

HOUSING AUTHORITY OF THE CITY OF SEDRO-WOOLLEY



SPECIAL HYBRID MEETING OF THE BOARD OF COMMISSIONERS

Thursday, October 9, 2025 @ 10:45am

Zoom Link:

<https://kcha-org.zoom.us/j/83640595870>

Hillsview Apartments
830 Township St
Sedro-Woolley, WA 98284

HOUSING AUTHORITY OF THE CITY OF SEDRO-WOOLLEY



SPECIAL MEETING OF THE BOARD OF COMMISSIONERS AGENDA

Thursday, October 9, 2025 - 10:45am

Hillsvew Apartments – 830 Township Street, Sedro-Woolley, WA 98284

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- | | |
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| I. Call to Order | |
| II. Roll Call | |
| III. Public Comment | |
| IV. Approval of Minutes | 1 |
| A. Board Meeting Minutes – June 26, 2025 | |
| V. Action Items for Discussion & Approval | |
| A. Approval of Voucher Report –
June 1, 2025 to July 31, 2025 | 2 |
| B. Approval of Voucher Report –
August 1, 2025 to September 30, 2025 | 3 |
| C. Resolution No. 505 – A Resolution Approving
the SWHA’s 2025-2029 Capital Fund Program 5-Year Action Plan | 4 |
| D. Resolution No. 506 – A Resolution Adopting
the SWHA’s 2026-2030 Five-Year Public Housing Agency Plan | 5 |
| VI. Reports | |
| A. Financial Report for August 2025
(<i>Sean Lay, Financial Reporting Manager</i>) | 6 |
| B. SWHA Audit Report – December 31, 2024
(<i>Saeed Hajarizadeh, Executive VP of Administration</i>) | 7 |
| C. Housing Management Report for August/Sept 2025
(<i>Penny Bradley, Asst VP of Property Management-Administration</i>) | 8 |
| D. Funding Stability
(<i>Andria Lazaga, VP of Compliance and Policy</i>) | 9 |
| E. Federal Update
(<i>Robin Walls, President/CEO</i>) | |
| VII. New Business | |
| VIII. Adjournment | |

T A B N U M B E R

SPECIAL HOUSING AUTHORITY OF THE CITY OF SEDRO-WOOLLEY
BOARD OF COMMISSIONERS
MEETING MINUTES
Thursday, June 26, 2025

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 10:52a.m., on Thursday, June 26, 2025.

II. Roll Call

Present: Commissioner Laurie Fellers (Chair), Commissioner Debra Lancaster, Commissioner Mario Padilla (via Zoom).

Excused: Commissioner Kevin Riley

III. Public Comment

No public comment.

IV. Approval of Minutes

A. April 17, 2025

Commissioner Debra Lancaster moved for approval of the Minutes with the correction of time started, seconded by Commissioner Mario Padilla; the Board unanimously approved the Minutes from April 17, 2025.

V. Action Items for Discussion & Approval

A. Approval of Voucher Report April 1, 2025 to May 31, 2025

Questions of Commissioners were answered.

Commissioner Debra Lancaster moved for approval of the Voucher Report, seconded by Commissioner Mario Padilla; the board unanimously approved the Voucher Report for April 1, 2025 to May 31, 2025.

VI. Reports

A. Financial Report for April 2025

Sean Lay, Financial Reporting Manager gave a detailed report of the Financial Report.

Questions of Commissioners were answered.

B. Housing Management Report for April/May 2025

Sela Kennedy, Regional Manager, gave details for the Housing Management Report.

VIII. New Business

A. Federal Happenings

The Project Based Voucher Program Issue that was in the Seattle times, not related to SWHA. For our HCVP, one of the plans is to block grant to the State. The state normally does not have a role administering it, so this would be something new. Congress is the body of Government that appropriates funding for the program and it would take a super majority to pass, which is highly unlikely. The proposed White House budget would have a deep slash to programs, around to 43% reduction. This would impact Sedro-Woolley Housing Authority if that level of program funding would go through. We need to bring this forward for discussion, with respect to some of the recent spending that we have made on the elevators. KCHA has decided to move forward by repositioning our public housing portfolio through the RAD process. We have energy performance contracts that are expiring at the end of the year. The RAD conversion will allow us to maintain our rents at our current level. Where we would lose our subsidy from the energy performance contracts that are expiring. Capital funds that are allocated to public housing units, if there are deep cuts to the program, the capital funds will be cut deep and frankly they will probably be deeper than even the funding for the voucher program. Public Housing operating subsidies are also at risk. What we know with respect to Sedro-Woolley, and us having to pay a certain amount to relocate people temporarily, once the elevators went out, there are very thin margins for operating in terms of the current structure. If capital funds are impacted at all, and to a certain extent, KCHA already supplements some of Sedro-Woolley's operations already. This RAD conversation is one that we need to have soon to increase revenue in a very threatened funding environment.

We annually review the rents. Fair Market Rent – in April – we can pull the FMR's and look at those. We will add to the next agenda to talk about.

Commissioners would like to add to future agendas to do a check-in of what is happening federally.

Adjournment

There being no further business before the Board of Commissioners, the meeting was adjourned at 11:19 a.m.

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

LAURIE FELLERS, Chair
Board of Commissioners

ROBIN WALLS
President/CEO

T A B N U M B E R

HOUSING AUTHORITY OF THE CITY OF SEDRO-WOOLLEY



SWHA Board of Commissioners
Laurie Fellers, *Chair*
Katherine Olson
Debra Lancaster
Kevin Riley

KCHA President/CEO
Robin Walls

TO: Board of Commissioners

FROM: Crystal Barrow-Mendez, Accounting Manager

DATE: August 06, 2025

RE: Approval of Vouchers June 1, 2025 to July 31, 2025

I, Crystal Barrow-Mendez, 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.

Crystal Mendez

Crystal Barrow-Mendez
Accounting Manager
August 06, 2025

Expenditures to Sedro-Woolley

Operations

Directly to Cedar Grove	35,606.95
Cedar Grove Voids	<u>0.00</u>
Cedar Grove Total	35,606.95

Directly to Hillsvie	31,539.48
Hillsvie Voids	<u>0.00</u>
Hillsvie Total	<u>31,539.48</u>

Total Expenditures	<u><u>67,146.43</u></u>
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SEDRO-WOOLLEY HOUSING AUTHORITY
Accounts Payable Report
6/01/2025 TO 7/31/2025

