(1.1%)	2,281,454	1,760,654	22.8%
Other Social Service Support Expenses & HAP	610,800	874,570	(263,770)	(30.2%)	610,800	874,570	(263,770)	(30.2%)	4,549,591	3,938,791	13.4%
Administrative Support Expenses	91,157	157,296	(66,139)	(42.0%)	91,157	157,296	(66,139)	(42.0%)	701,705	610,548	13.0%
Non-operating Expenses	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Total Expenses	1,674,592	2,043,950	(369,358)	(18.1%)	1,674,592	2,043,950	(369,358)	(18.1%)	9,585,936	7,911,344	17.5%
Net Income	677,285	2,378,403	(1,701,118)	(71.5%)	677,285	2,378,403	(1,701,118)	(71.5%)	5,368,694	4,691,409	12.6%
Other Sources/(Uses) of Working Capital											
(Increase) in Restricted/Designated Cash	(8,075)	-	(8,075)	n/m	(8,075)	-	(8,075)	n/m	-	8,075	n/m
Decrease in Restricted/Designated Cash	269,825	452,226	(182,401)	(40.3%)	269,825	452,226	(182,401)	(40.3%)	2,672,540	2,402,715	10.1%
(Increase) in LT Receivables	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Decrease in LT Receivables	207,208	126,922	80,286	63.3%	207,208	126,922	80,286	63.3%	1,725,871	1,518,663	12.0%
Acquisition of Capital Assets	(30)	(11,362)	11,332	(99.7%)	(30)	(11,362)	11,332	(99.7%)	(252,095)	(252,065)	0.0%
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	8,075	-	8,075	n/m	8,075	-	8,075	n/m	-	(8,075)	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	477,003	567,786	(90,783)	(16.0%)	477,003	567,786	(90,783)	(16.0%)	4,146,316	3,669,313	11.5%
Transfer In from (Out to) Other Funds											
Transfers In from Other Funds	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Transfers Out to Other Funds	(2,956,480)	(3,310,834)	354,354	(10.7%)	(2,956,480)	(3,310,834)	354,354	(10.7%)	(10,688,025)	(7,731,545)	27.7%
Net Transfer In/(Out)	(2,956,480)	(3,310,834)	354,354	(10.7%)	(2,956,480)	(3,310,834)	354,354	(10.7%)	(10,688,025)	(7,731,545)	27.7%
Net Change in Working Capital	\$ (1,802,192)	\$ (364,645)	\$ (1,437,547)	394.2%	\$ (1,802,192)	\$ (364,645)	\$ (1,437,547)	394.2%	\$ (1,173,015)	\$ 629,177	153.6%
Working Capital, Beginning of Period	1,114,803				1,114,803						
Working Capital, 3/31/2017	\$ (687,389)				\$ (687,389)						

- 1) Receiving block grant payments from HUD is a three stage process. First, HUD must issue budget authority to housing authorities, which it does on a periodic basis. Second, cash is advanced to each PHA based on prior year expense levels. Finally, additional cash is requested from HUD when sufficient budget authority exists and KCHA has a need for additional cash. Accordingly, quarterly cash receipts vary.
- 2) Service providers have been slow in billing the Authority. Also, the Highline School District Rapid Rehousing Program was budgeted to incur \$165K of expenses but the Authority has yet to be billed. Billing has increased during the 2nd quarter.
- 3) Various categories are under target (Administrative contracts, Professional Services, Software maintenance) but expected to increase as the year progresses.
- 4) Releases from HAP collateral reserves were budgeted monthly but actual releases will be booked later in the year.
- 5) More principal was repaid on the MTW internal loan to EPC than was originally anticipated in the budget.
- 6) Transfers from MTW for Capital Construction and Unit Upgrades are below target but expected to increase as the year progresses.

Local Properties (KCHA)
Working Capital Budget vs. Actual Report
For the Period Ended 3/31/2017

	Quarter Ended March 31, 2017				Year-to-Date				2017	Remainder	Percent of
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var	Annual Budget	to Receive/ Spend	Annual Budget
Revenues											
Tenant Revenue	\$ 14,112,687	\$ 13,364,235	\$ 748,452	5.6%	\$ 14,112,687	\$ 13,364,235	\$ 748,452	5.6%	\$ 54,408,530	\$ 40,295,843	25.9%
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	126,910	172,443	(45,533)	(26.4%)	126,910	172,443	(45,533)	(26.4%)	282,450	155,540	44.9%
Non-operating Revenue	29,848	106,884	(77,036)	(72.1%)	29,848	106,884	(77,036)	(72.1%)	452,447	422,599	6.6%
Total Revenues	14,269,445	13,643,562	625,883	4.6%	14,269,445	13,643,562	625,883	4.6%	55,143,427	40,873,982	25.9%
Expenses											
Salaries & Benefits	1,051,146	1,143,194	(92,048)	(8.1%)	1,051,146	1,143,194	(92,048)	(8.1%)	4,847,019	3,795,873	21.7%
Routine Maintenance, Utilities, Taxes & Insurance	3,159,752	3,352,690	(192,938)	(5.8%)	3,159,752	3,352,690	(192,938)	(5.8%)	13,625,863	10,466,111	23.2%
Direct Social Service Salaries & Benefits	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Other Social Service Support Expenses & HAP	60,488	81,465	(20,977)	(25.7%)	60,488	81,465	(20,977)	(25.7%)	335,352	274,864	18.0%
Administrative Support Expenses	1,231,800	1,363,813	(132,013)	(9.7%)	1,231,800	1,363,813	(132,013)	(9.7%)	4,937,533	3,705,733	24.9%
Non-operating Expenses	1,416,245	1,478,151	(61,906)	(4.2%)	1,416,245	1,478,151	(61,906)	(4.2%)	6,300,084	4,883,839	22.5%
Total Expenses	6,919,431	7,419,313	(499,882)	(6.7%)	6,919,431	7,419,313	(499,882)	(6.7%)	30,045,851	23,126,420	23.0%
Net Income	7,350,014	6,224,249	1,125,765	18.1%	7,350,014	6,224,249	1,125,765	18.1%	25,097,576	17,747,562	29.3%
Other Sources/(Uses) of Working Capital											
(Increase) in Restricted/Designated Cash	(391,417)	(912,216)	520,799	(57.1%)	(391,417)	(912,216)	520,799	(57.1%)	(2,047,282)	(1,655,865)	19.1%
Decrease in Restricted/Designated Cash	2,371	-	2,371	n/m	2,371	-	2,371	n/m	1,565,000	1,562,629	0.2%
(Increase) in LT Receivables	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Decrease in LT Receivables	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Acquisition of Capital Assets	(1,619,648)	(6,522,583)	4,902,935	(75.2%)	(1,619,648)	(6,522,583)	4,902,935	(75.2%)	(38,957,034)	(37,337,386)	4.2%
Disposition of Capital Assets	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Change in Suspense	(518)	-	(518)	n/m	(518)	-	(518)	n/m	-	518	n/m
Change in Other Assets	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Change in Deferrals	(2,094)	-	(2,094)	n/m	(2,094)	-	(2,094)	n/m	-	2,094	n/m
Increase in LT Debt	-	4,473,235	(4,473,235)	(100.0%)	-	4,473,235	(4,473,235)	(100.0%)	-	-	n/m
(Decrease) in LT Debt	(3,774,603)	(1,538,686)	(2,235,917)	145.3%	(3,774,603)	(1,538,686)	(2,235,917)	145.3%	(12,280,717)	(8,506,114)	30.7%
Change in Other Liabilities	41,081	2,100	38,981	1856.2%	41,081	2,100	38,981	1856.2%	8,399	(32,682)	489.1%
Other Non-Working Capital Income/Expense Items	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Non Income/Expense Change in Equity	(1,667)	-	(1,667)	n/m	(1,667)	-	(1,667)	n/m	-	1,667	n/m
Total Other Sources/(Uses) of Working Capital	(5,746,494)	(4,498,150)	(1,248,344)	27.8%	(5,746,494)	(4,498,150)	(1,248,344)	27.8%	(51,711,634)	(45,965,140)	11.1%
Transfer In from (Out to) Other Funds											
Transfers In from Other Funds	1,749,487	49,485	1,700,002	3435.4%	1,749,487	49,485	1,700,002	3435.4%	197,928	(1,551,559)	883.9%
Transfers Out to Other Funds	(757,917)	(757,922)	5	(0.0%)	(757,917)	(757,922)	5	(0.0%)	(3,031,678)	(2,273,761)	25.0%
Net Transfer In/(Out)	991,570	(708,437)	1,700,007	n/m	991,570	(708,437)	1,700,007	n/m	(2,833,750)	(3,825,320)	n/m
Net Change in Working Capital	\$ 2,595,089	\$ 1,017,662	\$ 1,577,427	155.0%	\$ 2,595,089	\$ 1,017,662	\$ 1,577,427	155.0%	\$ (29,447,808)	\$ (32,042,897)	n/m
Working Capital, Beginning of Period	3,895,635				3,895,635						
Working Capital, 3/31/2017	\$ 6,490,724				\$ 6,490,724						

