

HOUSING AUTHORITY OF THE CITY OF SEDRO-WOOLLEY



MEETING OF THE BOARD OF COMMISSIONERS

Thursday, June 15, 2017

10:45 am

Hillsview Apartments
(Community Room)

830 Township Street, Sedro-Woolley, WA 98284

Agenda

- I. Call to Order
- II. Roll Call
- III. Public Comment
- IV. Approval of Minutes
 - A. April 20, 2017 Board of Commissioners' Meeting Minutes 1
 - B. June 2, 2017 Board of Commissioners' Special Meeting Minutes 2
- V. Consent Items
 - A. Approval of Voucher Report April 1, 2017 to May 31, 2017 3
- VI. Resolution for Discussion & Approval
 - A. **Resolution No. 478:** Authorizing changes to the Public Housing Admissions and Continued Occupancy Policy Relating to Income Limits 4
- VII. Reports
 - A. Energy Performance Contract – Project Briefing Continued 5
 - B. Financial Report for April 2017 6
 - C. Housing Management Report for April & May 2017 7
- VIII. New Business
- IX. Adjournment

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HOUSING AUTHORITY OF THE
CITY OF SEDRO-WOOLLEY
BOARD OF COMMISSIONERS MEETING MINUTES

Thursday, April 20, 2017

I. Call to Order

The meeting of the Board of Commissioners of the Sedro-Woolley Housing Authority was called to order by Chair Laurie Fellers at 10:45 a.m. on Thursday, April 20, 2017 in the Community Room of the Hillsvue Apartments, located at 830 Township Street, Sedro-Woolley, WA 98284.

II. Roll Call

Present: Commissioner Laurie Fellers (Chair), Commissioner Reta Stephenson (Vice-Chair), Commissioner Lee Elliot, and Commissioner Kacy Johnson

III. Approval of Minutes

A. February 16, 2017 Board of Commissioners' Meeting Minutes

Commissioner Reta Stephenson moved for approval of the minutes, seconded by Commissioner Kacy Johnson. The Board unanimously approved the minutes from February 16, 2017.

IV. Consent Items

A. Approval of Voucher Report February 1, 2017 to March 31, 2017

Commissioner Kacy Johnson moved for approval of the consent agenda, seconded by Commissioner Reta Stephenson. The Board unanimously approved the Voucher Report for February 1, 2017 through March 31, 2017.

V. Resolution for Discussion & Approval

None.

VI. Reports

A. Energy Performance Contract – Project Briefing

Staff provided an overview of the Energy Performance Contract (EPC). A presentation on background and financial information was given as well as a future construction plan, along with risks and mitigation. Staff also explained next steps and coordination with Johnson Controls, the company retained to provide consulting services to SWHA in connection with its EPC.

B. Financial Report for February 2017

Connie Staff briefed the board on the Financial Reports for February as contained in the meeting packets.

All questions raised by Commissioners were addressed by staff.

C. Housing Management Report February & March 2017

The Housing Management Report for February and March 2017 was presented to the Board.

All questions raised by Commissioners were addressed by staff.

IX. **Construction Update**

None.

XI. **New Business**

None.

XII. **Adjournment**

There being no further business before the Board of Commissioners, the meeting was adjourned at 11:33 a.m.

THE HOUSING AUTHORITY OF THE
CITY OF SEDRO-WOOLLEY

LAURIE FELLERS, Chair
Board of Commissioners

STEPHEN J. NORMAN
Executive Director

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HOUSING AUTHORITY OF THE
CITY OF SEDRO-WOOLLEY
BOARD OF COMMISSIONERS SPECIAL MEETING MINUTES

Friday, June 2, 2017

I. Call to Order

The special meeting of the Board of Commissioners of the Sedro-Woolley Housing Authority was called to order by Chair Laurie Fellers at 1:30 p.m. on Friday, June 2, 2017 via conference call.

II. Roll Call

Present: Commissioner Laurie Fellers (Chair), Commissioner Reta Stephenson (Vice-Chair), Commissioner Tahlia Honea

Absent/

Excused: Commissioner Lee Elliot and Commissioner Kacy Johnson

IV. Public Comment

None.

V. Resolution for Discussion & Approval

- A. Resolution No. 457: A Resolution of the City of Sedro-Woolley authorizing the Executive Director to cause the Washington State Department of Enterprise to execute on its behalf an Energy Services Agreement

Staff presented Resolution No. 457 for Board consideration, to authorize the Executive Director to submit to HUD, a Phase I extension and a Phase II Energy Performance Contract (EPC) for SWHA properties. Staff mentioned that once approval from HUD is received, staff will return to the Board seeking review and approval of the final Phase II EPC project.

On motion by Commissioner Stephenson and seconded by Commissioner Honea, the Board approved Resolution No. 457.

XII. Adjournment

There being no further business before the Board of Commissioners, the meeting was adjourned at 1:45 p.m.

THE HOUSING AUTHORITY OF THE
CITY OF SEDRO-WOOLLEY

LAURIE FELLERS, Chair
Board of Commissioners

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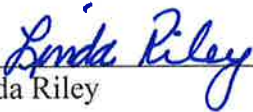
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SEDRO-WOOLLEY HOUSING AUTHORITY

TO: Board of Commissioners
FROM: Linda Riley, Controller
DATE: June 2, 2017
RE: Approval of Vouchers April 1, 2017 to May 31, 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 expenditures represented by the summary listed below were just obligations of the Sedro-Woolley Housing Authority, and that I am authorized to authenticate and certify said claims.



Linda Riley
Controller
June 2, 2017

Expenditures to Sedro-Woolley

Operations

Directly to Cedar Grove	14,931.67
Directly to Hillsvieiw	33,681.82
Total Expenditures	<u><u>\$48,613.49</u></u>