Account No.	Major Account Description	Amount	Vendor Name	Voucher Description	Date	Check Number
CEDAR GROVE						
170000	Work-In-Process	13,920.17	OLYMPIC ROOFING LLC	CEDAR GROVE 2 BLDG C	6/27/2025	358199
200200	Contract Retentions	(696.01)	OLYMPIC ROOFING LLC	CEDAR GROVE 2 BLDG C	6/27/2025	358199
409003	Benefits-Uniforms	48.75	IMAGE SOURCE INC	Polos	6/27/2025	358187
409004	Benefits-Work Boots	100.00	RED WING BUSINESS ADVANTAGE ACCOUNT	OLIVER HUNT **ONLY ALLOWED \$400.00	6/13/2025	357977
411100	Computer Equip-Hardware	3.08	COMPUNET INC	CATO ANNUAL SUBSCRIPTION	7/25/2025	358625
411102	Computer Equip-Hardware Maintenance	2.11	GENERAL DATATECH LP	CON SNTP 1	7/3/2025	358285
411104	Computer Equip-Software as a Service Fees	5.92	CDW/COMPUTER CENTERS INC	COMPUTER SUPPLIES	7/3/2025	358240
411104	Computer Equip-Software as a Service Fees	189.66	COMPUNET INC	CATO ANNUAL SUBSCRIPTION	7/25/2025	358625
411901	Equip-Other-Leased/Rented	1.42	QUADIENT LEASING USA INC	CUST 00904969	6/6/2025	357871
411901	Equip-Other-Leased/Rented	1.40	CANON FINANCIAL	CONTRACT 0667544-005	6/6/2025	357842
411901	Equip-Other-Leased/Rented	1.42	CANON FINANCIAL	CONTRACT 0667544-005	6/27/2025	358171
411901	Equip-Other-Leased/Rented	1.40	CANON FINANCIAL	CONTRACT 0667544-005	7/25/2025	358580
420101	Professional Services-Auditing	121.63	STATE AUDITOR S OFFICE	AUDIT PERIOD 20-23	6/27/2025	358122
421904	Admin - Cloud Recovery Services	15.24	NET2VAULT LLC	MANAGED VAULTING	6/13/2025	357966
421904	Admin - Cloud Recovery Services	15.27	NET2VAULT LLC	MANAGED VAULTING	7/11/2025	358371
450002	Comm-Phones Lines-Service-Digital Voice	0.39	INTRADO LIFE & SAFETY INC	ENTERPRISE ENDPOINT MONTHLY APRIL 2025	6/13/2025	357973
450002	Comm-Phones Lines-Service-Digital Voice	0.35	CENTURYLINK	MONTHLY CHGS	6/20/2025	358052
450002	Comm-Phones Lines-Service-Digital Voice	0.35	CENTURYLINK	MONTHLY CHGS	6/20/2025	358052
450002	Comm-Phones Lines-Service-Digital Voice	0.35	CENTURYLINK	6/24-7/23/25 CHGS	7/11/2025	358331
450002	Comm-Phones Lines-Service-Digital Voice	0.35	CENTURYLINK	6/24-7/23/25 CHGS	7/11/2025	358331
450002	Comm-Phones Lines-Service-Digital Voice	0.77	INTRADO LIFE & SAFETY INC	ENTERPRISE ENDPOINT	7/25/2025	358591
450100	Comm-Long Distance Charges	0.14	CENTURYLINK	MONTHLY CHGS	6/6/2025	357877
450100	Comm-Long Distance Charges	0.14	CENTURYLINK	3/12-4/11/25 CHGS	6/27/2025	358202
491000	Admin Exp-Criminal/Background Checks	15.45	NATIONAL CREDIT REPORTING	BACKGROUND CHECK	7/11/2025	358329
491001	Admin Exp-Tenant Screening	3.67	CARAHSOFT TECHNOLOGY CORPORATION	PO NUMBER A1B2WA000POT	6/20/2025	358087
493000	Other Admin Exp-Postage	14.15	MAIL ADVERTISING BUREAU INC	JUNE 2025 STATEMENTS	6/13/2025	357911
493000	Other Admin Exp-Postage	150.70	MAIL ADVERTISING BUREAU INC	KCHA CAC MAILING	6/13/2025	357911
493000	Other Admin Exp-Postage	6.62	QUADIENT FINANCE USA INC	ACCT 7900 0440 8081 6949	6/27/2025	358194
493000	Other Admin Exp-Postage	14.12	MAIL ADVERTISING BUREAU INC	JULY STMT	7/18/2025	358423
493000	Other Admin Exp-Postage	6.62	QUADIENT FINANCE USA INC	ACCT 7900 0440 8081 6949	7/25/2025	358603
493100	Other Admin Exp-Mail Handling	2.32	MAIL ADVERTISING BUREAU INC	JUNE 2025 STATEMENTS	6/13/2025	357911
493100	Other Admin Exp-Mail Handling	2.32	MAIL ADVERTISING BUREAU INC	JULY STMT	7/18/2025	358423
520104	Social Service-Interpretation	1.90	EFFECTIFF LLC	KING COUNTY PROPERTY MGMT	6/20/2025	358107
520104	Social Service-Interpretation	1.68	EFFECTIFF LLC	KING COUNTY PROPERTY MGMT	7/18/2025	358505
610003	Occ Exp-Materials-Carpentry	244.21	THE HOME DEPOT	MAINT SUPPLIES	6/6/2025	357806
610003	Occ Exp-Materials-Carpentry	211.26	THE HOME DEPOT	MAINT SUPPLIES	6/6/2025	357806
610003	Occ Exp-Materials-Carpentry	980.23	THE HOME DEPOT	SARAMAR - 1 QTY	6/6/2025	357806
610003	Occ Exp-Materials-Carpentry	1,352.00	CONSTRUCTION GROUP INTER LLC	ASBESTOS ABATEMENT	7/3/2025	358248
610009	Occ Exp-Materials-Disaster Preparedness	4.42	CELLHIRE USA LLC	IRIDIUM 975 PHONE AND SERVICE	6/20/2025	358112
610009	Occ Exp-Materials-Disaster Preparedness	0.19	CELLHIRE USA LLC	MONTHLY SERVICE FEE	7/25/2025	358631
620012	Occ Exp-Maint-Pest Control	29.08	STOP BUGGING ME PEST CONTROL	Pest Control	7/3/2025	358270

SEDRO-WOOLLEY HOUSING AUTHORITY
Accounts Payable Report
6/01/2025 TO 7/31/2025

Account No.	Major Account Description	Amount	Vendor Name	Voucher Description	Date	Check Number
620012	Occ Exp-Maint-Pest Control	29.08	STOP BUGGING ME PEST CONTROL	Pest Control	7/3/2025	358270
620012	Occ Exp-Maint-Pest Control	29.08	STOP BUGGING ME PEST CONTROL	Pest Control	7/3/2025	358270
620012	Occ Exp-Maint-Pest Control	32.95	STOP BUGGING ME PEST CONTROL	Pest Control	7/3/2025	358270
620012	Occ Exp-Maint-Pest Control	29.08	STOP BUGGING ME PEST CONTROL	PEST CONTROL	7/25/2025	358587
620012	Occ Exp-Maint-Pest Control	29.08	STOP BUGGING ME PEST CONTROL	PEST CONTROL	7/25/2025	358587
620012	Occ Exp-Maint-Pest Control	29.08	STOP BUGGING ME PEST CONTROL	PEST CONTROL	7/25/2025	358587
620013	Occ Exp-Maint-Yard/Garden/Landscaping	2,621.85	SKAGIT LANDSCAPING LLC	LANDSCAPING SVC - MAR-25	6/6/2025	357875
620013	Occ Exp-Maint-Yard/Garden/Landscaping	3,869.25	SKAGIT LANDSCAPING LLC	LANDSCAPING SVC - MAY-25	6/6/2025	357875
620013	Occ Exp-Maint-Yard/Garden/Landscaping	2,621.85	SKAGIT LANDSCAPING LLC	JANDSCAPING SVC - JUN-25	6/27/2025	358200
660000	Occ Exp-Utilities-Water	156.34	PUBLIC UTILITY DISTRICT #1	WATER	7/18/2025	358459
660000	Occ Exp-Utilities-Water	142.13	PUBLIC UTILITY DISTRICT #1	WATER	7/18/2025	358459
660000	Occ Exp-Utilities-Water	109.21	PUBLIC UTILITY DISTRICT #1	WATER	7/18/2025	358459
660000	Occ Exp-Utilities-Water	206.04	PUBLIC UTILITY DISTRICT #1	WATER	7/18/2025	358459
660000	Occ Exp-Utilities-Water	104.68	PUBLIC UTILITY DISTRICT #1	WATER	7/18/2025	358459
660000	Occ Exp-Utilities-Water	177.64	PUBLIC UTILITY DISTRICT #1	WATER	7/18/2025	358459
660000	Occ Exp-Utilities-Water	127.93	PUBLIC UTILITY DISTRICT #1	WATER	7/18/2025	358459
660000	Occ Exp-Utilities-Water	177.64	PUBLIC UTILITY DISTRICT #1	WATER	7/18/2025	358459
660000	Occ Exp-Utilities-Water	127.93	PUBLIC UTILITY DISTRICT #1	WATER	7/18/2025	358459
660000	Occ Exp-Utilities-Water	171.88	PUBLIC UTILITY DISTRICT #1	WATER	7/25/2025	358567
660000	Occ Exp-Utilities-Water	193.34	PUBLIC UTILITY DISTRICT #1	WATER	7/25/2025	358567
660000	Occ Exp-Utilities-Water	164.71	PUBLIC UTILITY DISTRICT #1	WATER	7/25/2025	358567
660000	Occ Exp-Utilities-Water	164.71	PUBLIC UTILITY DISTRICT #1	WATER	7/25/2025	358567
660000	Occ Exp-Utilities-Water	136.08	PUBLIC UTILITY DISTRICT #1	WATER	7/25/2025	358567
660000	Occ Exp-Utilities-Water	186.19	PUBLIC UTILITY DISTRICT #1	WATER	7/25/2025	358567
660000	Occ Exp-Utilities-Water	157.56	PUBLIC UTILITY DISTRICT #1	WATER	7/25/2025	358567
660000	Occ Exp-Utilities-Water	179.03	PUBLIC UTILITY DISTRICT #1	WATER	7/25/2025	358567
660000	Occ Exp-Utilities-Water	94.41	PUBLIC UTILITY DISTRICT #1	WATER	7/25/2025	358567
660000	Occ Exp-Utilities-Water	200.50	PUBLIC UTILITY DISTRICT #1	WATER	7/25/2025	358567
660000	Occ Exp-Utilities-Water	150.40	PUBLIC UTILITY DISTRICT #1	WATER	7/25/2025	358567
660100	Occ Exp-Utilities-Sewer	324.33	CITY OF SEDRO WOOLLEY	SEWER	6/13/2025	357952
660100	Occ Exp-Utilities-Sewer	816.49	CITY OF SEDRO WOOLLEY	SEWER	6/13/2025	357952
660100	Occ Exp-Utilities-Sewer	486.02	CITY OF SEDRO WOOLLEY	SEWER	6/13/2025	357952
660100	Occ Exp-Utilities-Sewer	815.80	CITY OF SEDRO WOOLLEY	SEWER	7/18/2025	358464
660100	Occ Exp-Utilities-Sewer	487.00	CITY OF SEDRO WOOLLEY	SEWER	7/18/2025	358464
660100	Occ Exp-Utilities-Sewer	324.97	CITY OF SEDRO WOOLLEY	SEWER	7/18/2025	358464
660200	Occ Exp-Utilities-Electricity	17.92	PUGET SOUND ENERGY-BOT-01H	ELECTRIC	7/3/2025	358257
660200	Occ Exp-Utilities-Electricity	52.28	PUGET SOUND ENERGY-BOT-01H	ELECTRIC	7/3/2025	358257
660200	Occ Exp-Utilities-Electricity	59.73	PUGET SOUND ENERGY-BOT-01H	ELECTRIC	7/3/2025	358257
660300	Occ Exp-Utilities-Natural Gas	60.52	CASCADE NATURAL GAS CO	GAS	6/13/2025	357939
660300	Occ Exp-Utilities-Natural Gas	32.61	CASCADE NATURAL GAS CO	GAS	7/11/2025	358346
660500	Occ Exp-Utilities-Surface Water Mgmt	29.99	CITY OF SEDRO WOOLLEY	STORM	6/13/2025	357952
660500	Occ Exp-Utilities-Surface Water Mgmt	75.80	CITY OF SEDRO WOOLLEY	STORM	6/13/2025	357952