- 1) Southwood Square's general partner management fee paid from net cash flow was budgeted in this fund group but the actual cash receipt was booked in a different fund group as the limited partner's interest had not yet been acquired by the end of the first quarter.
- 2) Home sales, primarily at Vantage Glen, were lower than anticipated in the budget. Activity has increased in the second quarter.
- 3) The budgeted acquisition of the Southwood Square restricted cash actually occurred in April.
- 4) The budgeted transfer of the Southwood Square long term debts totaling \$4.4 Million actually occurred in April.
- 5) Village at South Station (\$650K) and Abbey Ridge (\$1.7 Million) LOC payment. Unbudgeted.
- 6) Funds originally budgeted to be transferred from the Overlake General Partner fund to the COCC were instead transferred to this fund group in order to pay down the Abbey Ridge line-of-credit (\$1.7 Million).

Local Properties (Other)
Working Capital Budget vs. Actual Report
For the Period Ended 3/31/2017

	Quarter Ended March 31, 2017				Year-to-Date				2017 Annual Budget	Remainder to Receive/ Spend	Percent of Annual Budget
Revenues	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var			
Tenant Revenue	\$ 167,202	\$ 170,500	\$ (3,298)	(1.9%)	\$ 167,202	\$ 170,500	\$ (3,298)	(1.9%)	\$ 682,000	\$ 514,798	24.5%
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	29,108	47,444	(18,336)	(38.6%)	29,108	47,444	(18,336)	(38.6%)	149,753	120,645	19.4%
Non-operating Revenue	137,543	137,400	143	0.1%	137,543	137,400	143	0.1%	549,596	412,053	25.0%
Total Revenues	333,854	355,344	(21,490)	(6.0%)	333,854	355,344	(21,490)	(6.0%)	1,381,349	1,047,495	24.2%
Expenses											
Salaries & Benefits	41,843	38,185	3,658	9.6%	41,843	38,185	3,658	9.6%	162,763	120,920	25.7%
Routine Maintenance, Utilities, Taxes & Insurance	70,732	62,688	8,044	12.8%	70,732	62,688	8,044	12.8%	293,490	222,758	24.1%
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	29,654	26,586	3,068	11.5%	29,654	26,586	3,068	11.5%	109,829	80,175	27.0%
Non-operating Expenses	90,018	90,411	(393)	(0.4%)	90,018	90,411	(393)	(0.4%)	361,637	271,619	24.9%
Total Expenses	232,247	217,870	14,377	6.6%	232,247	217,870	14,377	6.6%	927,719	695,472	25.0%
Net Income	101,607	137,474	(35,867)	(26.1%)	101,607	137,474	(35,867)	(26.1%)	453,630	352,023	22.4%
Other Sources/(Uses) of Working Capital											
(Increase) in Restricted/Designated Cash	(6,958)	(6,951)	(7)	0.1%	(6,958)	(6,951)	(7)	0.1%	(27,804)	(20,846)	25.0%
Decrease in Restricted/Designated Cash	-	-	-	n/m	-	-	-	n/m	50,000	50,000	0.0%
(Increase) in LT Receivables	(48,060)	(44,860)	(3,200)	7.1%	(48,060)	(44,860)	(3,200)	7.1%	(179,438)	(131,378)	26.8%
Decrease in LT Receivables	115,404	115,404	-	0.0%	115,404	115,404	-	0.0%	115,404	-	100.0%
Acquisition of Capital Assets	(20,213)	(14,800)	(5,413)	36.6%	(20,213)	(14,800)	(5,413)	36.6%	(124,000)	(103,787)	16.3%
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
Change in Deferrals	(250)	-	(250)	n/m	(250)	-	(250)	n/m	-	250	n/m
Increase in LT Debt	-	-	-	n/m	-	-	-	n/m	-	-	n/m
(Decrease) in LT Debt	(386,000)	-	(386,000)	n/m	(386,000)	-	(386,000)	n/m	(200,000)	186,000	193.0%
Change in Other Liabilities	(65,247)	(65,243)	(4)	0.0%	(65,247)	(65,243)	(4)	0.0%	85,233	150,480	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	(411,324)	(16,450)	(394,874)	2400.5%	(411,325)	(16,450)	(394,875)	2400.5%	(280,605)	130,720	146.6%
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	(91,281)	(91,281)	0.0%
Net Transfer In/(Out)	-	-	-	n/m	-	-	-	n/m	(91,281)	(91,281)	0.0%
Net Change in Working Capital	\$ (309,718)	\$ 121,024	\$ (430,742)	n/m	\$ (309,718)	\$ 121,024	\$ (430,742)	n/m	\$ 81,744	\$ 391,462	n/m
Working Capital, Beginning of Period	853,959				853,959						
Working Capital, 3/31/2017	\$ 544,242				\$ 544,241						

1) Wonderland Estates pay down of the KeyBank LOC. Unbudgeted.

**Working Capital Budget vs. Actual Report
For the Period Ended 3/31/2017**

	Quarter Ended March 31, 2017				Year-to-Date				2017	Remainder	Percent of
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var	Annual Budget	to Receive/ Spend	Annual Budget
Revenues											
Tenant Revenue	\$ 1,230	\$ -	\$ 1,230	n/m	\$ 1,230	\$ -	\$ 1,230	n/m	\$ -	\$ (1,230)	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	264,101	35,822	228,279	637.3%	264,101	35,822	228,279	637.3%	35,822	(228,279)	737.3%
Non-operating Revenue	810,109	548,926	261,183	47.6%	810,109	548,926	261,183	47.6%	2,268,343	1,458,234	35.7%
Total Revenues	1,075,441	584,748	490,693	83.9%	1,075,441	584,748	490,693	83.9%	2,304,165	1,228,724	46.7%
Expenses											
Salaries & Benefits	56,739	34,155	22,584	66.1%	56,739	34,155	22,584	66.1%	146,628	89,889	38.7%
Routine Maintenance, Utilities, Taxes & Insurance	971	2,117	(1,146)	(54.1%)	971	2,117	(1,146)	(54.1%)	8,500	7,529	11.4%
Direct Social Service Salaries & Benefits	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Other Social Service Support Expenses & HAP	14	-	14	n/m	14	-	14	n/m	-	(14)	n/m
Administrative Support Expenses	111,235	90,164	21,071	23.4%	111,235	90,164	21,071	23.4%	366,986	255,751	30.3%
Non-operating Expenses	269,054	212,157	56,897	26.8%	269,054	212,157	56,897	26.8%	718,033	448,979	37.5%
Total Expenses	438,013	338,593	99,420	29.4%	438,013	338,593	99,420	29.4%	1,240,147	802,134	35.3%
Net Income	637,428	246,155	391,273	159.0%	637,428	246,155	391,273	159.0%	1,064,018	426,590	59.9%
Other Sources/(Uses) of Working Capital											
(Increase) in Restricted/Designated Cash	(255,325)	-	(255,325)	n/m	(255,325)	-	(255,325)	n/m	(200,000)	55,325	127.7%
Decrease in Restricted/Designated Cash	1,700,000	500,000	1,200,000	240.0%	1,700,000	500,000	1,200,000	240.0%	500,000	(1,200,000)	340.0%
(Increase) in LT Receivables	(12,474,581)	(15,211,057)	2,736,476	(18.0%)	(12,474,581)	(15,211,057)	2,736,476	(18.0%)	(14,131,045)	(1,656,464)	88.3%
Decrease in LT Receivables	13,323,057	18,251,124	(4,928,067)	(27.0%)	13,323,057	18,251,124	(4,928,067)	(27.0%)	31,947,987	18,624,930	41.7%
Acquisition of Capital Assets	1,266	-	1,266	n/m	1,266	-	1,266	n/m	-	(1,266)	n/m
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	(1,082,088)	(1,082,088)	0.0%
Change in Deferrals	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Increase in LT Debt	3,019,620	-	3,019,620	n/m	3,019,620	-	3,019,620	n/m	(385,126)	(3,404,746)	n/m
(Decrease) in LT Debt	(15,125,000)	(17,176,898)	2,051,898	(11.9%)	(15,125,000)	(17,176,898)	2,051,898	(11.9%)	(34,023,275)	(18,898,275)	44.5%
Change in Other Liabilities	2,931	2,931	-	0.0%	2,931	2,931	-	0.0%	11,725	8,794	25.0%
Other Non-Working Capital Income/Expense Items	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Non Income/Expense Change in Equity	-	(20,735)	20,735	(100.0%)	-	(20,735)	20,735	(100.0%)	(20,735)	(20,735)	0.0%
Total Other Sources/(Uses) of Working Capital	(9,808,032)	(13,654,635)	3,846,603	(28.2%)	(9,808,032)	(13,654,635)	3,846,603	(28.2%)	(17,382,557)	(7,574,525)	56.4%
Transfer In from (Out to) Other Funds											
Net Transfer In/(Out)	(1,700,000)	(1,600,000)	(100,000)	6.3%	(1,700,000)	(1,600,000)	(100,000)	6.3%	(6,061,855)	(4,361,855)	28.0%
Net Change in Working Capital	\$ (10,870,604)	\$ (15,008,480)	\$ 4,137,876	(27.6%)	\$ (10,870,604)	\$ (15,008,480)	\$ 4,137,876	(27.6%)	\$ (22,380,394)	\$ (11,509,790)	48.6%
Working Capital, Beginning of Period	18,012,592				18,012,592						
Working Capital, 3/31/2017	\$ 7,141,988				\$ 7,141,988						