SEDRO-WOOLLEY HOUSING AUTHORITY

Accounts Payable Report

4/01/2017 TO 5/31/2017

Account No.	Major Account Description	Amount	Vendor Name	Voucher Description	Date	Check Number
CEDAR GROVE						
410000	Admin Supplies	43.64	COMPLETE OFFICE	OFFICE SUPPLIES	5/19/2017	309845
410000	Admin Supplies	3.20	CANON SOLUTIONS AMERICA INC	COPIER -ATTACHEMENT	5/19/2017	309896
411101	Computer Equip-Software	0.72	CDW/COMPUTER CENTERS INC	COMPUTER SUPPLIES	4/21/2017	309300
411101	Computer Equip-Software	1.51	TROY MOBILITY INC	MOBILE IRON 1 YEAR LICENSE	5/12/2017	309769
411102	Computer Equip-Hardware Maint	0.91	ADVANTAGE TECHNOLOGIES INC	RIGHTFAX SUPPORT RENEWAL	5/5/2017	309635
411103	Computer Equip-Software Maint	1.46	ADVANTAGE TECHNOLOGIES INC	RIGHTFAX SUPPORT RENEWAL	5/5/2017	309635
421904	Admin - Cloud Recovery Services	3.53	NET2VAULT LLC	MANAGED VAULTING	4/14/2017	309259
440010	Travel-Training Related-Distant	1.48	MARSHA PREMEL	4/23-25/17 TRAVEL REIMBURSEMENT	5/5/2017	309624
440010	Travel-Training Related-Distant	0.50	SHALONDA NESBITT	4/23-25/17 TRAVEL REIMBURSEMENT	5/5/2017	309642
440010	Travel-Training Related-Distant	7.56	KIMBERLY SAYAVONG	4/23-25/17 TRAVEL REIMBURSEMENT	5/5/2017	309629
440100	Travel-Non-training Related-Local-Mileage	1.07	MARSHA PREMEL	1/20-3/30/17 MILEAGE	4/14/2017	309238
440100	Travel-Non-training Related-Local-Mileage	53.40	KIMBERLY SAYAVONG	3/1-4/20/17 MILEAGE	5/5/2017	309629
450001	Comm-Phones Lines-Service-Voice	6.88	CONSOLIDATED TECH SVC	MARCH 2017 CHGS	4/21/2017	309353
450001	Comm-Phones Lines-Service-Voice	6.88	CONSOLIDATED TECH SVC	APRIL 2017 CHGS	5/26/2017	310007
450002	Comm-Phones Lines-Service-Digital Voice	0.10	WEST SAFETY SVC INC	MONTHLY MAINT	4/21/2017	309389
450002	Comm-Phones Lines-Service-Digital Voice	0.10	WEST SAFETY SVC INC	MONTHLY MAINT	5/19/2017	309895
490002	Other Admin Exp-Direct Financing Charges	0.19	HASLER TOTAL FUNDS	POSTAGE	4/14/2017	309203
491000	Admin Exp-Criminal/Background Checks	0.06	DEPT OF LICENSING	CONTRACTED PLATE SEARCH	4/7/2017	309060
491000	Admin Exp-Criminal/Background Checks	6.92	WASHINGTON STATE PATROL	BACKGROUND CHECKS	4/21/2017	309305
491000	Admin Exp-Criminal/Background Checks	8.53	WASHINGTON STATE PATROL	MARCH 2017 CHGS	4/28/2017	309408
491000	Admin Exp-Criminal/Background Checks	8.18	NATIONAL CREDIT REPORTING	CREDIT CHECK	5/12/2017	309710
491000	Admin Exp-Criminal/Background Checks	7.04	NATIONAL CREDIT REPORTING	BACKGROUND CHECKS	5/19/2017	309819
491000	Admin Exp-Criminal/Background Checks	0.04	DEPT OF LICENSING	QUERIES	5/12/2017	309695
491000	Admin Exp-Criminal/Background Checks	7.70	WASHINGTON STATE PATROL	BACKGROUND CHECK	5/26/2017	309939
493000	Other Admin Exp-Postage	9.33	MAIL ADVERTISING BUREAU INC	MARCH 2017 STATEMENTS	4/7/2017	309044
493000	Other Admin Exp-Postage	4.95	HASLER TOTAL FUNDS	POSTAGE	4/14/2017	309203
493000	Other Admin Exp-Postage	4.95	HASLER TOTAL FUNDS	POSTAGE	5/5/2017	309586
493000	Other Admin Exp-Postage	8.91	MAIL ADVERTISING BUREAU INC	APRIL 2017 STATEMENTS	5/5/2017	309529
493100	Other Admin Exp-Mail Handling	2.95	MAIL ADVERTISING BUREAU INC	MARCH 2017 STATEMENTS	4/7/2017	309044
493100	Other Admin Exp-Mail Handling	2.84	MAIL ADVERTISING BUREAU INC	APRIL 2017 STATEMENTS	5/5/2017	309529
520104	Social Service -Interpretation	1.75	LANGUAGE LINE SVC, INC	INTERPRETATION	4/28/2017	309406
520104	Social Service -Interpretation	1.31	LANGUAGE LINE SVC, INC	INTERPRETATION	5/26/2017	309929
620011	Occup Exp-Maint -Fire/Safety	14.93	SIMPLEXGRINNELL LP	ANNUAL INSPECTION FIRE EXT	5/5/2017	309524
620011	Occup Exp-Maint -Fire/Safety	32.00	SIMPLEXGRINNELL LP	EXT INSPECTION	5/5/2017	309524
620011	Occup Exp-Maint -Fire/Safety	132.21	SIMPLEXGRINNELL LP	FIRE EXT INSPECTION	5/5/2017	309524
620011	Occup Exp-Maint -Fire/Safety	2.12	SIMPLEXGRINNELL LP	FIRE EXT INSPECTION	5/5/2017	309524

SEDRO-WOOLLEY HOUSING AUTHORITY

Accounts Payable Report

4/01/2017 TO 5/31/2017

Account No.	Major Account Description	Amount	Vendor Name	Voucher Description	Date	Check Number
620013	Occup Exp-Maint -Yard/Garden/Landscaping	708.77	CLEAR LAWN MAINTENANCE SVC	MARCH LAWN MAINT SVCS	4/7/2017	309138
640024	Occup Exp-Maint Projects-Roof	6,884.46	GARLAND/DBS INC	BINGHAM PLACE ROOF REPAIR	5/26/2017	310034
640024	Occup Exp-Maint Projects-Roof	329.40	GARLAND/DBS INC	BINGHAM PLACE ROOF REPAIR	5/26/2017	310034
660000	Occup Exp-Utilities-Water	131.42	PUBLIC UTILITY DISTRICT #1	WATER	5/26/2017	309990
660000	Occup Exp-Utilities-Water	81.99	PUBLIC UTILITY DISTRICT #1	WATER	5/26/2017	309990
660000	Occup Exp-Utilities-Water	99.97	PUBLIC UTILITY DISTRICT #1	WATER	5/26/2017	309990
660000	Occup Exp-Utilities-Water	73.00	PUBLIC UTILITY DISTRICT #1	WATER	5/26/2017	309990
660000	Occup Exp-Utilities-Water	90.97	PUBLIC UTILITY DISTRICT #1	WATER	5/26/2017	309990
660000	Occup Exp-Utilities-Water	131.42	PUBLIC UTILITY DISTRICT #1	WATER	5/26/2017	309990
660000	Occup Exp-Utilities-Water	114.30	PUBLIC UTILITY DISTRICT #1	WATER	5/26/2017	309990
660000	Occup Exp-Utilities-Water	87.13	PUBLIC UTILITY DISTRICT #1	WATER	5/26/2017	309990
660000	Occup Exp-Utilities-Water	87.13	PUBLIC UTILITY DISTRICT #1	WATER	5/26/2017	309990
660000	Occup Exp-Utilities-Water	82.60	PUBLIC UTILITY DISTRICT #1	WATER	5/26/2017	309990
660000	Occup Exp-Utilities-Water	70.66	PUBLIC UTILITY DISTRICT #1	WATER	5/26/2017	309990
660000	Occup Exp-Utilities-Water	56.26	PUBLIC UTILITY DISTRICT #1	WATER	5/26/2017	309990
660000	Occup Exp-Utilities-Water	114.30	PUBLIC UTILITY DISTRICT #1	WATER	5/26/2017	309990
660000	Occup Exp-Utilities-Water	81.99	PUBLIC UTILITY DISTRICT #1	WATER	5/26/2017	309990
660000	Occup Exp-Utilities-Water	95.47	PUBLIC UTILITY DISTRICT #1	WATER	5/26/2017	309990
660000	Occup Exp-Utilities-Water	81.99	PUBLIC UTILITY DISTRICT #1	WATER	5/26/2017	309990
660000	Occup Exp-Utilities-Water	95.47	PUBLIC UTILITY DISTRICT #1	WATER	5/26/2017	309990
660000	Occup Exp-Utilities-Water	96.18	PUBLIC UTILITY DISTRICT #1	WATER	5/26/2017	309990
660000	Occup Exp-Utilities-Water	136.95	PUBLIC UTILITY DISTRICT #1	WATER	5/26/2017	309990
660000	Occup Exp-Utilities-Water	67.78	PUBLIC UTILITY DISTRICT #1	WATER	5/26/2017	309990
660000	Occup Exp-Utilities-Water	218.45	PUBLIC UTILITY DISTRICT #1	WATER	5/26/2017	309990
660100	Occup Exp-Utilities-Sewer	629.68	CITY OF SEDRO WOOLLEY	SEWER	4/14/2017	309220
660100	Occup Exp-Utilities-Sewer	377.77	CITY OF SEDRO WOOLLEY	SEWER	4/14/2017	309220
660100	Occup Exp-Utilities-Sewer	252.04	CITY OF SEDRO WOOLLEY	SEWER	4/14/2017	309220
660100	Occup Exp-Utilities-Sewer	629.72	CITY OF SEDRO WOOLLEY	SEWER	5/12/2017	309740
660100	Occup Exp-Utilities-Sewer	377.82	CITY OF SEDRO WOOLLEY	SEWER	5/12/2017	309740
660100	Occup Exp-Utilities-Sewer	252.06	CITY OF SEDRO WOOLLEY	SEWER	5/12/2017	309740
660200	Occup Exp-Utilities-Electricity	71.25	PUGET SOUND ENERGY	ELEC	4/28/2017	309453
660200	Occup Exp-Utilities-Electricity	39.26	PUGET SOUND ENERGY	ELEC	4/28/2017	309453
660200	Occup Exp-Utilities-Electricity	37.67	PUGET SOUND ENERGY	ELEC	4/28/2017	309453
660300	Occup Exp-Utilities-Natural Gas	136.04	CASCADE NATURAL GAS CO	GAS	4/14/2017	309205
660300	Occup Exp-Utilities-Natural Gas	109.10	CASCADE NATURAL GAS CO	GAS	5/12/2017	309727
660500	Occup Exp-Utilities-Surface Water Mgmt	41.90	CITY OF SEDRO WOOLLEY	STORM	4/14/2017	309220
660500	Occup Exp-Utilities-Surface Water Mgmt	25.14	CITY OF SEDRO WOOLLEY	STORM	4/14/2017	309220