SEDRO-WOOLLEY HOUSING AUTHORITY
Accounts Payable Report
6/01/2025 TO 7/31/2025

Account No.	Major Account Description	Amount	Vendor Name	Voucher Description	Date	Check Number
660500	Occ Exp-Utilities-Surface Water Mgmt	44.91	CITY OF SEDRO WOOLLEY	STORM	6/13/2025	357952
660500	Occ Exp-Utilities-Surface Water Mgmt	30.08	CITY OF SEDRO WOOLLEY	STORM	7/18/2025	358464
660500	Occ Exp-Utilities-Surface Water Mgmt	75.70	CITY OF SEDRO WOOLLEY	STORM	7/18/2025	358464
660500	Occ Exp-Utilities-Surface Water Mgmt	45.05	CITY OF SEDRO WOOLLEY	STORM	7/18/2025	358464
660700	Occ Exp-Utilities-Garbage	227.05	CITY OF SEDRO WOOLLEY	GARBAGE	6/13/2025	357952
660700	Occ Exp-Utilities-Garbage	738.22	CITY OF SEDRO WOOLLEY	GARBAGE	6/13/2025	357952
660700	Occ Exp-Utilities-Garbage	338.15	CITY OF SEDRO WOOLLEY	GARBAGE	6/13/2025	357952
660700	Occ Exp-Utilities-Garbage	245.10	CITY OF SEDRO WOOLLEY	GARBAGE	7/18/2025	358464
660700	Occ Exp-Utilities-Garbage	718.58	CITY OF SEDRO WOOLLEY	GARBAGE	7/18/2025	358464
660700	Occ Exp-Utilities-Garbage	365.76	CITY OF SEDRO WOOLLEY	GARBAGE	7/18/2025	358464
	SUBTOTAL CEDAR GROVE	35,606.95				
	CEDAR GROVE VOIDS	-				
	TOTAL CEDAR GROVE	35,606.95				
HILLSVIEW						
Account	Account(T)	Amount	Vendor(T)	Voucher Description	Pay Date	Check No
392099	Other Income	866.39	KEY BANK	TA COLLECTION PAYMENT FROM MF TO TA	6/27/2025	358127
409003	Benefits-Uniforms	146.25	IMAGE SOURCE INC	Polos	6/27/2025	358187
409004	Benefits-Work Boots	300.00	RED WING BUSINESS ADVANTAGE ACCOUNT	OLIVER HUNT **ONLY ALLOWED \$400.00	6/13/2025	357977
411100	Computer Equip-Hardware	8.80	COMPUNET INC	CATO ANNUAL SUBSCRIPTION	7/25/2025	358625
411102	Computer Equip-Hardware Maintenance	6.02	GENERAL DATATECH LP	CON SNTF 1	7/3/2025	358285
411104	Computer Equip-Software as a Service Fees	16.92	CDW/COMPUTER CENTERS INC	COMPUTER SUPPLIES	7/3/2025	358240
411104	Computer Equip-Software as a Service Fees	541.89	COMPUNET INC	CATO ANNUAL SUBSCRIPTION	7/25/2025	358625
411901	Equip-Other-Leased/Rented	4.21	CANON FINANCIAL	CONTRACT 0667544-005	6/6/2025	357842
411901	Equip-Other-Leased/Rented	4.25	QUADIENT LEASING USA INC	CUST 00904969	6/6/2025	357871
411901	Equip-Other-Leased/Rented	4.25	CANON FINANCIAL	CONTRACT 0667544-005	6/27/2025	358171
411901	Equip-Other-Leased/Rented	4.21	CANON FINANCIAL	CONTRACT 0667544-005	7/25/2025	358580
420101	Professional Services-Auditing	364.87	STATE AUDITOR S OFFICE	AUDIT PERIOD 20-23	6/27/2025	358122
421904	Admin - Cloud Recovery Services	43.56	NET2VAULT LLC	MANAGED VAULTING	6/13/2025	357966
421904	Admin - Cloud Recovery Services	43.64	NET2VAULT LLC	MANAGED VAULTING	7/11/2025	358371
440011	Travel-Mileage Reimbursement	380.80	OLIVER HUNT	4/24-6/5/25 MILEAGE	7/3/2025	358297
450002	Comm-Phones Lines-Service-Digital Voice	1.10	INTRADO LIFE & SAFETY INC	ENTERPRISE ENDPOINT MONTHLY APRIL 2025	6/13/2025	357973
450002	Comm-Phones Lines-Service-Digital Voice	1.01	CENTURYLINK	MONTHLY CHGS	6/20/2025	358052
450002	Comm-Phones Lines-Service-Digital Voice	1.01	CENTURYLINK	MONTHLY CHGS	6/20/2025	358052
450002	Comm-Phones Lines-Service-Digital Voice	1.01	CENTURYLINK	6/24-7/23/25 CHGS	7/11/2025	358331
450002	Comm-Phones Lines-Service-Digital Voice	1.01	CENTURYLINK	6/24-7/23/25 CHGS	7/11/2025	358331
450002	Comm-Phones Lines-Service-Digital Voice	2.21	INTRADO LIFE & SAFETY INC	ENTERPRISE ENDPOINT	7/25/2025	358591
450003	Comm-Phones Lines-Security	135.00	WASHINGTON TECHNOLOGY SOLUTIONS	MONTHLY CHGS	6/27/2025	358169
450100	Comm-Long Distance Charges	0.39	CENTURYLINK	MONTHLY CHGS	6/6/2025	357877
450100	Comm-Long Distance Charges	0.41	CENTURYLINK	3/12-4/11/25 CHGS	6/27/2025	358202
491000	Admin Exp-Criminal/Background Checks	46.35	NATIONAL CREDIT REPORTING	BACKGROUND CHECK	7/11/2025	358329