1) Due to unbudgeted Spiritwood weatherization grant funds.

2) Distribution from Overlake net operating income deposited into the Interest Stabilization account was higher than anticipated in the budget.

3) Southwood Square bond interest payment. Unbudgeted.

4) Deposit into Overlake Interest Stabilization account. Unbudgeted.

5) Draw from Overlake Stabilization account to pay down the Key bank line-of-credit was higher than anticipated in the budget.

6) Draws from KCHA subordinate loan to the Corinthian and Spiritwood Tax Credit Partnerships was less than expected in the budget. \$2.5M was budgeted to be loaned to the Corinthian tax credit partnership from the general partner fund in order to make a payment on a line-of-credit; however, management has determined this payment is no longer needed.

7) The budgeted write-off of Southwood Square notes and lease receivables were budgeted to occur in March but occurred in April.

8) Unbudgeted draw of \$3 Million from Key Bank line-of-credit to pay off the Southwood Square bonds.

9) Pay off of the Southwood Square bonds from the proceeds of Key Bank LOC (see note 8). Also, draw from KCHA subordinate loan to Corinthian and Spiritwood Tax Credit Partnerships was less than anticipated in the budget.

Local-Development
Working Capital Budget vs. Actual Report
For the Period Ended 3/31/2017

	Quarter Ended March 31, 2017				Year-to-Date				2017 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	6,250	-	6,250	n/m	6,250	-	6,250	n/m	3,000	(3,250)	208.3%
Non-operating Revenue	36,672	(120,656)	157,328	n/m	36,672	(120,656)	157,328	n/m	(63,225)	(99,897)	n/m
Total Revenues	42,922	(120,656)	163,578	n/m	42,922	(120,656)	163,578	n/m	(60,225)	(103,147)	n/m
Expenses											
Salaries & Benefits	144,521	103,797	40,724	39.2%	144,521	103,797	40,724	39.2%	445,810	301,289	32.4%
Routine Maintenance, Utilities, Taxes & Insurance	329	-	329	n/m	329	-	329	n/m	200,000	199,672	0.2%
Direct Social Service Salaries & Benefits	1,646	-	1,646	n/m	1,646	-	1,646	n/m	-	(1,646)	n/m
Other Social Service Support Expenses & HAP	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Administrative Support Expenses	28,015	63,788	(35,773)	(56.1%)	28,015	63,788	(35,773)	(56.1%)	313,951	285,936	8.9%
Non-operating Expenses	98	-	98	n/m	98	-	98	n/m	50,000	49,902	0.2%
Total Expenses	174,607	167,585	7,022	4.2%	174,607	167,585	7,022	4.2%	1,009,761	835,154	17.3%
Net Income	(131,685)	(288,241)	156,556	(54.3%)	(131,685)	(288,241)	156,556	(54.3%)	(1,069,986)	(938,301)	12.3%
Other Sources/(Uses) of Working Capital											
(Increase) in Restricted/Designated Cash	(514,813)	(32,738)	(482,075)	1472.5%	(514,813)	(32,738)	(482,075)	1472.5%	(452,989)	61,824	113.6%
Decrease in Restricted/Designated Cash	65,766	-	65,766	n/m	65,766	-	65,766	n/m	71,032	5,266	92.6%
(Increase) in LT Receivables	(4,570)	-	(4,570)	n/m	(4,570)	-	(4,570)	n/m	-	4,570	n/m
Decrease in LT Receivables	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Acquisition of Capital Assets	(290,346)	(793,488)	503,142	(63.4%)	(290,346)	(793,488)	503,142	(63.4%)	(1,951,992)	(1,661,646)	14.9%
Disposition of Capital Assets	485,586	493,456	(7,870)	(1.6%)	485,586	493,456	(7,870)	(1.6%)	4,017,434	3,531,848	12.1%
Change in Suspense	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Change in Other Assets	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Change in Deferrals	-	-	-	n/m	-	-	-	n/m	-	-	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	244,078	500,606	(256,528)	(51.2%)	244,078	500,606	(256,528)	(51.2%)	(1,690,917)	(1,934,995)	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	(14,298)	167,836	(182,134)	n/m	(14,298)	167,836	(182,134)	n/m	(7,432)	6,866	192.4%
Transfer In from (Out to) Other Funds											
Transfers In from Other Funds	513,740	-	513,740	n/m	513,740	-	513,740	n/m	325,000	(188,740)	158.1%
Transfers Out to Other Funds	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Net Transfer In/(Out)	513,740	-	513,740	n/m	513,740	-	513,740	n/m	325,000	(188,740)	158.1%
Net Change in Working Capital	\$ 367,756	\$ (120,405)	\$ 488,161	n/m	\$ 367,756	\$ (120,405)	\$ 488,161	n/m	\$ (752,418)	\$ (1,120,174)	n/m
Working Capital, Beginning of Period	3,037,301				3,037,301						
Working Capital, 3/31/2017	\$ 3,405,057				\$ 3,405,057						

- 1) Seola Gardens lot sales price participation was higher than anticipated in the budget.
- 2) The Greenbridge and Seola Gardens staff salary and benefits were budgeted evenly throughout the year. Fewer 1st quarter salary and benefits costs were attributed to projects and, in turn, capitalized than the budget anticipated which resulted in a greater amount of salary and benefits expense. Capital activity is expected to increase as the year progresses which should enable the budget to catch up.
- 3) Professional services below budget due to timing of projects and delayed activities.
- 4) Hope VI loan interest income from Tax Credit Partnerships net cash flow distribution was budgeted in the 2nd quarter but received in the 1st quarter.
- 5) Greenbridge lot development project costs were less than anticipated in the budget but are expected to increase as the year progresses.
- 6) Draw from Greenbridge internal loan was less than anticipated in the budget but expected to increase in the subsequent quarters.