SEDRO-WOOLLEY HOUSING AUTHORITY

Accounts Payable Report

4/01/2017 TO 5/31/2017

Account No.	Major Account Description	Amount	Vendor Name	Voucher Description	Date	Check Number
660500	Occup Exp-Utilities-Surface Water Mgmt	16.77	CITY OF SEDRO WOOLLEY	STORM	4/14/2017	309220
660500	Occup Exp-Utilities-Surface Water Mgmt	41.90	CITY OF SEDRO WOOLLEY	STORM	5/12/2017	309740
660500	Occup Exp-Utilities-Surface Water Mgmt	25.14	CITY OF SEDRO WOOLLEY	STORM	5/12/2017	309740
660500	Occup Exp-Utilities-Surface Water Mgmt	16.77	CITY OF SEDRO WOOLLEY	STORM	5/12/2017	309740
660700	Occup Exp-Utilities-Garbage	426.22	CITY OF SEDRO WOOLLEY	GARBAGE	4/14/2017	309220
660700	Occup Exp-Utilities-Garbage	177.72	CITY OF SEDRO WOOLLEY	GARBAGE	4/14/2017	309220
660700	Occup Exp-Utilities-Garbage	145.01	CITY OF SEDRO WOOLLEY	GARBAGE	4/14/2017	309220
660700	Occup Exp-Utilities-Garbage	393.93	CITY OF SEDRO WOOLLEY	GARBAGE	5/12/2017	309740
660700	Occup Exp-Utilities-Garbage	140.05	CITY OF SEDRO WOOLLEY	GARBAGE	5/12/2017	309740
660700	Occup Exp-Utilities-Garbage	134.24	CITY OF SEDRO WOOLLEY	GARBAGE	5/12/2017	309740
660700	Occup Exp-Utilities-Garbage	16.91	SKAGIT COUNTY PUBLIC WORKS DEPT	GARBAGE	5/26/2017	309928
660700	Occup Exp-Utilities-Garbage	9.65	SKAGIT COUNTY PUBLIC WORKS DEPT	GARBAGE	5/26/2017	309928
	TOTAL CEDAR GROVE	14,931.67				
HILLSVIEW						
200200	Contract Retentions	10,659.75	WA STATE DEPT OF REVENUE	RETAINAGE DUE OLD WORLD CONST	4/14/2017	309269
200200	Contract Retentions	6,961.77	AXIS ROOF AND GUTTER INC	RETAINAGE RELEASE HILLSVIEW ROOFING	5/5/2017	309663
410000	Admin Supplies	130.91	COMPLETE OFFICE	OFFICE SUPPLIES	5/19/2017	309845
410000	Admin Supplies	9.53	CANON SOLUTIONS AMERICA INC	COPIER -ATTACHEMENT	5/19/2017	309896
411101	Computer Equip-Software	2.15	CDW/COMPUTER CENTERS INC	COMPUTER SUPPLIES	4/21/2017	309300
411101	Computer Equip-Software	4.54	TROY MOBILITY INC	MOBILEIRON 1 YEAR LICENSE	5/12/2017	309769
411102	Computer Equip-Hardware Maint	2.74	ADVANTAGE TECHNOLOGIES INC	RIGHTFAX SUPPORT RENEWAL	5/5/2017	309635
411103	Computer Equip-Software Maint	4.37	ADVANTAGE TECHNOLOGIES INC	RIGHTFAX SUPPORT RENEWAL	5/5/2017	309635
420000	Professional Services-Legal	137.00	MONTGOMERY PURDUE BLANKINSHIP	LEGAL SVCS	4/28/2017	309400
421904	Admin - Cloud Recovery Services	10.60	NET2VAULT LLC	MANAGED VAULTING	4/14/2017	309259
440010	Travel-Training Related-Distant	4.42	MARSHA PREMEL	4/23-25/17 TRAVEL REIMBURSEMENT	5/5/2017	309624
440010	Travel-Training Related-Distant	1.50	SHALONDA NESBITT	4/23-25/17 TRAVEL REIMBURSEMENT	5/5/2017	309642
440010	Travel-Training Related-Distant	22.69	KIMBERLY SAYAVONG	4/23-25/17 TRAVEL REIMBURSEMENT	5/5/2017	309629
440100	Travel-Non-training Related-Local-Mileage	3.18	MARSHA PREMEL	1/20-3/30/17 MILEAGE	4/14/2017	309238
440100	Travel-Non-training Related-Local-Mileage	160.19	KIMBERLY SAYAVONG	3/1-4/20/17 MILEAGE	5/5/2017	309629
450001	Comm-Phones Lines-Service-Voice	20.62	CONSOLIDATED TECH SVC	MARCH 2017 CHGS	4/21/2017	309353
450001	Comm-Phones Lines-Service-Voice	20.62	CONSOLIDATED TECH SVC	APRIL 2017 CHGS	5/26/2017	310007
450002	Comm-Phones Lines-Service-Digital Voice	0.29	WEST SAFETY SVC INC	MONTHLY MAINT	4/21/2017	309389
450002	Comm-Phones Lines-Service-Digital Voice	0.29	WEST SAFETY SVC INC	MONTHLY MAINT	5/19/2017	309895
450003	Comm-Phones Lines-Security	82.50	CONSOLIDATED TECH SVC	MARCH 2017 CHGS	4/21/2017	309353
450003	Comm-Phones Lines-Security	82.50	CONSOLIDATED TECH SVC	APRIL 2017 CHGS	5/26/2017	310007
490002	Other Admin Exp-Direct Financing Charges	0.57	HASLER TOTAL FUNDS	POSTAGE	4/14/2017	309203