SEDRO-WOOLLEY HOUSING AUTHORITY
Accounts Payable Report
6/01/2025 TO 7/31/2025

Account No.	Major Account Description	Amount	Vendor Name	Voucher Description	Date	Check Number
491001	Admin Exp-Tenant Screening	11.02	CARASOFT TECHNOLOGY CORPORATION	PO NUMBER A1B2WA000POT	6/20/2025	358087
493000	Other Admin Exp-Postage	42.45	MAIL ADVERTISING BUREAU INC	JUNE 2025 STATEMENTS	6/13/2025	357911
493000	Other Admin Exp-Postage	452.09	MAIL ADVERTISING BUREAU INC	KCHA CAC MAILING	6/13/2025	357911
493000	Other Admin Exp-Postage	19.86	QUADIENT FINANCE USA INC	ACCT 7900 0440 8081 6949	6/27/2025	358194
493000	Other Admin Exp-Postage	42.36	MAIL ADVERTISING BUREAU INC	JULY STMT	7/18/2025	358423
493000	Other Admin Exp-Postage	19.86	QUADIENT FINANCE USA INC	ACCT 7900 0440 8081 6949	7/25/2025	358603
493100	Other Admin Exp-Mail Handling	6.97	MAIL ADVERTISING BUREAU INC	JUNE 2025 STATEMENTS	6/13/2025	357911
493100	Other Admin Exp-Mail Handling	6.96	MAIL ADVERTISING BUREAU INC	JULY STMT	7/18/2025	358423
520104	Social Service-Interpretation	5.71	EFFECTIFF LLC	KING COUNTY PROPERTY MGMT	6/20/2025	358107
520104	Social Service-Interpretation	5.04	EFFECTIFF LLC	KING COUNTY PROPERTY MGMT	7/18/2025	358505
610001	Occ Exp-Materials-Plumbing	31.49	HD SUPPLY FACILITIES MAINTENANCE	MAINT SUPPLIES	6/13/2025	357913
610009	Occ Exp-Materials-Disaster Preparedness	12.62	CELLHIRE USA LLC	IRIDIUM 975 PHONE AND SERVICE	6/20/2025	358112
610009	Occ Exp-Materials-Disaster Preparedness	0.54	CELLHIRE USA LLC	MONTHLY SERVICE FEE	7/25/2025	358631
620006	Occ Exp-Maint-Floor Covering	2,554.40	GREAT FLOORS LLC	VINYL INSTALL - UNIT 101	6/6/2025	357846
620006	Occ Exp-Maint-Floor Covering	3,732.00	GREAT FLOORS LLC	VINYL INSTALL - UNIT 115	6/6/2025	357846
620007	Occ Exp-Maint-Elevator	840.00	SCHINDLER ELEVATOR CORPORATION	T&M STANDBY - JUL-23	6/6/2025	357857
620007	Occ Exp-Maint-Elevator	597.00	SCHINDLER ELEVATOR CORPORATION	Quarterly Billing	6/13/2025	357969
620008	Occ Exp-Maint-Alarm Testing/Monitoring	462.00	SMITH FIRE SYSTEMS INC	ANNUAL INVOICE - 24 HR MONITORING - LACAES1FC36	7/3/2025	358282
620012	Occ Exp-Maint-Pest Control	32.95	STOP BUGGING ME PEST CONTROL	PEST CONTROL	7/25/2025	358587
620013	Occ Exp-Maint-Yard/Garden/Landscaping	1,247.40	SKAGIT LANDSCAPING LLC	LANDSCAPING SVC - MAR-25	6/6/2025	357875
620013	Occ Exp-Maint-Yard/Garden/Landscaping	1,247.40	SKAGIT LANDSCAPING LLC	JANDSCAPING SVC - JUN-25	6/27/2025	358200
660000	Occ Exp-Utilities-Water	2,266.85	PUBLIC UTILITY DISTRICT #1	WATER	7/18/2025	358459
660100	Occ Exp-Utilities-Sewer	4,789.01	CITY OF SEDRO WOOLLEY	SEWER	6/13/2025	357952
660100	Occ Exp-Utilities-Sewer	4,792.85	CITY OF SEDRO WOOLLEY	SEWER	7/18/2025	358464
660200	Occ Exp-Utilities-Electricity	1,203.90	PUGET SOUND ENERGY-BOT-01H	ELECTRIC	7/3/2025	358257
660201	Occ Exp-Utilities-Electricity-Closing Bill	25.88	PUGET SOUND ENERGY-BOT-01H	ELECTRIC	6/13/2025	357942
660201	Occ Exp-Utilities-Electricity-Closing Bill	20.33	PUGET SOUND ENERGY-BOT-01H	ELECTRIC	6/13/2025	357942
660201	Occ Exp-Utilities-Electricity-Closing Bill	11.39	PUGET SOUND ENERGY-BOT-01H	ELECTRIC	6/20/2025	358059
660201	Occ Exp-Utilities-Electricity-Closing Bill	29.42	PUGET SOUND ENERGY-BOT-01H	ELECTRIC	7/3/2025	358257
660201	Occ Exp-Utilities-Electricity-Closing Bill	16.08	PUGET SOUND ENERGY-BOT-01H	ELECTRIC	7/18/2025	358452
660500	Occ Exp-Utilities-Surface Water Mgmt	438.63	CITY OF SEDRO WOOLLEY	STORM	6/13/2025	357952
660500	Occ Exp-Utilities-Surface Water Mgmt	439.20	CITY OF SEDRO WOOLLEY	STORM	7/18/2025	358464
660700	Occ Exp-Utilities-Garbage	1,550.98	CITY OF SEDRO WOOLLEY	GARBAGE	6/13/2025	357952
660700	Occ Exp-Utilities-Garbage	1,659.28	CITY OF SEDRO WOOLLEY	GARBAGE	7/18/2025	358464
	SUBTOTAL HILLSVIEW	31,539.48				
	VOIDS	-				
	TOTAL HILLSVIEW	31,539.48				
TOTAL SEDRO WOOLLEY		67,146.43				

T A B N U M B E R

3

HOUSING AUTHORITY OF THE CITY OF SEDRO-WOOLLEY



SWHA Board of Commissioners
Laurie Fellers, *Chair*
Katherine Olson
Debra Lancaster
Kevin Riley

KCHA President/CEO
Robin Walls

TO: Board of Commissioners

FROM: Crystal Barrow-Mendez, Accounting Manager

DATE: September 26, 2025

RE: Approval of Vouchers August 1, 2025 to September 30, 2025

I, Crystal Barrow-Mendez, 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.

Crystal Barrow-Mendez
Accounting Manager
September 26, 2025

Expenditures to Sedro-Woolley

Operations

Directly to Cedar Grove	22,815.07
Cedar Grove Voids	<u>0.00</u>
Cedar Grove Total	22,815.07

Directly to Hillsvie	46,982.55
Hillsvie Voids	<u>0.00</u>
Hillsvie Total	<u>46,982.55</u>

Total Expenditures	<u><u>69,797.62</u></u>
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SEDRO-WOOLLEY HOUSING AUTHORITY
Accounts Payable Report
8/01/2025 TO 9/30/2025

Account No.	Major Account Description	Amount	Vendor Name	Voucher Description	Date	Check Number
CEDAR GROVE						
400100	Salaries-Temporary Employees	9.87	BEACON HILL SOLUTIONS GROUP LLC	A MILLER 8/6/25	9/12/2025	359328
400100	Salaries-Temporary Employees	14.10	BEACON HILL SOLUTIONS GROUP LLC	A MILLER 9/13/25	9/19/2025	359432
400100	Salaries-Temporary Employees	14.10	BEACON HILL SOLUTIONS GROUP LLC	A MILLER 9/20/25	9/26/2025	359519
411103	Computer Equip-Software Maintenance	27.11	RIGHT! SYSTEMS INC	CITRIX UNIVERSAL HYBRID	8/15/2025	358898
411104	Computer Equip-Software as a Service Fees	0.37	COMPUNET INC	CATO ANNUAL SUBSCRIPTION BILLING 1 YEAR	8/29/2025	359146
411104	Computer Equip-Software as a Service Fees	21.05	RIGHT! SYSTEMS INC	HUNTRESS LABS	9/12/2025	359304
411104	Computer Equip-Software as a Service Fees	0.56	COMPUNET INC	CATO ANNUAL SUBSCRIPTION BILLING	9/19/2025	359442
411901	Equip-Other-Leased/Rented	1.42	CANON FINANCIAL	CONTRACT 0667544-005	8/29/2025	359099
411901	Equip-Other-Leased/Rented	1.42	QUADIENT LEASING USA INC	CUST # 00904969	9/12/2025	359326
420000	Professional Services-Legal	300.00	MONTGOMERY PURDUE BLANKINSHIP	LEGAL SVCS	8/8/2025	358732
420000	Professional Services-Legal	100.00	MONTGOMERY PURDUE BLANKINSHIP	LEGAL SVCS	8/8/2025	358732
420000	Professional Services-Legal	0.05	MONTGOMERY PURDUE BLANKINSHIP	LEGAL SVCS	8/8/2025	358732
420000	Professional Services-Legal	85.00	MONTGOMERY PURDUE BLANKINSHIP	LEGAL SVCS	8/8/2025	358732
420000	Professional Services-Legal	8.06	MONTGOMERY PURDUE BLANKINSHIP	LEGAL SVCS	8/8/2025	358732
420000	Professional Services-Legal	0.03	MONTGOMERY PURDUE BLANKINSHIP	LEGAL SVCS	8/8/2025	358732
420000	Professional Services-Legal	17.80	MONTGOMERY PURDUE BLANKINSHIP	LEGAL SVCS	8/8/2025	358732
420000	Professional Services-Legal	85.00	MONTGOMERY PURDUE BLANKINSHIP	LEGAL SVCS	8/15/2025	358831
420000	Professional Services-Legal	7.55	MONTGOMERY PURDUE BLANKINSHIP	LEGAL SVCS	8/15/2025	358831
420000	Professional Services-Legal	0.02	MONTGOMERY PURDUE BLANKINSHIP	LEGAL SVCS	8/15/2025	358831
420101	Professional Services-Auditing	104.25	STATE AUDITOR S OFFICE	AUDIT PERIOD 20-23	8/1/2025	358640
420101	Professional Services-Auditing	556.00	STATE AUDITOR S OFFICE	AUDIT PERIOD 20-23 SEDRO WOOLLEY	8/1/2025	358640
421901	Admin -Records Management	15.30	NET2VAULT LLC	MANAGED VAULTING SVCS	8/22/2025	358983
450002	Comm-Phones Lines-Service-Digital Voice	0.35	CENTURYLINK	7/24-8/23/25 CHGS	8/15/2025	358860
450002	Comm-Phones Lines-Service-Digital Voice	0.35	CENTURYLINK	7/24-8/23/25 CHGS	8/15/2025	358860
450002	Comm-Phones Lines-Service-Digital Voice	0.35	CENTURYLINK	8/24-9/23/25 CHGS	9/12/2025	359275
450002	Comm-Phones Lines-Service-Digital Voice	0.35	CENTURYLINK	8/24-9/23/25 CHGS	9/12/2025	359275
450002	Comm-Phones Lines-Service-Digital Voice	0.39	INTRADO LIFE & SAFETY INC	ENTERPRISE ENDPOINT JULY 2025 MONTHLY CHGS	9/12/2025	359312
450002	Comm-Phones Lines-Service-Digital Voice	0.47	CENTURYLINK	09/01-09/30/25 CHGS	9/19/2025	359433
450100	Comm-Long Distance Charges	0.12	CENTURYLINK	MONTHLY CHGS	8/29/2025	359127
491000	Admin Exp-Criminal/Background Checks	11.50	WASHINGTON STATE PATROL	BACKGROUND CHECK	8/8/2025	358742
491000	Admin Exp-Criminal/Background Checks	2.75	WASHINGTON STATE PATROL	BACKGROUND CHECK	8/8/2025	358742
491000	Admin Exp-Criminal/Background Checks	12.09	WASHINGTON STATE PATROL	BACKGROUND CHECKS	9/26/2025	359469
491000	Admin Exp-Criminal/Background Checks	14.42	WASHINGTON STATE PATROL	BACKGROUND CHECK	9/26/2025	359469
491000	Admin Exp-Criminal/Background Checks	12.54	WASHINGTON STATE PATROL	BACKGROUND CHECK	9/26/2025	359469
491000	Admin Exp-Criminal/Background Checks	14.43	WASHINGTON STATE PATROL	BACKGROUND CHECK	9/26/2025	359469
491001	Admin Exp-Tenant Screening	3.67	CARASOFT TECHNOLOGY CORPORATION	PO NUMBER A1B2WA000P0T	8/8/2025	358789
491001	Admin Exp-Tenant Screening	5.74	CARASOFT TECHNOLOGY CORPORATION	PO A1B 2WA000P0T	8/22/2025	358992
491001	Admin Exp-Tenant Screening	9.52	CARASOFT TECHNOLOGY CORPORATION	PO #A1B2WA000P0T ORDER # 25017922 8/1-31/25	9/19/2025	359425
493000	Other Admin Exp-Postage	14.83	MAIL ADVERTISING BUREAU INC	AUGUST STATEMENT	8/15/2025	358839
493000	Other Admin Exp-Postage	0.34	MAIL ADVERTISING BUREAU INC	AUGUST STATEMENTS	8/15/2025	358839
493000	Other Admin Exp-Postage	6.62	QUADIENT FINANCE USA INC	ACCT 7900 0440 8081 6949	9/26/2025	359515