Local-Other Funds
Working Capital Budget vs. Actual Report
For the Period Ended 3/31/2017

	Quarter Ended March 31, 2017				Year-to-Date				2017 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	388,464	498,064	(109,600)	(22.0%)	388,464	498,064	(109,600)	(22.0%)	1,992,254	1,603,790	19.5%
Section 8 Subsidy from HUD	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Other Operating Revenue	1,117,645	1,228,473	(110,828)	(9.0%)	1,117,645	1,228,473	(110,828)	(9.0%)	6,338,421	5,220,776	17.6%
Non-operating Revenue	34,867	25,902	8,965	34.6%	34,867	25,902	8,965	34.6%	83,966	49,099	41.5%
Total Revenues	1,540,976	1,752,439	(211,463)	(12.1%)	1,540,976	1,752,439	(211,463)	(12.1%)	8,414,641	6,873,665	18.3%
Expenses											
Salaries & Benefits	235,306	332,657	(97,351)	(29.3%)	235,306	332,657	(97,351)	(29.3%)	1,423,513	1,188,207	16.5%
Routine Maintenance, Utilities, Taxes & Insurance	3,324	2,981	343	11.5%	3,324	2,981	343	11.5%	11,817	8,493	28.1%
Direct Social Service Salaries & Benefits	14,004	13,860	144	1.0%	14,004	13,860	144	1.0%	60,062	46,058	23.3%
Other Social Service Support Expenses & HAP	879,710	1,078,360	(198,650)	(18.4%)	879,710	1,078,360	(198,650)	(18.4%)	4,821,050	3,941,340	18.2%
Administrative Support Expenses	21,952	24,419	(2,467)	(10.1%)	21,952	24,419	(2,467)	(10.1%)	133,552	111,600	16.4%
Non-operating Expenses	-	266,172	(266,172)	(100.0%)	-	266,172	(266,172)	(100.0%)	1,033,745	1,033,745	0.0%
Total Expenses	1,154,296	1,718,449	(564,153)	(32.8%)	1,154,296	1,718,449	(564,153)	(32.8%)	7,483,739	6,329,443	15.4%
Net Income	386,680	33,990	352,690	1037.6%	386,680	33,990	352,690	1037.6%	930,902	544,222	41.5%
Other Sources/(Uses) of Working Capital											
(Increase) in Restricted/Designated Cash	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Decrease in Restricted/Designated Cash	2,058,621	2,613,085	(554,464)	(21.2%)	2,058,621	2,613,085	(554,464)	(21.2%)	10,476,065	8,417,444	19.7%
(Increase) in LT Receivables	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Decrease in LT Receivables	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Acquisition of Capital Assets	(2,058,621)	(2,613,145)	554,524	(21.2%)	(2,058,621)	(2,613,145)	554,524	(21.2%)	(10,476,305)	(8,417,684)	19.7%
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	-	-	-	n/m	-	-	-	n/m	-	-	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	(187,582)	(105,901)	(81,681)	77.1%	(187,582)	(105,901)	(81,681)	77.1%	(423,605)	(236,023)	44.3%
Other Non-Working Capital Income/Expense Items	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Non Income/Expense Change in Equity	145,340	-	145,340	n/m	145,340	-	145,340	n/m	-	(145,340)	n/m
Total Other Sources/(Uses) of Working Capital	(42,242)	(105,961)	63,719	(60.1%)	(42,242)	(105,961)	63,719	(60.1%)	(423,845)	(381,603)	10.0%
Transfer In from (Out to) Other Funds											
Transfers In from Other Funds	222,794	332,835	(110,041)	(33.1%)	222,794	332,835	(110,041)	(33.1%)	1,331,338	1,108,544	16.7%
Transfers Out to Other Funds	(222,794)	(332,835)	110,041	(33.1%)	(222,794)	(332,835)	110,041	(33.1%)	(1,331,338)	(1,108,544)	16.7%
Net Transfer In/(Out)	-	-	-	n/m	\$ -	\$ -	\$ -	n/m	-	-	n/m
Net Change in Working Capital	344,438	(71,971)	416,409	n/m	344,438	(71,971)	416,409	n/m	\$ 507,057	\$ 162,619	67.9%
Working Capital, Beginning of Period	7,460,150				7,460,150						
Working Capital, 3/31/2017	7,804,588				\$ 7,804,588						

- 1) Cash receipts through March were based on 2016 subsidy filings (using a prorated one percent less than assumed in the budget) which exclude additional amounts requested in 2017 for the EPC.
- 2) Weatherization program salary expenses were less than target due to two unfilled positions. In addition, two Gates Foundation Grant financed positions have yet to be filled.
- 3) Variance due to slow spending on the HHS and BPA grants. The grant draws are under target due to timing as the funds remain available until September 30.
- 4) The EPC MTW loan interest is capitalized as project cost instead of being expensed as budgeted.
- 5) The budgeted release from restriction of EPC project reserves is expected to occur in the 2nd quarter while EPC project cost are below target but expected to catch up as the year progresses.
- 6) Interest was accrued for only two months before the first quarterly payment was made on the MTW internal loan to EPC project which resulted in a higher than budgeted amount being applied to the principal balance.
- 7) Prior period entry to adjust the 2016 EPC loan interest.

COCC

Working Capital Budget vs. Actual Report
For the Period Ended 3/31/2017

	Quarter Ended March 31, 2017				Year-to-Date				2017 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	3,029,772	2,932,601	97,171	3.3%	3,029,772	2,932,601	97,171	3.3%	12,073,476	9,043,704	25.1%
Non-operating Revenue	493,794	474,369	19,425	4.1%	493,794	474,369	19,425	4.1%	1,897,441	1,403,647	26.0%
Total Revenues	3,523,566	3,406,970	116,596	3.4%	3,523,566	3,406,970	116,596	3.4%	13,970,917	10,447,351	25.2%
Expenses											
Salaries & Benefits	2,596,719	2,755,042	(158,323)	(5.7%)	2,596,719	2,755,042	(158,323)	(5.7%)	11,808,965	9,212,246	22.0%
Routine Maintenance, Utilities, Taxes & Insurance	425,746	450,680	(24,934)	(5.5%)	425,746	450,680	(24,934)	(5.5%)	1,926,496	1,500,750	22.1%
Direct Social Service Salaries & Benefits	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Other Social Service Support Expenses & HAP	117	-	117	n/m	117	-	117	n/m	-	(117)	n/m
Administrative Support Expenses	503,703	786,643	(282,940)	(36.0%)	503,703	786,643	(282,940)	(36.0%)	3,462,481	2,958,778	14.5%
Non-operating Expenses	186,803	188,048	(1,245)	(0.7%)	186,803	188,048	(1,245)	(0.7%)	752,193	565,390	24.8%
Total Expenses	3,713,087	4,180,413	(467,326)	(11.2%)	3,713,087	4,180,413	(467,326)	(11.2%)	17,950,135	14,237,048	20.7%
Net Income	(189,521)	(773,443)	583,922	(75.5%)	(189,521)	(773,443)	583,922	(75.5%)	(3,979,218)	(3,789,697)	4.8%
Other Sources/(Uses) of Working Capital											
(Increase) in Restricted/Designated Cash	(19,467)	(9,000)	(10,467)	116.3%	(19,467)	(9,000)	(10,467)	116.3%	(18,000)	1,467	108.1%
Decrease in Restricted/Designated Cash	-	6,249	(6,249)	(100.0%)	-	6,249	(6,249)	(100.0%)	25,000	25,000	0.0%
(Increase) in LT Receivables	(244,078)	(518,794)	274,716	(53.0%)	(244,078)	(518,794)	274,716	(53.0%)	(2,495,993)	(2,251,915)	9.8%
Decrease in LT Receivables	164,474	200,779	(36,305)	(18.1%)	164,474	200,779	(36,305)	(18.1%)	3,699,090	3,534,616	4.4%
Acquisition of Capital Assets	(75,358)	(168,873)	93,515	(55.4%)	(75,358)	(168,873)	93,515	(55.4%)	(171,490)	(96,132)	43.9%
Disposition of Capital Assets	3,017	-	3,017	n/m	3,017	-	3,017	n/m	-	(3,017)	n/m
Change in Suspense	(108,951)	-	(108,951)	n/m	(108,951)	-	(108,951)	n/m	-	108,951	n/m
Change in Other Assets	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Change in Deferrals	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Increase in LT Debt	-	-	-	n/m	-	-	-	n/m	-	-	n/m
(Decrease) in LT Debt	(225,000)	(225,000)	-	0.0%	(225,000)	(225,000)	-	0.0%	(900,000)	(675,000)	25.0%
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	-	-	-	n/m	-	-	-	n/m	-	-	n/m
Total Other Sources/(Uses) of Working Capital	(505,364)	(714,639)	209,275	(29.3%)	(505,364)	(714,639)	209,275	(29.3%)	138,607	643,971	n/m
Transfer In from (Out to) Other Funds											
Transfers In from Other Funds	765,580	2,357,922	(1,592,342)	(67.5%)	765,580	2,357,922	(1,592,342)	(67.5%)	12,133,669	11,368,089	6.3%
Transfers Out to Other Funds	(667,242)	(1,349,168)	681,926	(50.5%)	(667,242)	(1,349,168)	681,926	(50.5%)	(5,444,190)	(4,776,948)	12.3%
Net Transfer In/(Out)	98,338	1,008,754	(910,416)	(90.3%)	98,338	1,008,754	(910,416)	(90.3%)	6,689,479	6,591,141	1.5%
Net Change in Working Capital	\$ (596,547)	\$ (479,328)	\$ (117,219)	24.5%	\$ (596,547)	\$ (479,328)	\$ (117,219)	24.5%	\$ 2,848,868	\$ 3,445,415	n/m
Working Capital, Beginning of Period	34,374,926				34,374,926						
Working Capital, 3/31/2017	\$ 33,778,379				\$ 33,778,379						

- 1) Various categories are under target (Administrative contracts, Training, Professional services) and are expected to increase as the year progresses.
- 2) The majority of the budgeted 1st quarter draw from Greenbridge internal loan is expected to occur in the 2nd quarter.
- 3) The budget includes interest on ESCO internal loans which were instead paid off in late 2016.
- 4) Three of the six vehicles budgeted to be acquired early in 2017 were delayed to the 2nd quarter.
- 5) The 2017 1st half property tax coded to suspense will be cleared in the 2nd quarter.
- 6) Excess cash of \$1.6 million was budgeted to be transferred from Overlake to the COCC; instead \$1.7 million was transferred to a different fund group to pay down the Abbey Ridge LOC.
- 7) Capital construction transfers are expected to catch up as the year progresses.