SEDRO-WOOLLEY HOUSING AUTHORITY

Accounts Payable Report

4/01/2017 TO 5/31/2017

Account No.	Major Account Description	Amount	Vendor Name	Voucher Description	Date	Check Number
491000	Admin Exp-Criminal/Background Checks	0.16	DEPT OF LICENSING	CONTRACTED PLATE SEARCH	4/7/2017	309060
491000	Admin Exp-Criminal/Background Checks	20.63	WASHINGTON STATE PATROL	BACKGROUND CHECKS	4/21/2017	309305
491000	Admin Exp-Criminal/Background Checks	25.40	WASHINGTON STATE PATROL	MARCH 2017 CHGS	4/28/2017	309408
491000	Admin Exp-Criminal/Background Checks	12.00	WASHINGTON STATE PATROL	MARCH 2017 BACKGROUND CHECK	5/5/2017	309545
491000	Admin Exp-Criminal/Background Checks	0.11	DEPT OF LICENSING	QUERIES	5/12/2017	309695
491000	Admin Exp-Criminal/Background Checks	24.36	NATIONAL CREDIT REPORTING	CREDIT CHECK	5/12/2017	309710
491000	Admin Exp-Criminal/Background Checks	20.98	NATIONAL CREDIT REPORTING	BACKGROUND CHECKS	5/19/2017	309819
491000	Admin Exp-Criminal/Background Checks	22.95	WASHINGTON STATE PATROL	BACKGROUND CHECK	5/26/2017	309939
491000	Admin Exp-Criminal/Background Checks	12.00	WASHINGTON STATE PATROL	SEDRO APRIL 2017 BACKGROUND CK	5/26/2017	309939
493000	Other Admin Exp-Postage	27.85	MAIL ADVERTISING BUREAU INC	MARCH 2017 STATEMENTS	4/7/2017	309044
493000	Other Admin Exp-Postage	14.75	HASLER TOTAL FUNDS	POSTAGE	4/14/2017	309203
493000	Other Admin Exp-Postage	26.61	MAIL ADVERTISING BUREAU INC	APRIL 2017 STATEMENTS	5/5/2017	309529
493000	Other Admin Exp-Postage	14.75	HASLER TOTAL FUNDS	POSTAGE	5/5/2017	309586
493100	Other Admin Exp-Mail Handling	8.82	MAIL ADVERTISING BUREAU INC	MARCH 2017 STATEMENTS	4/7/2017	309044
493100	Other Admin Exp-Mail Handling	8.49	MAIL ADVERTISING BUREAU INC	APRIL 2017 STATEMENTS	5/5/2017	309529
520104	Social Service -Interpretation	5.23	LANGUAGE LINE SVC, INC	INTERPRETATION	4/28/2017	309406
520104	Social Service -Interpretation	3.89	LANGUAGE LINE SVC, INC	INTERPRETATION	5/26/2017	309929
620011	Occup Exp-Maint -Fire/Safety	44.79	SIMPLEXGRINNELL LP	ANNUAL INSPECTION FIRE EXT	5/5/2017	309524
620011	Occup Exp-Maint -Fire/Safety	96.00	SIMPLEXGRINNELL LP	EXT INSPECTION	5/5/2017	309524
620011	Occup Exp-Maint -Fire/Safety	396.65	SIMPLEXGRINNELL LP	FIRE EXT INSPECTION	5/5/2017	309524
620011	Occup Exp-Maint -Fire/Safety	6.36	SIMPLEXGRINNELL LP	FIRE EXT INSPECTION	5/5/2017	309524
620011	Occup Exp-Maint -Fire/Safety	226.14	SIMPLEXGRINNELL LP	SVC CALL	5/19/2017	309777
620013	Occup Exp-Maint -Yard/Garden/Landscaping	2,126.31	CLEAR LAWN MAINTENANCE SVC	MARCH LAWN MAINT SVCS	4/7/2017	309138
630100	Occup Exp-Fees-Permits	141.60	DEPT OF LABOR & INDUSTRIES	RENEWAL ANNUAL OPERATING CERT	4/21/2017	309280
660000	Occup Exp-Utilities-Water	1,470.99	PUBLIC UTILITY DISTRICT #1	WATER	5/26/2017	309990
660100	Occup Exp-Utilities-Sewer	3,772.40	CITY OF SEDRO WOOLLEY	SEWER	4/14/2017	309220
660100	Occup Exp-Utilities-Sewer	3,772.40	CITY OF SEDRO WOOLLEY	SEWER	5/12/2017	309740
660200	Occup Exp-Utilities-Electricity	1,215.13	PUGET SOUND ENERGY	ELEC	4/28/2017	309453
660201	Occup Exp-Utilities-Electricity-Closing Bill	16.61	PUGET SOUND ENERGY	ELEC	5/5/2017	309591
660500	Occup Exp-Utilities-Surface Water Mgmt	251.02	CITY OF SEDRO WOOLLEY	STORM	4/14/2017	309220
660500	Occup Exp-Utilities-Surface Water Mgmt	251.02	CITY OF SEDRO WOOLLEY	STORM	5/12/2017	309740
660700	Occup Exp-Utilities-Garbage	666.72	CITY OF SEDRO WOOLLEY	GARBAGE	4/14/2017	309220
660700	Occup Exp-Utilities-Garbage	655.97	CITY OF SEDRO WOOLLEY	GARBAGE	5/12/2017	309740
	TOTAL HILLSVIEW	33,681.82				
	TOTAL SEDRO WOOLLEY	48,613.49				

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SEDRO-WOOLLEY HOUSING AUTHORITY

TO: Board of Commissioners

FROM: Bill Cook

DATE: June 10, 2017

RE: **Resolution No. 478: Changes to the Sedro-Woolley Housing Authority's (SWHA's) Admissions and Continued Occupancy Policy (ACOP) Exhibit E – Income Limits**

Attached is the revised Exhibit E of the ACOP. The Department of Housing and Urban Development (HUD) usually adjusts these income limits yearly in December, but was significantly late in releasing the 2017 Income Limits.

The HUD income limits that went into effect April 14, 2017 have been slightly increased for Skagit County.

THE HOUSING AUTHORITY OF THE CITY OF SEDRO-WOOLLEY, WASHINGTON
Public Housing Program

Skagit County
INCOME LIMITS

Effective April 14, 2017

Family Composition	30% of Median	50% of Median	80% of Median
1 Person	\$13,950	\$23,250	\$37,150
2 Person	\$16,240	\$26,550	\$42,450
3 Person	\$20,420	\$29,850	\$47,750
4 Person	\$24,600	\$33,150	\$53,050
5 Person	\$28,780	\$35,850	\$57,300
6 Person	\$32,960	\$38,500	\$61,550
7 Person	\$37,140	\$41,150	\$65,800
8 Person	\$41,320	\$43,800	\$70,050
9 Person	\$45,500	\$46,450	\$74,250
10 Person	\$49,100	\$49,100	\$78,500
11 Person	\$51,750	\$51,750	\$82,750

ASSET LIMITS

Effective January 19, 1996

Included in the eligibility income is the dollar amount derived from assets. **If the assets exceed \$5,000**, the eligibility income would include the income derived from the assets or 2.0% of the total family assets, whichever is greater.

Revised 6/15/17

THE HOUSING AUTHORITY OF THE CITY OF SEDRO-WOOLLEY

RESOLUTION NO. 478

**AUTHORIZING CHANGES TO THE PUBLIC HOUSING ADMISSIONS AND
CONTINUED OCCUPANCY POLICY RELATING TO INCOME LIMITS**

WHEREAS, the Public Housing Program is administered within previously adopted program guidelines known as the Public Housing Admissions and Continued Occupancy Policy (herein called the “ACOP”); and,

WHEREAS, the Department of Housing and Urban Development (HUD) each year updates the income limits for program participants; and

WHEREAS, Board approval of revised operational policies and procedures is required before KCHA can implement such changes.