SEDRO-WOOLLEY HOUSING AUTHORITY
Accounts Payable Report
8/01/2025 TO 9/30/2025

Account No.	Major Account Description	Amount	Vendor Name	Voucher Description	Date	Check Number
493100	Other Admin Exp-Mail Handling	2.28	MAIL ADVERTISING BUREAU INC	AUGUST STATEMENT	8/15/2025	358839
493100	Other Admin Exp-Mail Handling	1.04	MAIL ADVERTISING BUREAU INC	AUGUST STATEMENTS	8/15/2025	358839
520104	Social Service -Interpretation	2.81	EFFECTIFF LLC	KING COUNTY PROPERTY MGMT	8/22/2025	359000
520104	Social Service -Interpretation	2.17	EFFECTIFF LLC	KING COUNTY PROPERTY MGMT	9/26/2025	359525
610000	Occ Exp-Materials-Electrical	24.84	HD SUPPLY FACILITIES MAINTENANCE	MAINT SUPPLIES	9/26/2025	359464
610003	Occ Exp-Materials-Carpentry	2,028.40	THE HOME DEPOT	OREPAC - 5 QTY	9/5/2025	359175
610003	Occ Exp-Materials-Carpentry	4,062.43	THE HOME DEPOT	CABINETS - 30 QTY	9/12/2025	359257
610003	Occ Exp-Materials-Carpentry	1,294.51	THE HOME DEPOT	PRO VOL HIMACS - 1 QTY	9/26/2025	359463
610009	Occ Exp-Materials-Disaster Preparedness	0.19	CELLHIRE USA LLC	8/10-9/10/25 MONTHLY SVC FEE	9/12/2025	359350
620011	Occ Exp-Maint -Fire/Safety	1,050.00	COMMERCIAL ENTRY SYSTEMS INC	INTERCOM UNIT 115	8/8/2025	358746
620012	Occ Exp-Maint -Pest Control	29.08	STOP BUGGING ME PEST CONTROL	PEST CONTROL	8/29/2025	359106
620012	Occ Exp-Maint -Pest Control	29.08	STOP BUGGING ME PEST CONTROL	PEST CONTROL	8/29/2025	359106
620012	Occ Exp-Maint -Pest Control	29.08	STOP BUGGING ME PEST CONTROL	PEST CONTROL	8/29/2025	359106
620012	Occ Exp-Maint -Pest Control	29.08	STOP BUGGING ME PEST CONTROL	PEST CONTROL	9/26/2025	359503
620012	Occ Exp-Maint -Pest Control	29.08	STOP BUGGING ME PEST CONTROL	PEST CONTROL	9/26/2025	359503
620012	Occ Exp-Maint -Pest Control	29.08	STOP BUGGING ME PEST CONTROL	PEST CONTROL	9/26/2025	359503
620013	Occ Exp-Maint -Yard/Garden/Landscaping	2,621.85	SKAGIT LANDSCAPING LLC	WEEKLY YARD CARE	8/15/2025	358920
660000	Occ Exp-Utilities-Water	170.54	PUBLIC UTILITY DISTRICT #1	WATER	9/12/2025	359289
660000	Occ Exp-Utilities-Water	142.13	PUBLIC UTILITY DISTRICT #1	WATER	9/12/2025	359289
660000	Occ Exp-Utilities-Water	109.21	PUBLIC UTILITY DISTRICT #1	WATER	9/12/2025	359289
660000	Occ Exp-Utilities-Water	227.35	PUBLIC UTILITY DISTRICT #1	WATER	9/12/2025	359289
660000	Occ Exp-Utilities-Water	104.68	PUBLIC UTILITY DISTRICT #1	WATER	9/12/2025	359289
660000	Occ Exp-Utilities-Water	227.35	PUBLIC UTILITY DISTRICT #1	WATER	9/12/2025	359289
660000	Occ Exp-Utilities-Water	127.93	PUBLIC UTILITY DISTRICT #1	WATER	9/12/2025	359289
660000	Occ Exp-Utilities-Water	213.15	PUBLIC UTILITY DISTRICT #1	WATER	9/12/2025	359289
660000	Occ Exp-Utilities-Water	142.13	PUBLIC UTILITY DISTRICT #1	WATER	9/12/2025	359289
660000	Occ Exp-Utilities-Water	214.82	PUBLIC UTILITY DISTRICT #1	WATER	9/19/2025	359398
660000	Occ Exp-Utilities-Water	229.12	PUBLIC UTILITY DISTRICT #1	WATER	9/19/2025	359398
660000	Occ Exp-Utilities-Water	143.25	PUBLIC UTILITY DISTRICT #1	WATER	9/19/2025	359398
660000	Occ Exp-Utilities-Water	186.19	PUBLIC UTILITY DISTRICT #1	WATER	9/19/2025	359398
660000	Occ Exp-Utilities-Water	179.03	PUBLIC UTILITY DISTRICT #1	WATER	9/19/2025	359398
660000	Occ Exp-Utilities-Water	214.82	PUBLIC UTILITY DISTRICT #1	WATER	9/19/2025	359398
660000	Occ Exp-Utilities-Water	171.88	PUBLIC UTILITY DISTRICT #1	WATER	9/19/2025	359398
660000	Occ Exp-Utilities-Water	171.88	PUBLIC UTILITY DISTRICT #1	WATER	9/19/2025	359398
660000	Occ Exp-Utilities-Water	200.50	PUBLIC UTILITY DISTRICT #1	WATER	9/19/2025	359398
660000	Occ Exp-Utilities-Water	157.56	PUBLIC UTILITY DISTRICT #1	WATER	9/19/2025	359398
660000	Occ Exp-Utilities-Water	87.26	PUBLIC UTILITY DISTRICT #1	WATER	9/19/2025	359398
660100	Occ Exp-Utilities-Sewer	813.23	CITY OF SEDRO WOOLLEY	SEWER	8/15/2025	358888
660100	Occ Exp-Utilities-Sewer	487.30	CITY OF SEDRO WOOLLEY	SEWER	8/15/2025	358888
660100	Occ Exp-Utilities-Sewer	324.96	CITY OF SEDRO WOOLLEY	SEWER	8/15/2025	358888
660100	Occ Exp-Utilities-Sewer	486.02	CITY OF SEDRO WOOLLEY	SEWER	9/12/2025	359297
660100	Occ Exp-Utilities-Sewer	821.94	CITY OF SEDRO WOOLLEY	SEWER	9/12/2025	359297