T A B N U M B E R

6



To: Board of Commissioners

From: Bill Cook, Director of Property Management

Date: June 13, 2017

Re: KCHA Managed Property Conditions Report

At the upcoming board meeting, Property Management Department staff will be providing an update on the overall conditions of properties managed within the department.

A detailed presentation will cover progress made by KCHA over the last twenty years. The presentation will also describe the four main categories of efforts made by several different departments to maximize the condition and lifespan of KCHA's subsidized housing.

These four areas are:

1. Property Redevelopment and New Construction projects
2. Unit Upgrades
3. Small Capital Projects
4. REAC Physical Condition Performance and Curb Appeal

T
A
B

N
U
M
B
E
R

7

KCHA IN THE NEWS

PACIFIC NW

The Seattle Times
JUNE 4, 2017

As prices push people
out of Seattle,
White Center has become
a more-prosperous version
of its gritty past

THERE'S A LOT WORKING HERE

FIT FOR LIFE
Broadway Waltz

NW LIVING
A grand garden

THE GRAPEVINE
Oregon pinot noir

IN THE GARDEN
Sorticulture
in Everett

TASTE
Olympic
berries

VisitWhiteCenter.com

WELCOME
Laipni lūdzam
Salaamz
कलववनयन
Whitomy
Bun venit
Провы
Sveikas atvykęs
Vítej
Mire se vjen
Välkommen

White Center
GROWING A GLOBAL VILLAGE
WHITE CENTER CHAMBER OF COMMERCE
MALO'S AUTOBODY WELCOMES YOU!



Community, Front and Center



NAVIGATING
CHANGE

**Diversity is
celebrated in
White Center,
a neighborhood
that is both gritty
and gentrified**

BY SUSAN KELLEHER

PHOTOS BY
ELLEN M. BANNER

RIVULETS OF RAIN run off the awning attached to Momma Bear's Fry Bread, a compact food trailer that beams like a lighthouse against the pallid sky and the pea-gravel parking lot that recently has become its home.

It's the umpteenth day of rain this year, a cash-register killer for Momma's, which relies on foot traffic along a busy stretch of road in White Center to pull in customers. Still, co-owner Brady M. Brady waits patiently inside for late-afternoon business, while his mom, co-owner Tamala "Tammy" Lorenz, makes her way down the sidewalk from a nearby bus stop. She steps inside and pulls off her heavy rain gear, revealing a beautiful smile and a chef's uniform from her 60-hours-a-week day job as kitchen manager at a Pike Place Market cafe. ►



Sandy Borosa (center, in wheelchair) plays a game as friend Dawn McCosh sits nearby, at right. At the pool table is Frank Bailey. All are regulars at The Locker Room Tavern in White Center. They say the tavern is similar to the TV bar Cheers, where everybody knows your name.



Community, Front and Center

Lorenz takes the day's modest till in stride. If hope has a physical form, it is the white trailer with the cutout window from which Lorenz serves her tasty dinner and dessert creations, based on the Native American fry bread she was raised on at the Lummi Nation reservation, north of Seattle.

Since opening for business last year, she has had a few setbacks. But the owner of Bud Nation, a recreational pot store, let her park in the lot behind his shop rent-free. Now, she can weather bad days while building a business she hopes will provide a future for her son, daughter and four grandchildren.

If you're looking for the soul of White Center — the secret sauce that makes this unincorporated King County neighborhood on the southwest edge of Seattle so appealing, so vital and so fun to explore — look no further than Brady and Lorenz and the other 18,000 people who call White Center home.

This neighborhood, often maligned by those who condescend by taking its nickname "Rat City" literally, is an incubator of dreams; a place of trials and tribulations; of hard work; and, sometimes, hard drinking. It's a place of surprises, where the eccentric and iconoclastic can fly their true colors, and where, a few blocks from an industrial cluster, you still can find a tendrill of road and a duck pond as pleasing as anything you might find in the backwoods.

It's also a place with a long history as a cohesive community, despite language and cultural differences. Here you'll find a population that looks like a United Nations convention, a reflection of the successive waves of immigrants, refugees and asylum seekers who settled in, joining generations of white working classes who staked claims in what historically has been one of the poorest neighborhoods in the Seattle area.

There is still poverty here. And the area's homeless population — officially counted at about 100 — is the worst among the county's unincorporated areas.

But that White Center is being subsumed

by a more-prosperous version. People pushed out by stratospheric home prices in Seattle neighborhoods have snapped up houses in White Center, pushing up rents and making new mortgages harder to afford. And the rough edges of the commercial core are softening as new businesses remake the nine blocks that constitute the historic business district, currently home to 137 storefront businesses.

Those businesses, located south of Roxbury, between 17th Avenue Southwest and 14th Avenue Southwest, tell the story of a neighborhood in flux, but still long on characters, long on heart and long on dreams.

WHITE CENTER POET Richard Hugo once noted, "White Center had the reputation of being just outside the boundary of the civilized world."

Its modern incarnation began in 1912, when a streetcar line established it as a suburb of Seattle. Its historic boundary includes Burien to the south, and West Seattle to the north. Burien nibbled away

John and Vanessa LeMaster play with their children Hudson, 3 (second from right), and Joe Henry, 5, at Lakewood Park in White Center. The couple owns the restaurant/bar Noble Barton in White Center.



Tamala Lorenz, co-owner of Momma Bear's Fry Bread, watches as a happy customer carries away her order. Lorenz heads to the food truck in White Center as soon as she finishes her job as kitchen manager of a cafe at Pike Place Market.

the southern end of White Center through annexation in 2009. What remains unincorporated could become part of Seattle next year, if the promise of millions in guaranteed tax revenues for six years entices the Seattle City Council to take another run at expanding its southern border.

White Center's working-class identity was cemented during World War II, when it became home to families tied to jobs at the shipyards and the Boeing Co. During that time, the neighborhood acquired the nickname Rat City, a term of nebulous origin. The White Center Chamber of Commerce says it could be an acronym for the local wartime military establishment, referred to as the Reserve Army Training Center or the Recruitment and Training Center. Or it could be that the area, once thick with bars, was designated a Restricted Alcohol Territory, a place where the military forbid servicemen to go.

Locals since have embraced the name, attaching it to a local women's roller-derby team, a tattoo parlor and countless T-shirts. The neighborhood has had a hard time

living down its gritty past.

"It's not Wallingford," says Justin Cline, who moved here 12 years ago, when he was building boat interiors and looking to buy a house with Ann Magyar, a high-school teacher and now his wife. And that, he says, is a good thing.

"It's a little gritty," he says with admiration. And, "There's definitely a community. There's families. My friend Johnny lives a block and a half from his store. He bought his grandparents' house. His mother lives two blocks away. People have roots and community."

While Seattle remains an overwhelmingly white city, White Center is among the most diverse areas in King County, with 60 percent communities of color, according to the 2010 U.S. Census. In addition to English, dozens of languages are spoken, including Spanish, Vietnamese, Khmer/Cambodian, Tigrinya, Thai and Somali.