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF
COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF SEDRO-
WOOLLEY:**

- (1.) The Board of Commissioners hereby adopts the revisions to the Public Housing Admissions and Continued Occupancy Policy as attached; and
- (2.) Authorizes the Housing Authority to take the necessary steps to implement these revisions effective April 14, 2017.

**ADOPTED AT A MEETING OF THE BOARD OF COMMISSIONERS OF THE
HOUSING AUTHORITY OF THE CITY OF SEDRO-WOOLLEY THIS 15th DAY OF
JUNE 2017.**

**THE HOUSING AUTHORITY OF THE
CITY OF SEDRO-WOOLLEY, WASHINGTON**

Laurie Fellers, Chairwoman
Board of Commissioners

STEPHEN J. NORMAN
Secretary-Treasurer

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**SEDRO-WOOLLEY
HOUSING AUTHORITY**

TO: Board of Commissioners
FROM: Connie Davis, Deputy Executive Director
DATE: June 10, 2017
RE: **Energy Performance Contract - Project Briefing Continued**

Staff will provide additional details and answer question on Resolution No. 457, adopted by the Board at the Special meeting held on June 2, 2017.

**ENERGY PERFORMANCE CONTRACT
PROJECT PROFILE**

KCHA is still reviewing the final numbers for the EPC, Phase II. However, the current proposal is as follows:

Total Capital Investment:	\$710,000 (NTE value of contract is \$750,000)
Debt Service (p & i)	965,138
EPC Replacement Reserve	50,615 (over the life of the project - 20 years)
IGA, M&V-HUD filings	161,302 (over the life of the project - 20 years)
Internal Costs to Maintain	<u>250,639</u> (over the life of the project - 20 years)
Total Project Cost	\$1,427,694
Total Estimated Savings, including \$128,811 of rebates	(20 years)
\$1,953,210	

Note that the above estimates are slightly different from the May 26, 2017 JCI-provided Executive Summary. Until the HUD submission is finalized, these estimates will vary. Under all scenarios, however, savings will be sufficient to pay all project costs.

Financing:

HUD regulations require debt as part of the EPC project structure and debt is required to be at a fixed interest rate. KCHA is willing to lend up to \$750,000 to SWHA for a 20-year term at 5% interest under an unsecured note. This approach will save the time and fees involved in seeking an outside investor under a municipal lease structure and will avoid any need to request a Section 30 waiver from HUD. If the Board approves this approach, KCHA will prepare a note and loan agreement for review by the Commissioners at a subsequent meeting. The KCHA and SWHA Boards will each be asked to approve the debt structure prior to any commitment.

Construction Plan for any new ECMs:

KCHA proposes to use its internal staff to manage subcontractors in the installation of the proposed ECMs for an all-in construction management fee of 10%. No other overhead/profit will be charged. On KCHA's own project, JCI is managing the work and charging an additional 24% of total construction cost fees for construction management, project management and overhead/profit. Construction at the SWHA portfolio can be expected to kick off in the Fourth Quarter, 2017 or First Quarter, 2018, with all work complete within about four months. A construction schedule will be established with SWHA before an initial Notice to Proceed is issued.

Risks and Mitigation:

The most important areas of risk for this type of project relate to the estimation and achievement of projected utility savings, the cost of new product installation, the impact on on-going maintenance operations, and project financing risk. These risk areas are described below, followed by mitigating circumstances:

Achievement of Projected Savings. Realization of additional cash flow, after repayment of any financing costs, is dependent upon the project generating energy savings that can be captured through the HUD subsidy calculations.

HUD calculates the public housing operating subsidy for each public housing site using a formula-based project expense level (PEL); then adding the actual cost of authority-paid utilities, typically water and common area electricity (this is the Utility Expense Level or UEL); and subtracting tenant paid rents. When a housing authority enters into an EPC, its UEL is frozen at its **pre-EPC** utility consumption level. This base remains frozen over the life of the project and is called the Frozen Rolling Baseline or FRBL. As actual consumption declines due to newly-installed measures, the difference in utility costs between the actual and frozen consumption levels constitutes a part of the savings which are used to pay for the cost of the measures.

In the case of tenant-paid utilities, such as individual apartment electricity, SWHA provides tenants an allowance that reduces the rent they pay, such that the total tenant payment for both rent and utilities is approximately 30% of tenant income. Preliminary post installation utility allowance schedules for this project indicate that the SWHA-provided allowances will decrease between \$5 to \$13 per month, depending on unit size. As a result, tenants will be asked to pay slightly more in monthly rent once the project is implemented. As an EPC housing authority, HUD will then SWHA to exclude that increase in rent in calculating subsidy eligibility. This HUD incentive results in the housing authority receiving a subsidy equal to the differential between the old and new utility allowances, which can also be used by SWHA to pay for measures.

The amount of savings produced by these HUD incentives is sensitive to various factors that could become risks to additional project cash flow. These include the significant changes in utility rates (outside of the parameters utilized to calculate savings) and pro-rations in public housing operating subsidies by Congress., These risks have been anticipated in planning the project. Mitigations are built into the project design and conservative assumptions are being utilized in projecting actual savings:

- A large amount of the calculated savings will be due to the Frozen Rolling Baseline incentive associated with the EPC Phase I measures that are already installed. SWHA is currently achieving these results, so unless consumption levels rise unexpectedly or utility rates actually decrease from 2016 levels, these savings are already known.
- Once approved by HUD, the Resident Paid Utility Incentive (RPUI) can be requested annually without additional documentation.
- Regarding the impact of inadequate Congressional appropriations: the project has been stress tested at an 85% pro-rate, which has been the average pro-ration over the past few years. SWHA will enter into a Monitoring and Verification contract for the remainder of the EPC term to assure that measures are performing as planned and that future opportunities for savings are identified.

On-going Operational Risks: Risks associated with the installation of energy conservation measures include the actual efficacy of the measures installed, tenant behaviors or dissatisfaction that could impact consumption patterns and increased maintenance costs for the SWHA. Tenant concerns may include inadequate lighting levels from new fixtures, lack of familiarity with new heating technology, and increased noise from toilet installations. Maintenance concerns include possible increased maintenance requirements and replacement costs, and the need for staff training associated with more complex building elements such as energy recovery ventilators and vacuum-assisted toilets. In mitigation:

- After extensive vetting by experienced KCHA maintenance and weatherization staff, KCHA has completed the installation of the same or similar JCI-recommended products in over 800 units. Based on early survey and anecdotal evidence, we believe these products are being readily accepted by the great majority of KCHA residents and staff and are working as expected. Good communication and training on products through the use of mock-ups have been helpful in reaching this overall acceptance by staff and residents.
- At over \$50,000, the replacement reserves included in the project are believed to be adequate; there are likely to be future opportunities to increase the reserves within the project, if desired. With the exception of the furnaces, the measures, such as LED lighting, have fairly low replacement costs. After approximately one year of using these measures, KCHA has experienced no issues.
- KCHA will train maintenance staff on how to replace failed equipment and will ensure warranties on installed measures are understood. In addition, maintenance manuals for the new ECMs will be provided. This training will emphasize correct product replacements because non-standard replacements are unlikely to support the expected savings for the project.