SEDRO-WOOLLEY HOUSING AUTHORITY
Accounts Payable Report
8/01/2025 TO 9/30/2025

Account No.	Major Account Description	Amount	Vendor Name	Voucher Description	Date	Check Number
660100	Occ Exp-Utilities-Sewer	324.33	CITY OF SEDRO WOOLLEY	SEWER	9/12/2025	359297
660200	Occ Exp-Utilities-Electricity	64.77	PUGET SOUND ENERGY-BOT-01H	ELECTRIC	8/8/2025	358761
660200	Occ Exp-Utilities-Electricity	17.92	PUGET SOUND ENERGY-BOT-01H	ELECTRIC	8/8/2025	358761
660200	Occ Exp-Utilities-Electricity	50.37	PUGET SOUND ENERGY-BOT-01H	ELECTRIC	8/8/2025	358761
660200	Occ Exp-Utilities-Electricity	77.85	PUGET SOUND ENERGY-BOT-01H	ELECTRIC	8/29/2025	359081
660200	Occ Exp-Utilities-Electricity	19.70	PUGET SOUND ENERGY-BOT-01H	ELECTRIC	8/29/2025	359081
660200	Occ Exp-Utilities-Electricity	69.79	PUGET SOUND ENERGY-BOT-01H	ELECTRIC	8/29/2025	359081
660300	Occ Exp-Utilities-Natural Gas	34.21	CASCADE NATURAL GAS CO	GAS	8/15/2025	358878
660300	Occ Exp-Utilities-Natural Gas	32.61	CASCADE NATURAL GAS CO	GAS	9/12/2025	359281
660500	Occ Exp-Utilities-Surface Water Mgmt	75.32	CITY OF SEDRO WOOLLEY	STORM	8/15/2025	358888
660500	Occ Exp-Utilities-Surface Water Mgmt	45.10	CITY OF SEDRO WOOLLEY	STORM	8/15/2025	358888
660500	Occ Exp-Utilities-Surface Water Mgmt	30.08	CITY OF SEDRO WOOLLEY	STORM	8/15/2025	358888
660500	Occ Exp-Utilities-Surface Water Mgmt	44.91	CITY OF SEDRO WOOLLEY	STORM	9/12/2025	359297
660500	Occ Exp-Utilities-Surface Water Mgmt	29.99	CITY OF SEDRO WOOLLEY	STORM	9/12/2025	359297
660500	Occ Exp-Utilities-Surface Water Mgmt	76.60	CITY OF SEDRO WOOLLEY	STORM	9/12/2025	359297
660700	Occ Exp-Utilities-Garbage	646.39	CITY OF SEDRO WOOLLEY	GARBAGE	8/15/2025	358888
660700	Occ Exp-Utilities-Garbage	374.25	CITY OF SEDRO WOOLLEY	GARBAGE	8/15/2025	358888
660700	Occ Exp-Utilities-Garbage	244.91	CITY OF SEDRO WOOLLEY	GARBAGE	8/15/2025	358888
660700	Occ Exp-Utilities-Garbage	338.15	CITY OF SEDRO WOOLLEY	GARBAGE	9/12/2025	359297
660700	Occ Exp-Utilities-Garbage	227.05	CITY OF SEDRO WOOLLEY	GARBAGE	9/12/2025	359297
660700	Occ Exp-Utilities-Garbage	891.65	CITY OF SEDRO WOOLLEY	GARBAGE	9/12/2025	359297
	SUBTOTAL CEDAR GROVE	22,815.07				
	CEDAR GROVE VOIDS	-				
	TOTAL CEDAR GROVE	22,815.07				
HILLSVIEW						
Account	Account(T)	Amount	Vendor(T)	Voucher Description	Pay Date	Check No
400100	Salaries-Temporary Employees	29.62	BEACON HILL SOLUTIONS GROUP LLC	A MILLER 8/6/25	9/12/2025	359328
400100	Salaries-Temporary Employees	42.31	BEACON HILL SOLUTIONS GROUP LLC	A MILLER 9/13/25	9/19/2025	359432
400100	Salaries-Temporary Employees	42.31	BEACON HILL SOLUTIONS GROUP LLC	A MILLER 9/20/25	9/26/2025	359519
411103	Computer Equip-Software Maintenance	77.46	RIGHT! SYSTEMS INC	CITRIX UNIVERSAL HYBRID	8/15/2025	358898
411104	Computer Equip-Software as a Service Fees	1.05	COMPUNET INC	CATO ANNUAL SUBSCRIPTION BILLING 1 YEAR	8/29/2025	359146
411104	Computer Equip-Software as a Service Fees	60.16	RIGHT! SYSTEMS INC	HUNTRESS LABS	9/12/2025	359304
411104	Computer Equip-Software as a Service Fees	1.60	COMPUNET INC	CATO ANNUAL SUBSCRIPTION BILLING	9/19/2025	359442
411901	Equip-Other-Leased/Rented	4.25	CANON FINANCIAL	CONTRACT 0667544-005	8/29/2025	359099
411901	Equip-Other-Leased/Rented	4.25	QUADIENT LEASING USA INC	CUST # 00904969	9/12/2025	359326
420000	Professional Services-Legal	24.07	MONTGOMERY PURDUE BLANKINSHIP	LEGAL SVCS	8/8/2025	358732
420000	Professional Services-Legal	0.08	MONTGOMERY PURDUE BLANKINSHIP	LEGAL SVCS	8/8/2025	358732
420000	Professional Services-Legal	53.11	MONTGOMERY PURDUE BLANKINSHIP	LEGAL SVCS	8/8/2025	358732
420000	Professional Services-Legal	0.15	MONTGOMERY PURDUE BLANKINSHIP	LEGAL SVCS	8/8/2025	358732