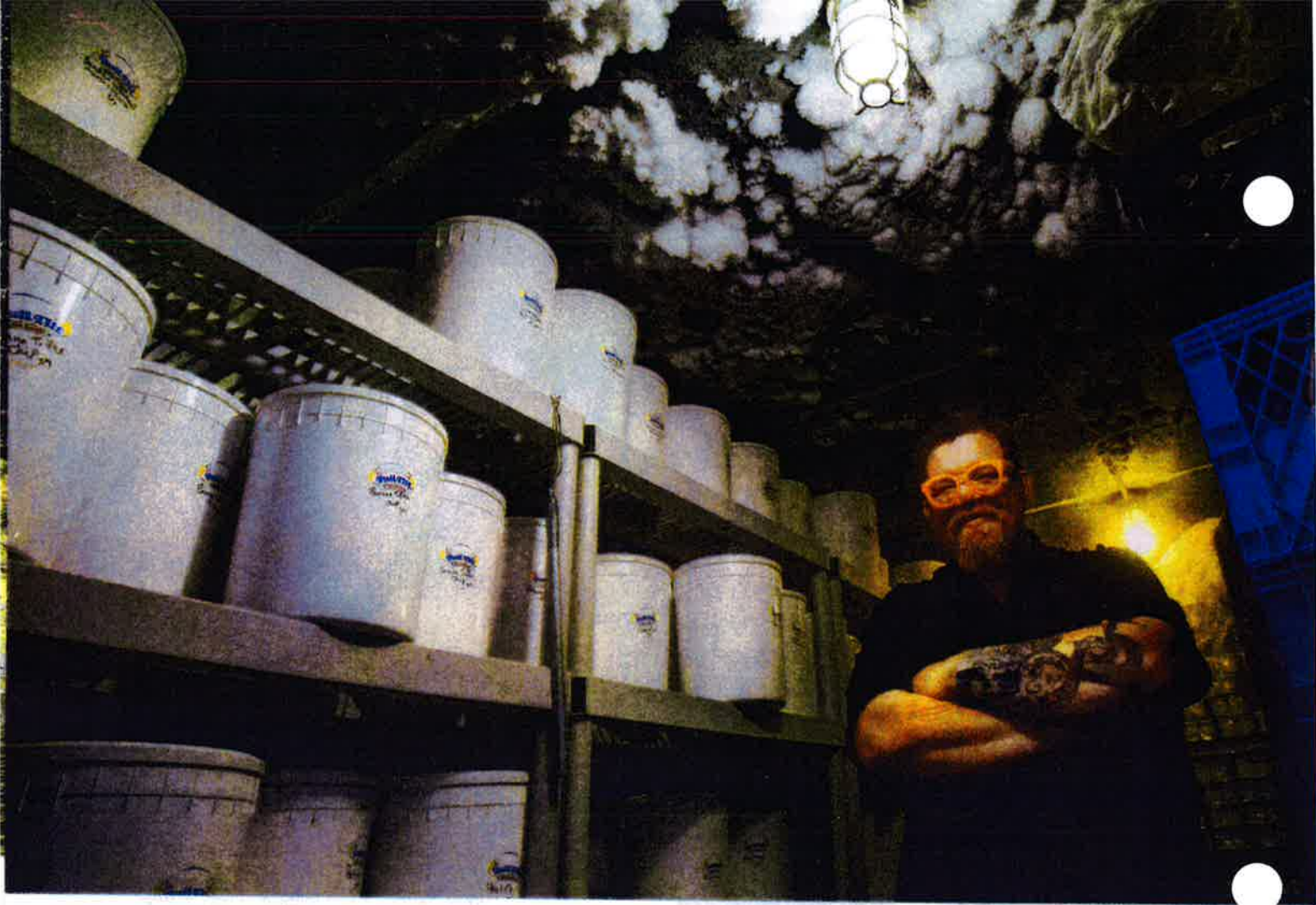
King County Housing Authority's \$250 million redevelopment of Greenbridge and Seola Gardens into mixed-income neighborhoods with homes for rent and for sale has

added beauty and income diversity to what had been rundown, low-income pockets of housing built for a World War II workforce.

The work ethic and prosperity of the immigrant population are reflected in White Center's diverse businesses and restaurants, where you can find inexpensive Cajun, Korean, Cambodian, Mexican, El Salvadoran, Vietnamese, Chinese and Native American cuisine, as well as traditional American fare. Asian markets, longtime fixtures in the community, have added halal sections for the growing Muslim population from Africa.

If you want boring, go elsewhere.

IT'S NO SMALL IRONY that a man who enjoys White Center for its lack of pretense and its plethora of divine taco trucks is the same guy who spearheaded its gentrification. Nine years ago, Cline and his wife opened Full Tilt, a family-friendly ice-cream store and pinball parlor on a busy stretch of 16th Avenue Southwest dominated by bars, porn shops and "for rent" signs on empty storefronts. With rents going for ►



Community, Front and Center

Justin Cline, owner of Full Tilt ice cream in White Center, stands in the freezer of the South Park warehouse where his ice cream is made. Full Tilt offers live music, pinball, arcade games and beer in addition to ice cream.

\$1 a square foot, it seemed like a reasonable risk, he says.

"The first day, we had 900 people," Cline says. "It never let up through the whole summer."

Proletariat Pizza soon followed, along with a rolling assortment of coffee shops and restaurants. A law-enforcement raid in 2011 shut down Papa's Bar & Grill on drug charges, dramatically reducing the drama associated with the main commercial strip, and making it more attractive to bars/restaurants such as Noble Barton and The Company Store, which were more successful than those preceding them. Soon, White Center was a destination for people outside the neighborhood.

John LeMaster, who opened the family-friendly bar/restaurant Noble Barton with his wife, Vanessa, in 2015, said it's been hard to shake the neighborhood's

dicey rep, in part because of Yelp reviewers who seem to think they risked their lives in search of the perfect seared ahi burger.

LeMaster, who lives a few blocks from the restaurant, says, "You'll see this on Yelp: 'You'll love this place. You should go there, if you don't get stabbed in the parking lot.' And I'm like, 'It's not that way!' And so it kind of offends me. It has its crime. It has its problems. It definitely has extreme homelessness, and that part's pretty sad. But the idea that people have to tack on this caveat ... offends me, but maybe it repels people who would listen to something like that, and that might not be a bad thing."

Not everyone in White Center is pleased with the changes, though. Someone put a sticker on Full Tilt's window: "White Hamster Gentrification."

"I wanted to make a T-shirt out of it," Cline says. "It was hilarious, but it was true."

LINDA POUA, 70, moved to White Center in 1979, three years after experiencing homelessness as a young mother. In 1976, with her daughter in hand, she knocked on doors in West Seattle until a man let them live in a spare bedroom. When he became engaged, Poua and her daughter moved to White Center and eventually got their own trailer, she says.

Poua worked as a "chicken plucker" at Rainier Poultry, and later ran their gizzard machine. She also worked in a candle factory. Now she lives on Social Security and a small pension from the Amalgamated Meat Cutters union. She gets half off her rent for managing a mobile-home park on the southern edge of White Center, where spaces rent for \$400 a month.

"It's pretty quiet and peaceful most of the time," says Poua, whose wild mane of jet-black hair and neon-green vest announce

her exuberant personality before she even speaks a word.

"I like all the new places," she says, but she will never — let's make that clear: NEVER — abandon The Locker Room, a working-class bar where the retired welders, Boeing mechanics and assembly workers are in the center of her social life. A while back, she crashed her car into the planters in front of the bar when her foot slipped off the brake and onto the gas pedal. Rick Rovegno, who has owned the bar for 25 years, arranged to have the damages paid in installments. But he ripped up the bill before it was paid in full.

Poua was so overcome by the gesture that she cried.

Meanwhile, down the street at Lee's Produce — a fruit and vegetable stand that is technically in Seattle, but connected to White Center in every other way for decades, Christine Nasatka recounts the help she received from the bartender at the Triangle Bar after the family business was burglarized eight months ago.

"He walked in with a cash register, and said, 'Here you go. I heard you got broken into.' We didn't even ask for help. He just heard about it," she says.