Financing: The primary risks associated with financing are the availability of willing lenders with acceptable terms, the cost of early termination of the loan and interest rate exposure:

- KCHA is making an internal loan to its own energy performance project for 20 years at a fixed 5% rate with no prepayment fees and intends to advance sufficient funds to SWHA under the same terms and conditions. Financing should be in place before the end of 2017 so construction can kick off by year end and should not be in an amount that exceeds \$750 thousand. All financing will be retired through anticipated project cash flows.
- As in typical projects with financing, debt service will be paid first out of available cash flow as a project cost, with excess amounts available to SWHA to fund capital and operating needs.

The Board will have the opportunity to review and approve the final debt structure prior to any commitment by SWHA.



Executive Summary

May 26, 2017

Johnson Controls Public Housing Team has worked with King County Housing Authority (KCHA) staff to extend the term of the Sedro-Woolley Housing Authority (SWHA) EPC contract from 12 years to 20 years and to optimize the benefits of each incentive under the program.

Utilizing the HUD Energy Performance Conservation (EPC) incentives, the program can deliver quality of life improvements for residents, reduction in energy consumption, and long-term financial stewardship of public funds.

This project summary presents the improvements to SWHA's properties that will be implemented pending HUD approval and authorization by the SWHA board.

The primary purposes to extend:

1. Implement Energy Conservation Measures (ECMs) that will provide the maximum energy savings to SWHA and reduce maintenance/operational costs.
2. The ECMs will help SWHA make long-term upgrades, meet code requirements, improve resident comfort, and enhance the marketability of SWHA's properties.
3. Utilizing HUD incentives results in a self-funding program that generates significant income for non-EPC programs that benefit SWHA residents.

Project Objectives

Deliver Self-Funded Energy Solutions

The EPC Scope of Work developed for SWHA is entirely self-funded. The HUD incentives will be sufficient to cover all costs associated with: project debt payments, funding the replacement reserve, administrative fees, measurement & verification, and annual HUD reporting.

Achieve Significant Long-Term Savings and Benefits to Housing Stock

Measurable benefits include lower energy consumption and a reduction in utility costs. Above and beyond energy savings, KCHA and Johnson Controls team agree that benefits will extend to improved living standards, lower operational costs, and upgraded housing stock. In all, the project is expected to generate over the term of the contract savings, incentives of up to \$1,824,399 and a onetime utility rebate of \$128,811.

Obtain Consistent Levels of Occupant Comfort and Building Functionality

Resident comfort is a critical aspect of the project development process and was taken into consideration when including installation of the energy-recovery ventilator (ERV) in tenant units. An ERV will maintain proper levels of fresh air to reduce the likelihood of mildew or mold developing without increasing cost. The technology is an effective means of reducing energy cost for heating loads while providing a healthy environment.



Through the proposed phase 2 extension, SWHA would realize an additional benefit of \$709,073 to support the extended energy savings project.

SWHA can expect the following results:

- ✓ 2018 Annual utility / EPC combined incentive savings of \$110,118
- ✓ Utility Rebate of \$128,811 to offset debt service
- ✓ Up to \$2 million in EPC incentive savings over the EPC extended term.
- ✓ A comprehensive project that fully leverages HUD EPC incentives.
- ✓ Ability to reprioritize capital dollars.
- ✓ Increased resident comfort and quality of life.



Project Scope

- Installation of high efficiency furnaces units at Cedar Grove.
- Installation of high efficiency furnace for the common area at Cedar Grove.
- Installation of Energy Recovery Units (ERV) at Cedar Grove and Hillsview.
- LED lighting upgrades in all residential units for Cedar Grove and Hillsview.
- LED lighting upgrades in the common area at Hillsview.
- Water Conservation Measures, including high efficiency toilets, aerators, and low-flow shower heads at Cedar Grove and Hillsview.

New High Efficiency HVAC Systems

At Cedar Grove a total of 20 individual apartment natural gas furnaces will be retrofitted with 20 high efficiency furnaces. The retrofit also include the replacement of the common area heating system. This will be a significant upgrade to the existing aging and standard-efficiency equipment.

New Energy Recovery Units

A total of 80 ERV's will be installed, one per apartment, providing an energy efficient ventilation system with the intent to meet the requirements of the International Residential Code under the 2012 WASHINGTON STATE ENERGY CODE, RESIDENTIAL PROVISIONS.

Lighting Retrofit - Common Areas and Apartments

The existing lighting at SWHA is a mixture of incandescent and fluorescent lighting. The existing lighting systems will be retrofitted with long-lasting, energy-efficient LED fixtures and lamps resulting in immediate and ongoing cost reductions and improved quality of light (both brighter and of a natural color spectrum).

Water Conservation

The original program for water conservation included partial replacement low flow showerheads, aerators and complete capping of exterior hose bibs. The capping of the exterior hose bibs provided a remarkable reduction of water consumption by nearly 40%. There are still steps to take to further reduce the water consumption by replacing all existing toilets, showerheads and aerators at Cedar Grove and Hillsview with high efficient water fixtures.

Financial Overview

Code of Federal Regulations (CFRs) 24 CFR 990.185 governs the energy performance conservation program for public housing authorities where the project must be self-funding. The initial cash flow on the following page demonstrates that the proposed project will meet this requirement. The cash flow will also meet all HUD CFR requirements for EPC and incentive funding types. Each incentive has a not to exceed term of 20 years. The existing incentives do not all have the same start dates. The 20 maximum term per incentive by utility type was applied to SWHA cash flow, allowing existing incentives to be extended to 20 years and new requested incentives to continue over a full term of 20 years with an end date of 2036.

HUD EPC Incentives for the contract extension are Frozen Rolling Base and Resident Paid Utilities Incentives.

Phase 2 Extension Overview

Program Incentives	Utility Rebates	Total Program Benefits	Debt Service	Replacement Fund	M&V	Admin Costs	Subsidy Excess *
\$1,824,399	\$128,811	\$1,953,210	\$954,000	\$50,615	\$134,352	\$267,699	\$417,713

- The subsidy excess of \$417,713 does not include utility rebate of \$128,811.