SEDRO-WOOLLEY HOUSING AUTHORITY
Accounts Payable Report
8/01/2025 TO 9/30/2025

Account No.	Major Account Description	Amount	Vendor Name	Voucher Description	Date	Check Number
420000	Professional Services-Legal	85.00	MONTGOMERY PURDUE BLANKINSHIP	LEGAL SVCS	8/15/2025	358831
420000	Professional Services-Legal	22.54	MONTGOMERY PURDUE BLANKINSHIP	LEGAL SVCS	8/15/2025	358831
420000	Professional Services-Legal	0.07	MONTGOMERY PURDUE BLANKINSHIP	LEGAL SVCS	8/15/2025	358831
420101	Professional Services-Auditing	312.75	STATE AUDITOR S OFFICE	AUDIT PERIOD 20-23	8/1/2025	358640
420101	Professional Services-Auditing	1,668.00	STATE AUDITOR S OFFICE	AUDIT PERIOD 20-23 SEDRO WOOLLEY	8/1/2025	358640
421000	Admin -Translations	103.18	DYNAMIC LANGUAGE CENTER LTD	TRANSLATION SVC - JUN-25	8/29/2025	359094
421901	Admin -Records Management	43.72	NET2VAULT LLC	MANAGED VAULTING SVCS	8/22/2025	358983
450002	Comm-Phones Lines-Service-Digital Voice	1.01	CENTURYLINK	7/24-8/23/25 CHGS	8/15/2025	358860
450002	Comm-Phones Lines-Service-Digital Voice	1.01	CENTURYLINK	7/24-8/23/25 CHGS	8/15/2025	358860
450002	Comm-Phones Lines-Service-Digital Voice	1.01	CENTURYLINK	8/24-9/23/25 CHGS	9/12/2025	359275
450002	Comm-Phones Lines-Service-Digital Voice	1.01	CENTURYLINK	8/24-9/23/25 CHGS	9/12/2025	359275
450002	Comm-Phones Lines-Service-Digital Voice	1.11	INTRADO LIFE & SAFETY INC	ENTERPRISE ENDPOINT JULY 2025 MONTHLY CHGS	9/12/2025	359312
450002	Comm-Phones Lines-Service-Digital Voice	1.34	CENTURYLINK	09/01-09/30/25 CHGS	9/19/2025	359433
450100	Comm-Long Distance Charges	0.35	CENTURYLINK	MONTHLY CHGS	8/29/2025	359127
491000	Admin Exp-Criminal/Background Checks	34.50	WASHINGTON STATE PATROL	BACKGROUND CHECK	8/8/2025	358742
491000	Admin Exp-Criminal/Background Checks	8.25	WASHINGTON STATE PATROL	BACKGROUND CHECK	8/8/2025	358742
491000	Admin Exp-Criminal/Background Checks	36.27	WASHINGTON STATE PATROL	BACKGROUND CHECKS	9/26/2025	359469
491000	Admin Exp-Criminal/Background Checks	43.26	WASHINGTON STATE PATROL	BACKGROUND CHECK	9/26/2025	359469
491000	Admin Exp-Criminal/Background Checks	37.62	WASHINGTON STATE PATROL	BACKGROUND CHECK	9/26/2025	359469
491000	Admin Exp-Criminal/Background Checks	43.30	WASHINGTON STATE PATROL	BACKGROUND CHECK	9/26/2025	359469
491001	Admin Exp-Tenant Screening	11.02	CARASOFT TECHNOLOGY CORPORATION	PO NUMBER A1B2WA000POT	8/8/2025	358789
491001	Admin Exp-Tenant Screening	17.23	CARASOFT TECHNOLOGY CORPORATION	PO A1B 2WA000POT	8/22/2025	358992
491001	Admin Exp-Tenant Screening	28.55	CARASOFT TECHNOLOGY CORPORATION	PO #A1B2WA000POT ORDER # 25017922 8/1-31/25	9/19/2025	359425
493000	Other Admin Exp-Postage	44.50	MAIL ADVERTISING BUREAU INC	AUGUST STATEMENT	8/15/2025	358839
493000	Other Admin Exp-Postage	1.01	MAIL ADVERTISING BUREAU INC	AUGUST STATEMENTS	8/15/2025	358839
493000	Other Admin Exp-Postage	19.86	QUADIENT FINANCE USA INC	ACCT 7900 0440 8081 6949	9/26/2025	359515
493100	Other Admin Exp-Mail Handling	6.83	MAIL ADVERTISING BUREAU INC	AUGUST STATEMENT	8/15/2025	358839
493100	Other Admin Exp-Mail Handling	3.12	MAIL ADVERTISING BUREAU INC	AUGUST STATEMENTS	8/15/2025	358839
520104	Social Service -Interpretation	8.42	EFFECTIFF LLC	KING COUNTY PROPERTY MGMT	8/22/2025	359000
520104	Social Service -Interpretation	6.51	EFFECTIFF LLC	KING COUNTY PROPERTY MGMT	9/26/2025	359525
610000	Occ Exp-Materials-Electrical	74.51	HD SUPPLY FACILITIES MAINTENANCE	MAINT SUPPLIES	9/26/2025	359464
610003	Occ Exp-Materials-Carpentry	163.62	HD SUPPLY FACILITIES MAINTENANCE	Blinds	8/29/2025	359052
610003	Occ Exp-Materials-Carpentry	587.91	THE HOME DEPOT	OREPAC - 3 QTY	9/12/2025	359257
610003	Occ Exp-Materials-Carpentry	2,004.61	THE HOME DEPOT	PRO VOL HIMACS - 1 QTY	9/26/2025	359463
610003	Occ Exp-Materials-Carpentry	985.21	THE HOME DEPOT	PRO VOL HIMACS - 1 QTY	9/26/2025	359463
610003	Occ Exp-Materials-Carpentry	5,480.15	THE HOME DEPOT	CABINETS	9/26/2025	359463
610003	Occ Exp-Materials-Carpentry	3,402.29	THE HOME DEPOT	MAINT SUPPLIES	9/26/2025	359463
610006	Occ Exp-Materials-Windows	534.54	HD SUPPLY FACILITIES MAINTENANCE	Blinds	8/29/2025	359052
610009	Occ Exp-Materials-Disaster Preparedness	0.54	CELLHIRE USA LLC	8/10-9/10/25 MONTHLY SVC FEE	9/12/2025	359350
620008	Occ Exp-Maint -Alarm Testing/Monitoring	5,422.46	SMITH FIRE SYSTEMS INC	ANNUAL FIRE SYSTEM INSPECTION - SEP-25	9/26/2025	359516
620012	Occ Exp-Maint -Pest Control	65.43	STOP BUGGING ME PEST CONTROL	PEST CONTROL	8/29/2025	359106
620012	Occ Exp-Maint -Pest Control	65.43	STOP BUGGING ME PEST CONTROL	PEST CONTROL	9/26/2025	359503

SEDRO-WOOLLEY HOUSING AUTHORITY
Accounts Payable Report
8/01/2025 TO 9/30/2025

Account No.	Major Account Description	Amount	Vendor Name	Voucher Description	Date	Check Number
620013	Occ Exp-Maint -Yard/Garden/Landscaping	1,247.40	SKAGIT LANDSCAPING LLC	WEEKLY YARD CARE	8/15/2025	358920
620016	Occ Exp-Maint -Hazardous Material	5,277.00	CONSTRUCTION GROUP INTER LLC	ABATEMENT	8/22/2025	359016
660000	Occ Exp-Utilities-Water	2,386.85	PUBLIC UTILITY DISTRICT #1	WATER	9/12/2025	359289
660100	Occ Exp-Utilities-Sewer	4,792.85	CITY OF SEDRO WOOLLEY	SEWER	8/15/2025	358888
660100	Occ Exp-Utilities-Sewer	4,790.93	CITY OF SEDRO WOOLLEY	SEWER	9/12/2025	359297
660200	Occ Exp-Utilities-Electricity	1,297.94	PUGET SOUND ENERGY-BOT-01H	ELECTRIC	8/8/2025	358761
660200	Occ Exp-Utilities-Electricity	1,327.59	PUGET SOUND ENERGY-BOT-01H	ELECTRIC	8/29/2025	359081
660500	Occ Exp-Utilities-Surface Water Mgmt	439.20	CITY OF SEDRO WOOLLEY	STORM	8/15/2025	358888
660500	Occ Exp-Utilities-Surface Water Mgmt	438.91	CITY OF SEDRO WOOLLEY	STORM	9/12/2025	359297
660700	Occ Exp-Utilities-Garbage	1,659.28	CITY OF SEDRO WOOLLEY	GARBAGE	8/15/2025	358888
660700	Occ Exp-Utilities-Garbage	1,605.13	CITY OF SEDRO WOOLLEY	GARBAGE	9/12/2025	359297
	SUBTOTAL HILLSVIEW	46,982.55				
	VOIDS	-				
	TOTAL HILLSVIEW	46,982.55				
TOTAL SEDRO WOOLLEY		69,797.62				

T A B N U M B E R

HOUSING AUTHORITY OF THE CITY OF SEDRO-WOOLLEY



TO: Board of Commissioners

FROM: JJ Jordan, Vice President Capital Construction & Weatherization

DATE: October 2, 2025

RE: **Resolution 505** – Approving SWHA’s 2025-2029 Capital Fund Program 5-Year Action Plan

The purpose of this memorandum is to request Board approval of the Housing Authority’s Capital Fund Program 5-Year Action Plan. Adoption of this plan is required by HUD under the Public Housing Capital Fund Program and ensures that the Authority may obligate and expend funds for critical needs such as modernization, health and safety, and property improvement.

Each year, HUD provides Capital Fund grants to public housing agencies for the development, financing, and modernization of public housing properties. PHAs must submit a Capital Fund Program 5-Year Action Plan, updated annually, identifying anticipated capital needs and proposed uses of funds. The plan must be approved by the Board of Commissioners.

The SWHA’s 5-Year Plan (2025–2029) was made available for public review and comment for the HUD-required 45-day period, from August 20 to October 9, 2025. As of the writing of this memo, no comments have been received.

A public hearing will be held on October 9, 2025. Notice was published in the Skagit Valley Herald of the Public Hearing scheduled at 9:00 am on October 9th, 2025, at the Hillsview Apartments Community Center.

The Board will be briefed on any comments received prior to voting on the resolution.

Staff recommends approval of the resolution.

2025-2029 Five-Year Capital Plan Highlights

The 2025-2029 Draft Plan is included in the Board materials. Highlights include:

- For each year 20% of the total grant amount is budgeted for Administration and Operations.¹
- During the Plan period, the highest priority capital need in the Authority's portfolio is for a partial replacement of the building envelope at Hillsvue to protect structural elements from water intrusion. In current dollars, the cost estimate for this scope is \$300,000. Given the costs and 20% usual allocation of CFP grant funds annually to Administration and Operations functions, we will need to combine funding from multiple years in order to replace all components of the envelopes. \$200,000 will be allocated from the 2024 CFP grant awarded last year. The remaining \$100,000 will be awarded from the 2025 CFP grant, which is part of this overall Five-Year Capital Plan.
- The next highest need is a full replacement and upgrade of the Hillsvue Elevator. The cost estimate for this scope is \$615,000. Again, combined funding from several years will be required to complete this project at current estimated cost. The Five-Year Capital Plan allocates \$105,818.40 from the 2025 CFP award, \$205,818.40 from the 2026 estimated CFP award, and \$205,818.40 from the 2027 estimated CFP award.
- The remainder of work within the Five-Year Capital Plan allocates approximately \$50,000 per year for unit upgrade work at Hillsvue and Cedar Grove as well as a future fire alarm system upgrade at Hillsvue to replace a proprietary system that is no longer supported by the previous manufacturer of the equipment.