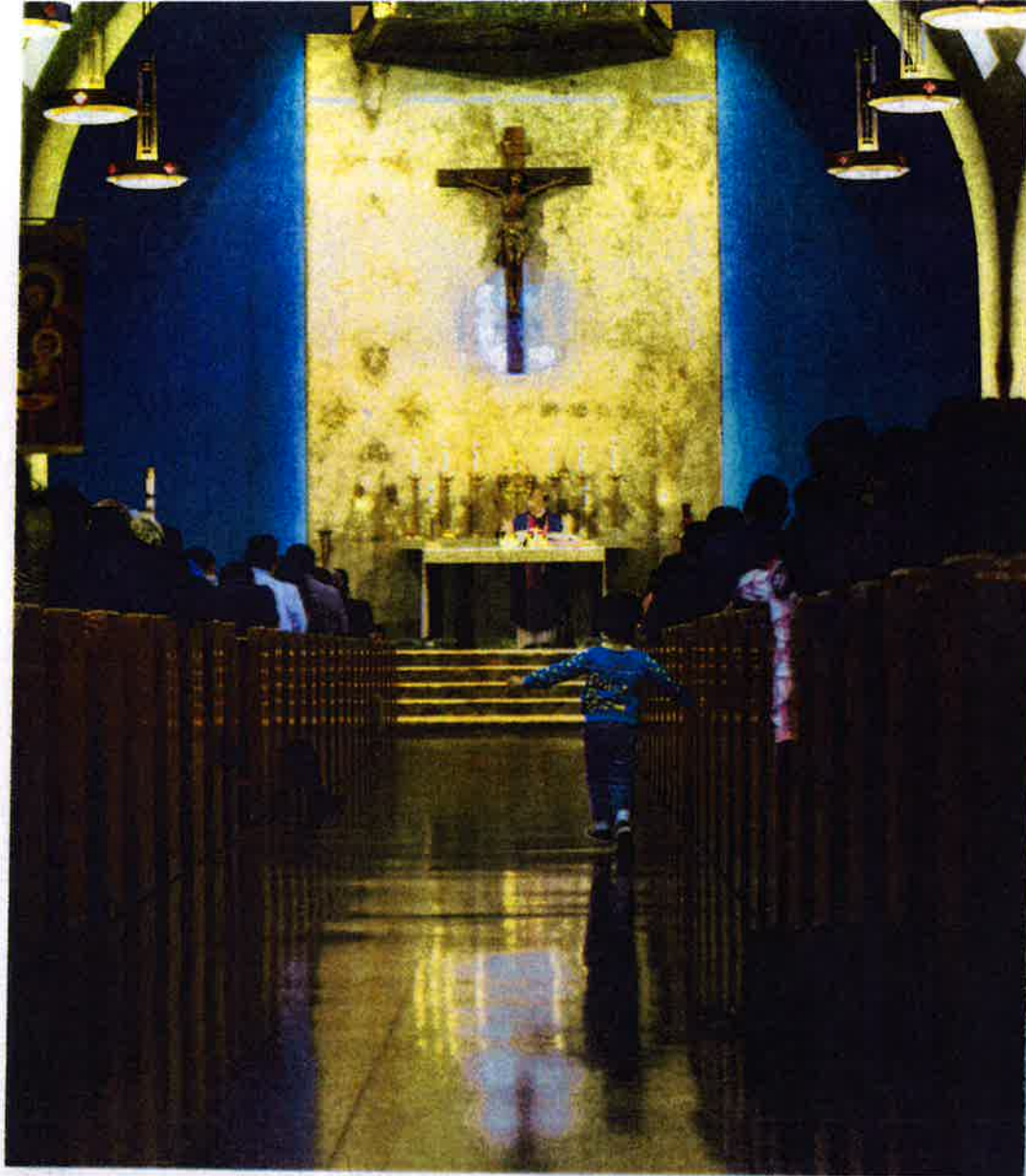
Nasatka's mother, Nam-Suk Nasatka, 67, whom everyone calls Miss Lee, is nearby, conversing with an employee in Spanish. Born in Korea, Miss Lee moved to White Center in 1978 after marrying a Polish-Italian-American soldier. She began working at the stand in 1983, lasting through three ownership changes before finally taking it over in 1993. Her three daughters have tried to get her to take a vacation — even bought her a trip to Hawaii — but Miss Lee will not take even one day off, her daughter says.

"We've seen a lot of changes in the neighborhood," Christine Nasatka says. "First there were Asians, then Samoan, then Mexican and Somali." Everybody comes out for the summer festival, Jubilee Days, she says. "That is the best. It's pretty cool."

As she talks, Nephele Brown, 54, of South Park, looks over avocados stacked near the register. She used to live in White Center, and remembers Lee's from when she and her kids were living hand to mouth.

"If you didn't have anything, you could still come in here," she says. Miss Lee would let her pick out food for free or accept a barter arrangement. Miss Lee also left the dumpster unlocked at night so people could fish out food that was still edible.

"She didn't have to do that," Brown says. "She wasn't cut and dry, and focused on the bottom line. It matters where you spend your dollars, and I want to spend them here."



A young boy plays in the aisle during Spanish Mass at Holy Family Parish in White Center. Four masses are celebrated on Sundays: two in English and two in Spanish. On Saturdays, there are two more in English and one in Spanish. The congregation here is diverse in age and race, representative of the White Center neighborhood.


POVERTY AND HARDSHIP can be yoked to shame when the economics of a place get out of whack. And things can get mighty dull when everyone and everything looks the same. White Center is not there yet. The people who have made it have, for the most part, done so with a sense of humility. They don't look much different from the people who are still struggling. They've made it, but they're working for the next generation, and the one beyond that.

Lorenz, who is building her future on Momma Bear's fry bread, has her foot in both worlds: She's made it as a successful kitchen manager/chef for the past 11 years, and has

put every spare dollar into her business, not only for her future, but for her family's.

Recently, her boss at the restaurant told her, "Years ago, you needed a job. Now, this restaurant needs you." Still, he encouraged her, telling her, "Don't ever give up on your business. It'll happen for you. Don't give up."

The knowledge of the struggle is how Lorenz knows the names of most of the small business owners in town. She shops with them regularly, supporting them the best way she knows how.

It's what a community does. 

Susan Kelleher is a Pacific NW magazine staff writer. Reach her at skelleher@seattletimes.com or 206-464-2508. On Twitter: @susankelleher. Ellen M. Banner is a Seattle Times staff photographer.



Kenmore celebrates Affordable Housing Week with success stories

CATHERINE KRUMMEY ([HTTP://WWW.BOTHELL-REPORTER.COM/AUTHOR/CATHERINE-KRUMMEY/](http://www.bothell-reporter.com/author/catherine-krumme/)) • Thu May 25th, 2017 10:30am • [NEWS \(HTTP://WWW.BOTHELL-REPORTER.COM/NEWS/\)](http://www.bothell-reporter.com/news/)



The City of Kenmore and the Kenmore Bothell Interfaith Group (KBIG) partnered to host an “Affordable Housing Success Stories” panel discussion as part of Affordable Housing Week (AHW, May 15-22).

People qualify to live in affordable housing units or properties based on their income. Some units only take people who are making 30 percent or less of the area median income, and some properties allow tenants who are making a higher percentage to qualify to live there.

The panelists at the event were Beacon Development Group senior housing developer Beth Boram, MainStreet Property Group CEO Eric Campbell and Daniel Watson, deputy director for development and asset management with the King County Housing Authority (KCHA). A Regional Coalition for Housing (ARCH) Program Manager Arthur Sullivan served as the moderator.

“These are people who are very innovative,” Sullivan said of the panelists.

The panelists discussed a variety of solutions in providing affordable housing options to people who live in the Puget Sound region. Watson said the KCHA has put resources into acquiring apartment buildings and mobile housing parks instead of building new developments. The organization takes control of the properties and is able to keep rent flat for residents.

“We’ve been buying (apartment buildings) up over the years,” he said, estimating the KCHA is now responsible for approximately 4,000 units. “We think preservation is a strategy that needs to be embraced.”

In addition to eliminating construction costs, Watson said this method also allows his organization to avoid zoning issues that have been problematic for those seeking to build new affordable housing.

The group also discussed how collaboration is key in any affordable housing project. Boram discussed her work with Compass Housing Alliance, including one project where they purchased land from a church in South Lake Union to build housing for homeless families.

“(This project and others) took a lot of partners,” she said. “They weren’t easy.”

After the hard work put in by many, Boram said it is rewarding to see how the

families living there are benefitting from the housing.

“You can tell it’s working for the families who are living there,” she said.

Boram also discussed a similar project in Shoreline that now houses families and individuals. She said about half of the tenants are veterans who were homeless.

“It took many hours of meetings and conversations to make that project work,” she said. “(Ultimately) it improved the landscape of the neighborhood ... it brings cultural and economic diversity to the neighborhood.”

Campbell spoke about how public-private partnerships can be one way of building affordable housing.

“Nonprofits aren’t cash-rich,” he said. “That’s where private developers come in.”

He cited the North Creek bungalows in Bothell and Greenbrier in Woodinville as examples. The latter has 11 cottages designated as affordable housing, and Campbell said he had never seen so many applications come in for a property before.