Table 7 - Cash Flow - 100% All Phases

Year	Funding Year	Annual Energy Savings	Annual Debt Payment	Annual M&V Fees	Replacement Costs	Maintenance Costs	Total Liabilities	Annual Cash Flow
Phase 1 – Siemens & Self Implemented								
1	2006	\$5,861	\$6,675	\$0	\$1,750	\$6,289	\$14,714	-\$8,852
2	2007	\$0	\$8,009	\$1,589	\$1,750	\$6,672	\$18,020	-\$18,020
3	2008	\$24,126	\$8,010	\$1,636	\$15,470	\$7,197	\$32,313	-\$8,187
4	2009	\$42,566	\$8,010	\$1,685	\$15,470	\$7,630	\$32,794	\$9,771
5	2010	\$37,177	\$8,009	\$1,736	\$23,107	\$8,632	\$41,484	-\$4,307
6	2011	\$43,854	\$8,010	\$1,788	\$24,085	\$9,046	\$42,928	\$926
7	2012	\$46,321	\$8,009	\$1,842	\$19,128	\$8,946	\$37,925	\$8,396
8	2013	\$53,534	\$8,009	\$1,897	\$18,476	\$9,399	\$37,781	\$15,753
9	2014	\$53,739	\$8,009	\$1,954	\$17,666	\$9,689	\$37,318	\$16,421
10	2015	\$43,889	\$8,009	\$2,012	\$19,955	\$10,989	\$40,966	\$2,923
11	2016	\$63,805	\$8,010	\$2,073	\$29,591	\$9,250	\$48,923	\$14,882
Sub-Totals		\$414,873	\$86,770	\$18,211	\$186,446	\$93,740	\$385,166	\$29,707
Phase 2 Extension – Self Implemented								
12	2017	\$82,732	\$22,000	\$5,000	\$1,471	\$26,950	\$55,421	\$27,311
13	2018	\$110,118	\$72,000	\$5,150	\$1,515	\$10,176	\$88,841	\$21,277
14	2019	\$113,422	\$72,000	\$5,305	\$1,640	\$10,413	\$89,357	\$24,064
15	2020	\$116,825	\$72,000	\$5,464	\$1,823	\$10,657	\$89,944	\$26,881
16	2021	\$120,329	\$72,000	\$5,628	\$2,997	\$10,907	\$91,532	\$28,797
17	2022	\$123,939	\$80,000	\$5,796	\$3,087	\$11,164	\$100,048	\$23,891
18	2023	\$127,657	\$80,000	\$5,970	\$3,180	\$11,428	\$100,578	\$27,079
19	2024	\$131,487	\$80,000	\$6,149	\$3,275	\$11,698	\$101,123	\$30,364
20	2025	\$135,400	\$80,000	\$6,334	\$3,374	\$11,976	\$101,684	\$33,717
21	2026	\$122,637	\$72,000	\$6,524	\$2,206	\$12,261	\$92,991	\$29,646
22	2027	\$126,316	\$72,000	\$6,720	\$2,272	\$12,553	\$93,545	\$32,772
23	2028	\$51,040	\$20,000	\$6,921	\$2,340	\$12,854	\$42,115	\$8,925
24	2029	\$52,571	\$20,000	\$7,129	\$2,410	\$13,162	\$42,701	\$9,870
25	2030	\$54,148	\$20,000	\$7,343	\$2,483	\$13,479	\$43,304	\$10,844
26	2031	\$55,773	\$20,000	\$7,563	\$2,557	\$13,804	\$43,924	\$11,849
27	2032	\$57,446	\$20,000	\$7,790	\$2,634	\$14,138	\$44,562	\$12,884
28	2033	\$59,169	\$20,000	\$8,024	\$2,713	\$14,481	\$45,217	\$13,952
29	2034	\$60,945	\$20,000	\$8,264	\$2,794	\$14,834	\$45,892	\$15,052
30	2035	\$62,773	\$20,000	\$8,512	\$2,878	\$15,196	\$46,586	\$16,187
31	2036	\$59,671	\$20,000	\$8,768	\$2,964	\$15,568	\$47,300	\$12,371
Extension		\$1,824,399	\$954,000	\$134,352	\$50,615	\$267,699	\$1,406,666	\$417,733
Totals		\$2,239,273	\$1,040,770	\$152,562	\$237,061	\$361,439	\$1,791,832	\$447,441



Environmental Impact

Community Benefits

Based on the energy savings projected for this EPC, the following annual reductions in greenhouse gas emissions can be expected:

Approach	Reduction	Avoided Emissions: CO2*
Reduce Electric Consumption	638,800 kWh/year	730.0 tons/year
Reduce Natural Gas Consumption	4,972 Therms/year	43 tons/year
Reduce Water Consumption	1.1 Million gallons/year	
Total		415 tons/year

* All fossil fuel emission factors consider stationary combustion only.

Sources:







Electricity: "Non-baseload output emissions rates" eGRID 2010 Version 1.1 files from EPA website: <<http://www.epa.gov/cleanenergy/energy-resources/egrid/index.html>>

Other emission factors: EPA Climate Leaders Guidance Documents. Direct Emissions from Stationary Combustion Sources. November 2007.

Energy Project GHG Calculator. USA Version 5.1. May 24, 2011.

Environmental Equivalents

The project's reduced emissions would be equivalent to:

CO ₂ sequestered by	10,636	tree seedlings grown for 10 years in an urban scenario	
CO ₂ sequestered by	94	acres of pine or fir forests	
CO ₂ emissions from	76	passenger vehicles	
CO ₂ emissions from	965	barrels of oil consumed	
CO ₂ emissions from the <i>energy</i> use of	38	homes for one year	
CO ₂ emissions from burning	2	coal railcars	

All carbon equivalencies extracted directly from the EPA website.



Reference Points for Incentive Types and Term

Cedar Grove					
FRBL				ADD-ON	RPUI
Electric	Gas	Gas	Water	Electric	Electric
Phase I	Phase I	Phase II	Phase I	Phase I	Phase I
2016 -2025		2017 - 2036	2008 - 2027	2006, 2008 - 2015	2016 - 2025
				Converted to FRBL in 2016	

Hillsview					
FRBL				ADD-ON	RPUI
Electric	Gas	Gas	Water	Electric	Electric
Phase I	Phase I	Phase II	Phase I	Phase I	Phase I & II
2016 -2025	NA	NA	2008 - 2027	2006, 2008 - 2015	2017 - 2026
				Converted to FRBL in 2016	

FRBL – Frozen Rolling Baseline Incentive

Pre-construction utility consumption levels are frozen for term of contract. Up to 100% usage savings + increases as utility rates rise.

ADD-ON – Add-on Incentive

SWHA received annual subsidy from HUD that was equal to the EPC annual contract costs for debt service only from 2006, 2008 to 2015. Converted to FRBL in 2016 based on 2006 utility rates.

RPUI – Resident Paid Utility Allowance Incentive

The utility allowance decrease and the rental increase provides for a formula income deduct where SWHA retains incremental rental revenue increase to repay debt service.

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SEDRO-WOOLLEY HOUSING AUTHORITY

INTEROFFICE MEMORANDUM

To: The Board of Commissioners
Date: May 31, 2017
From: Jeff Friend, Financial Reporting Manager
Subject: April 2017 Financial Report

Attached for your review is an unaudited year-to-date financial report as of April 30, 2017. This report shows year-to-date actual results, budgets and variances expressed in both dollars and percentages. The report, in a working capital format, details revenues, expenses, and other sources/uses of working capital. Working capital is defined as current assets minus current liabilities and is a metric that is used to measure the ability of an organization to meet its near-term obligations (less than one year). Each report in this format will reconcile the current period working capital to that of the prior period.

Summary: Year-to-date operating revenues and operating expenses are 7.1% over budget and 2.7% under budget, respectively.

Operating Revenue Variances

	Variance (\$)	Variance (%)
Dwell Rent	\$ 2,193	3.5%
Operating Fund Subsidy	9,294	8.9%
Other Misc. Income	377	60%
	\$ 11,864	7.1%

Operating Expense Variances

	\$ Var	% Var
Salaries, Wages & Benefits	\$ (1,823)	-5.5%
Occupancy Expenses	(1,813)	-2.4%
Admin Support Expenses	(45)	-0.2%
Other Misc. Expenses	(133)	-5.2%
	\$ (3,814)	-2.7%

- Green are positive variances
- Yellow are negative variances of less than 5%
- Red are negative variances greater than 5%

Operating Revenue and Expense: Operating Revenues are over target as the Authority's interim Operating Subsidy eligibility is greater than anticipated in the budget. Specifically, a Resident Paid Utility Incentive related to the original Energy Performance Contract was added resulting in greater eligibility. A final prorate and subsidy amount will be determined by HUD later in the year. Operating Expenses are very close to target. Salaries, Wages, and Benefits are under budget. Current staff assigned to Hillsview and Cedar Grove have fewer dependents than average; therefore, the medical benefit costs are lower. If there are no staffing changes, Salaries, Wages, and Benefits should remain under budget throughout the year.

Non-Operating Revenue and Expense: Non-operating revenues are close to target. Three unit upgrades were budgeted evenly throughout the year. Capital grant funds were drawn to fund a unit upgrade that was completed at Hillsview in April. Interest expense based on the prior balance of the Siemens ESCO lease was budgeted; however, the Authority made an extra \$7,000 payment on the lease in late 2016 leaving only a \$32 debt balance. As a result, actual interest expense and non-operating expenses are under target through April.