Campbell also cited accessory dwelling units as one way of generating affordable housing and a way for homeowners to make supplemental income.

Video of the entire event and documentation of the full question-and-answer session are available at kenmorewa.gov/Affordablehousing2017 (<http://kenmorewa.gov/Affordablehousing2017>).



 **COMMENTS (1)**

LOG IN

MONDAY, JUNE 12, 2017

The Seattle Times

WINNER OF 10 PULITZER PRIZES

INDEPENDENT AND LOCALLY OWNED FOR MORE THAN 120 YEARS

SEATTLETIMES.COM

The rise, dramatic fall of black homeowners in King County

BOEING'S BOOM elevated African-American homeowners in the Seattle area after World War II. But the recent tech boom has had just the opposite effect.



GREG GILBERT / THE SEATTLE TIMES

Musician Gary Hammon plays his tenor sax outside his home in the Central District, which his parents purchased in the 1950s. "It was a big deal" when they bought the house, Hammon says. But stories like the Hammons' are a lot less common these days.

Gene Balk / FYI Guy
Seattle Times staff columnist

Homeownership — it's the cornerstone of the American dream.

In recent years, with prices soaring out of reach, that dream seems more like a nightmare to many would-be Seattle homebuyers.

But for black families in King County, it's old news. The dream of homeownership is one that's been slipping away for decades.

In 1970, almost half of King County households headed by a black person owned their home, according to census data. The rate of black homeownership here, at 49



percent, was well above the U.S. average of 42 percent.

Since then, black homeownership in King County has been on a steady downward spiral, with just 28 percent of black households in the county now owning their home — about 13,000 of the nearly 48,000 total households.

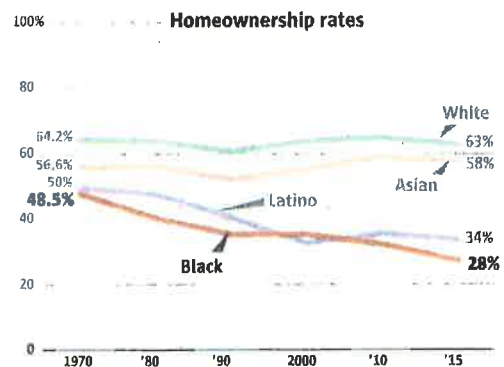
Homeownership for Latinos has also declined sharply since 1970, but has remained relatively stable for whites and Asians.

What's happened here for black homeowners does not parallel a wider trend. Nationally, 42 percent of black households own their home, the same as in 1970. King County, once well above average for black homeownership, is now far below. While a racial-affordability gap exists in housing markets

See > FYI GUY, A10

Growing racial gap in homeownership

Homeownership rates in King County for blacks and Latinos have declined sharply since 1970, but have remained relatively stable for whites and Asians.



Sources: U.S. Census and IPUMS-USA

MARK NOWLIN / THE SEATTLE TIMES

< FYI Guy

FROM A1

across the country, it is more extreme here than in most places.

It's a sign of how the post-war Boeing Boom was, in many ways, more beneficial to Seattle's black community than the current tech boom, says Ron Sims, former deputy secretary of the U.S. Department of Housing and Urban Development, who also served as the King County Executive.

"African Americans have not done well in the economy of King County and the Puget Sound, as Boeing has moved jobs elsewhere," he said.

"I'll be blunt about it: The tech sector has failed to provide open doors and equal pay to African Americans. And they've acknowledged it."

According to the most recent census data, less than 2 percent of King County residents who work in tech jobs are black. That's about 1,500 people.

Compare that with the period after World War II, when tens of thousands of blacks moved to this area for high-paying jobs, primarily at Boeing. By the early 1950s, the median income for black households in Seattle was just 1 percent lower than the U.S. median for whites.

King County ranks near bottom

Among the 100 U.S. counties with the largest black populations, King has the fifth lowest black-homeownership rate.



TOP 10				BOTTOM 10			
COUNTY	STATE	LARGEST CITY IN METRO	PERCENT OWN	COUNTY	STATE	LARGEST CITY IN METRO	PERCENT OWN
1 Fort Bend	TX	Houston	71.0 %	1 New York	NY	New York	10.3 %
2 Nassau	NY	New York	65.9	2 Bronx	NY	New York	20.0
3 Prince George's	MD	Washington, D.C.	60.4	3 Hennepin	MN	Minneapolis	22.6
4 Suffolk	NY	New York	60.2	4 Kings	NY	New York	25.1
5 Mobile	AL	Mobile	51.9	5 King	WA	Seattle	27.8
6 Hinds	MS	Jackson	51.4	6 Essex	NJ	New York	28.3
7 DeKalb	GA	Atlanta	50.8	7 Suffolk	MA	Boston	28.5
8 New Castle	DE	Philadelphia	50.6	8 Milwaukee	WI	Milwaukee	29.0
9 Jefferson	AL	Birmingham	49.7	9 San Diego	CA	San Diego	29.5
10 Gwinnett	GA	Atlanta	49.5	10 Norfolk city	VA	Virginia Beach	29.7

Source: U.S. Census Bureau

MARK NOWLIN / THE SEATTLE TIMES

In the present census data, it's 48 percent lower.

It's not that blacks didn't face obstacles on the path to homeownership in Seattle's postwar period. There was the insidious practice of redlining by banks, and many city neighborhoods had racial-restrictive covenants. While some of these institutional barriers are gone, the economic barriers that now exist seem even more insurmountable.

"You have escalating housing prices in King County," Sims said, "and, over time, African Americans have not been able to access that market."

Gary Hammon recalls that time when homeownership didn't seem so out of reach. Hammon, a jazz musician and educator, lives in the Central District house where he grew up, and which he and his brothers inherited. He says his parents bought the house in 1956 or 1957.

"My father escaped Jim Crow Texas to find a better life for his family," Hammon said. They settled in Seattle, where his father worked for the U.S. Postal Service and other jobs, eventually saving enough for a down payment. At that point, there was a network of community members to advise and help him

through the process.

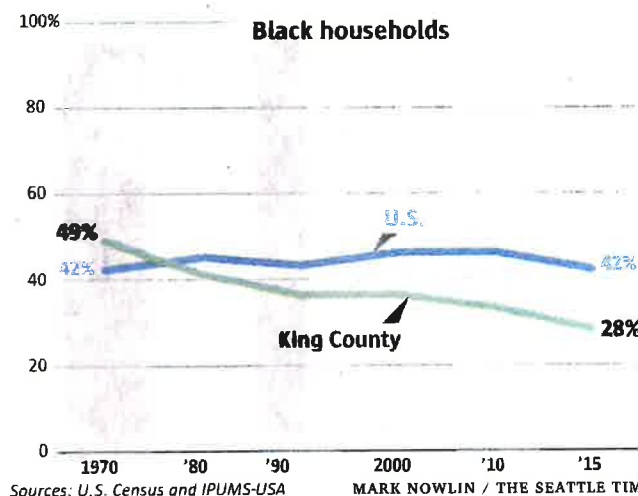
"It was a big deal," Hammon said of his father's home purchase. "He came out here from the rural South. That was his dream, and he fulfilled his dream."

Stories like the Hammons' are a lot less common these days. Among the 100 U.S. counties with the largest black populations, King now has the fifth-lowest rate of black homeownership.

Three of the counties with lower rates than King are boroughs of New York City, which are also classified as counties: Manhattan, Brook-

Black homeownership plummets in King County

The homeownership rate for black families in King County has declined by 45 percent since 1970, when slightly less than half were homeowners. Nationally, the rate has declined since the Great Recession but remains about the same as it was in 1970.



Sources: U.S. Census and IPUMS-USA

MARK NOWLIN / THE SEATTLE TIMES

lyn (Kings) and the Bronx. But in New York City, homeownership rates are low for everybody, not just blacks. Three of four households in the three boroughs rent.

That isn't the case in King County. While homeownership rates have slipped below the national average in recent years, owners remain in the majority, at 57 percent — more than twice the rate for black households here.

Sims says the repercussions are profound for blacks, who are less likely than whites to invest in the stock markets or have other types of assets.

"For a lot of African Americans, their home became their wealth gain. So the loss of homeownership is very significant in regards to the overall, long-term wealth and prosperity of a family or a community," he said. "If you can't get a house, you can't gain wealth — that's just the way it is."

Sims mentions his own home as an example.

"I bought a house in 1978," he said. "I look at our property values in King County now and I go, 'whoa.'"

Gene Balk:

gbalk@seattletimes.com or 206-515-5052. On Twitter: @genebalk