Working Capital: The year-to-date working capital balance is \$253,780; the equivalent of approximately 7 months of operating expenses.

Housing Authority of the City of Sedro-Woolley
Statements of Financial Position
For the Period Ended 04/30/2017

	<u>Cedar Grove</u>	<u>Hillsview</u>	<u>Total Authority</u>
Working Capital Assets			
Cash-Unrestricted	\$ 99,555	\$ 183,900	\$ 283,455
Accounts Receivables	1,481	7,624	9,105
Prepaid Assets & Inventory	1,074	3,332	4,406
Total Working Capital Assets	<u>102,110</u>	<u>194,856</u>	<u>296,966</u>
Liabilities Offsetting Working Capital Assets			
Accounts Payable	(7,525)	(22,680)	(30,205)
Payroll Liabilities	<u>(3,667)</u>	<u>(9,314)</u>	<u>(12,981)</u>
Total Offsetting Liabilities	<u>(11,192)</u>	<u>(31,994)</u>	<u>(43,186)</u>
Working Capital	<u>90,918</u>	<u>162,862</u>	<u>253,780</u>
Other Assets			
Cash-Restricted	3,800	5,275	9,075
Capital Assets	441,510	1,414,612	1,856,122
Work-in-Process	-	1,032	1,032
Total Other Assets	<u>445,310</u>	<u>1,420,919</u>	<u>1,866,229</u>
TOTAL ASSETS (net of WC offsets)	<u>\$ 536,228</u>	<u>\$ 1,583,781</u>	<u>\$ 2,120,009</u>
LIABILITIES & EQUITY			
Other Liabilities			
Deferrals-Related to Restr Cash	\$ 3,800	\$ 5,375	\$ 9,175
Debt	<u>11</u>	<u>21</u>	<u>32</u>
	3,811	5,396	9,207
Equity			
Equity	<u>532,417</u>	<u>1,578,385</u>	<u>2,110,802</u>
	532,417	1,578,385	2,110,802
TOTAL LIAB & EQ (net of curr liab)	<u>\$ 536,228</u>	<u>\$ 1,583,781</u>	<u>\$ 2,120,009</u>

Housing Authority of the City of Sedro-Woolley
Working Capital Budget vs. Actual Report
For the Period Ended 04/30/2017

	Actuals Through 04/30/2017	Budget Through 04/30/2017	YTD Variance	(n/m= not meaningful) Percent YTD Variance	2017 Annual Budget	Remainder to Receive/ Spend	(n/m= not meaningful) Percent of Annual Budget
Revenues							
Tenant Revenue	\$ 64,560	\$ 62,367	\$ 2,193	3.5%	\$ 187,100	\$ 122,540	34.5%
Operating Fund Subsidy from HUD	113,605	104,311	9,294	8.9%	312,932	199,327	36.3%
Other Operating Revenue	1,010	633	377	59.6%	1,900	890	53.2%
Non-operating Revenue	25,014	22,916	2,098	9.2%	68,759	43,745	36.4%
Total Revenues	204,189	190,227	13,962	7.3%	570,691	366,502	35.8%
Expenses							
Salaries & Benefits	31,508	33,331	(1,823)	(5.5%)	105,606	74,098	29.8%
Routine Maintenance, Utilities, Taxes & Insurance	74,510	76,323	(1,813)	(2.4%)	243,274	168,764	30.6%
Direct Social Service Salaries & Benefits	0	0	0	n/m	0	0	n/m
Other Social Service Support Expenses & HAP	2,416	2,549	(133)	(5.2%)	7,945	5,529	30.4%
Administrative Support Expenses	28,332	28,377	(45)	(0.2%)	94,777	66,445	29.9%
Non-operating Expenses	0	60	(60)	(100.0%)	180	180	0.0%
Total Expenses	136,766	140,640	(3,874)	(2.8%)	451,782	315,016	30.3%
Net Income	67,423	49,587	17,836	36.0%	118,909	51,486	56.7%
Other Sources/(Uses) of Working Capital							
(Increase) in Restricted/Designated Cash	0	0	0	n/m	0	0	n/m
Decrease in Restricted/Designated Cash	175	0	175	n/m	0	(175)	n/m
(Increase) in LT Receivables	0	0	0	n/m	0	0	n/m
Decrease in LT Receivables	0	0	0	n/m	0	0	n/m
Acquisition of Capital Assets	(24,830)	(42,581)	17,751	(41.7%)	(87,744)	(62,914)	28.3% (1)
Disposition of Capital Assets	0	0	0	n/m	0	0	n/m
Change in Suspense	0	0	0	n/m	0	0	n/m
Change in Other Assets	0	0	0	n/m	0	0	n/m
Change in Other Deferrals	(75)	0	(75)	n/m	0	75	n/m
Increase in LT Debt	0	0	0	n/m	0	0	n/m
(Decrease) in LT Debt	0	(366)	366	(100.0%)	(1,098)	(1,098)	0.0%
Total Other Sources/(Uses) of Working Capital	(24,730)	(42,947)	18,217	(42.4%)	(88,842)	(64,112)	27.8%
Net Change in Working Capital	\$ 42,693	\$ 6,640	\$ 36,053	543.0%	\$ 30,067	\$ (12,626)	142.0%
Working Capital, 12/31/2016	211,086						
Working Capital, 04/30/2017	\$ 253,780						

1) The budgeted Hillsview new key scan & monitoring system have yet to be installed.

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SEDRO-WOOLLEY HOUSING AUTHORITY

Housing Management Report

April and May 2017

Vacancy Report

	Vacates	Housings	Completed Upgrades
Hillsview	2	0	1
Cedar Grove	0	0	0

Average Unit Turnover Rates for Hillsview

One unit was housed with a UTO of 6 days. A resident vacated and moved into a nursing home in April. This unit will be upgraded and ready to house in July. A resident moved out at the end of May to live with a friend in Oregon. Her unit was previously upgraded and is scheduled to be housed on June 12, 2017.

Current Applications of Wait List as of May 31, 2017

Hillsview	Applicants Claiming Preference	Eld/Dis Claiming Preference	Non-Preference Applicants	Total
1 Bedroom	91	73	51	142

Cedar Grove	Preference	Non-Preference	Total
2 Bedrooms	82	16	98
3 Bedrooms	44	3	47
4 Bedrooms	5	1	6
Total	131	20	151

Preference Definitions:

1. Rent burden – person is paying more than 50% of income in rent
2. Family lives in substandard housing - homeless or condition of unit substandard
3. Involuntary displacement – disaster, government action, housing owner action, domestic violence, etc.

Work Orders

	Routine	Inspection	Emergency	Vacate	RA	Total
Hillsview	34	15	0	1	0	50
Cedar Grove I	10	2	0	0	0	12
Cedar Grove II	6	1	0	0	0	7
Cedar Grove III	1	0	0	0	0	1
Total	51	18	0	1	0	70

Resident Functions

There are none at this time.

Staffing

We are 100% staffed in Sedro-Woolley.

SEDRO-WOOLLEY HOUSING AUTHORITY

Housing Management Report

Previous Meeting Concerns

Whirlwind Services, Inc was awarded the landscaping contract and their start date was May 10, 2017.

Resident Issues.

Two residents at Hillsview have submitted multiple noise complaints about each other. They agreed to a mediation meeting with the Property Manager. It was concluded that a majority of the noise was regular apartment noise. One of the residents requested a reasonable accommodation to transfer for medical reasons at the end of the meeting.