¹ Housing authorities with fewer than 250 units may use up to 100% of their Capital Fund for operations (24 CFR 905.314(l)(2))

THE HOUSING AUTHORITY OF THE CITY OF SEDRO-WOOLLEY
RESOLUTION NO. 505
APPROVING SWHA's 2025-2029 CAPITAL FUND PROGRAM
5-YEAR ACTION PLAN

WHEREAS, the United States Department of Housing and Urban Development (HUD) regulations require the Housing Authority of the City of Sedro-Woolley (SWHA) to review and update its Capital Fund Program (CFP) 5-Year Action Plan as needed (at least every five years); and

WHEREAS, the SWHA Capital Fund Program 5-Year Action Plan has been revised and updated to reflect the most recent Capital Fund Program funding allocation, capital needs and estimated project costs; and

WHEREAS, the proposed Capital Fund Program 5-Year Action Plan was made available for public review and comment for 45 days and a public hearing was held to gather public input, and any comments received were seriously considered by SWHA staff.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF SEDRO-WOOLLEY, WASHINGTON; as follows:

1. Adopts the SWHA 2025-2029 Capital Fund Program 5-Year Action Plan.
2. Authorize staff to sign and submit to HUD the adopted Plan and necessary documents for receipt of CFP funds.

ADOPTED AT A SPECIAL MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF SEDRO-WOOLLEY THIS 9th DAY OF OCTOBER, 2025.

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

DEBRA LANCASTER, Vice-Chair
Board of Commissioners

ROBIN WALLS
Secretary-Treasurer

Capital Fund Program - Five-Year Action Plan

Status: Draft

Approval Date:

Approved By:

Part I: Summary						
PHA Name : HA City of Sedro Woolley		Locality (City/County & State)				
PHA Number: WA030		<input checked="" type="checkbox"/> Original 5-Year Plan <input type="checkbox"/> Revised 5-Year Plan (Revision No:)				
A.	Development Number and Name	Work Statement for Year 1 2025	Work Statement for Year 2 2026	Work Statement for Year 3 2027	Work Statement for Year 4 2028	Work Statement for Year 5 2029
	AUTHORITY-WIDE	\$63,954.60	\$63,954.60	\$63,954.60	\$63,954.60	\$63,954.60
	HILLSVIEW (WA030000155)	\$230,818.40	\$230,818.40	\$230,818.40	\$230,818.40	\$230,818.40
	CEDAR GROVE I (WA030000103)	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00

Capital Fund Program - Five-Year Action Plan

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
2577-0274
02/28/2022

Part II: Supporting Pages - Physical Needs Work Statements (s)				
Work Statement for Year 1 2025				
Identifier	Development Number/Name	General Description of Major Work Categories	Quantity	Estimated Cost
	AUTHORITY-WIDE (NAWASD)			\$63,954.60
ID0000202	Administration Fees(Administration (1410)-Salaries,Administration (1410)-Sundry,Administration (1410)-Other)	Admin Costs		\$31,977.30
ID0000203	Operations Fees(Operations (1406))	Operations		\$31,977.30
	HILLSVIEW (WA030000155)			\$230,818.40
ID0000213	Hillsview Envelope & Deck Repair(Dwelling Unit-Exterior (1480)-Exterior Doors,Dwelling Unit-Exterior (1480)-Decks and Patios,Dwelling Unit-Exterior (1480)-Exterior Paint and Caulking,Dwelling Unit-Exterior (1480)-Gutters - Downspouts,Dwelling Unit-Exterior (1480)-Other,Dwelling Unit-Exterior (1480)-Siding,Dwelling Unit-Exterior (1480)-Soffits,Dwelling Unit-Exterior (1480)-Windows)	Replace Exterior envelope, decks, recoat decks		\$100,000.00
ID0000214	Hillsview Elevator(Non-Dwelling Construction - Mechanical (1480)-Elevator)	Repair/replace existing elevator, cab, electrical components		\$105,818.40
ID0000215	Hillsview Unit Upgrade(Dwelling Unit-Interior (1480)-Bathroom Counters and Sinks,Dwelling Unit-Interior (1480)-Bathroom Flooring (non cyclical),Dwelling Unit-Interior (1480)-Flooring (non routine),Dwelling Unit-Interior (1480)-Interior Doors,Dwelling Unit-Interior (1480)-Interior Painting (non routine),Dwelling Unit-Interior (1480)-Kitchen Cabinets,Dwelling Unit-Interior (1480)-Kitchen Sinks and Faucets,Dwelling Unit-Interior (1480)-Mechanical,Dwelling Unit-Interior (1480)-Other,Dwelling Unit-Interior (1480)-Plumbing,Dwelling Unit-Interior (1480)-Tubs and Showers)	Upgrade units at turn over. Includes cabinets, flooring, fixtures and painting		\$25,000.00

Capital Fund Program - Five-Year Action Plan

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
2577-0274
02/28/2022

Part II: Supporting Pages - Physical Needs Work Statements (s)				
Work Statement for Year 1 2025				
Identifier	Development Number/Name	General Description of Major Work Categories	Quantity	Estimated Cost
	CEDAR GROVE I (WA030000103)			\$25,000.00
ID0000216	Cedar Grove Unit Upgrade(Dwelling Unit-Interior (1480)-Bathroom Flooring (non cyclical),Dwelling Unit-Interior (1480)-Electrical,Dwelling Unit-Interior (1480)-Flooring (non routine),Dwelling Unit-Interior (1480)-Interior Doors,Dwelling Unit-Interior (1480)-Interior Painting (non routine),Dwelling Unit-Interior (1480)-Kitchen Cabinets,Dwelling Unit-Interior (1480)-Kitchen Sinks and Faucets,Dwelling Unit-Interior (1480)-Mechanical,Dwelling Unit-Interior (1480)-Other,Dwelling Unit-Interior (1480)-Plumbing,Dwelling Unit-Interior (1480)-Tubs and Showers,Dwelling Unit-Interior (1480)-Bathroom Counters and Sinks)	Includes repair/replacement of counters, fixtures, flooring, and paint		\$25,000.00
	Subtotal of Estimated Cost			\$319,773.00

Capital Fund Program - Five-Year Action Plan

Part II: Supporting Pages - Physical Needs Work Statements (s)				
Work Statement for Year 2 2026				
Identifier	Development Number/Name	General Description of Major Work Categories	Quantity	Estimated Cost
	AUTHORITY-WIDE (NAWASD)			\$63,954.60
ID0000205	Administration Fees(Administration (1410)-Other,Administration (1410)-Salaries,Administration (1410)-Sundry)	Admin Costs		\$31,977.30
ID0000206	Operations Fees(Operations (1406))	Operations		\$31,977.30
	HILLSVIEW (WA030000155)			\$230,818.40
ID0000217	Hillsview Elevator(Non-Dwelling Construction - Mechanical (1480)-Elevator)	Repair/Replace elevator, elevator cab, electrical components		\$205,818.40
ID0000218	Hillsview Unit Upgrade(Dwelling Unit-Interior (1480)-Bathroom Counters and Sinks,Dwelling Unit-Interior (1480)-Bathroom Flooring (non cyclical),Dwelling Unit-Interior (1480)-Electrical,Dwelling Unit-Interior (1480)-Flooring (non routine),Dwelling Unit-Interior (1480)-Interior Doors,Dwelling Unit-Interior (1480)-Interior Painting (non routine),Dwelling Unit-Interior (1480)-Kitchen Cabinets,Dwelling Unit-Interior (1480)-Kitchen Sinks and Faucets,Dwelling Unit-Interior (1480)-Mechanical,Dwelling Unit-Interior (1480)-Other,Dwelling Unit-Interior (1480)-Plumbing,Dwelling Unit-Interior (1480)-Tubs and Showers)	Includes repair/replacement of counters, fixtures, flooring, and paint		\$25,000.00
	CEDAR GROVE I (WA030000103)			\$25,000.00

Form HUD-50075.2(4/2008)

Form HUD-50075.2(4/2008)

Capital Fund Program - Five-Year Action Plan

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
2577-0274
02/28/2022

Part II: Supporting Pages - Physical Needs Work Statements (s)				
Work Statement for Year 4 2028				
Identifier	Development Number/Name	General Description of Major Work Categories	Quantity	Estimated Cost
	AUTHORITY-WIDE (NAWASD)			\$63,954.60
ID0000210	Administration Fees(Administration (1410)-Other,Administration (1410)-Salaries,Administration (1410)-Sundry)	Admin Costs		\$31,977.30
ID0000211	Operations Fees(Operations (1406))	Operations		\$31,977.30
	HILLSVIEW (WA030000155)			\$230,818.40
ID0000223	Hillsview Elevator(Non-Dwelling Construction - Mechanical (1480)-Elevator)	Repair/Replace elevator, elevator cab, electrical components		\$205,818.40
ID0000224	Hillsview Unit Upgrade(Dwelling Unit-Interior (1480)-Bathroom Counters and Sinks,Dwelling Unit-Interior (1480)-Bathroom Flooring (non cyclical),Dwelling Unit-Interior (1480)-Electrical,Dwelling Unit-Interior (1480)-Flooring (non routine),Dwelling Unit-Interior (1480)-Interior Doors,Dwelling Unit-Interior (1480)-Interior Painting (non routine),Dwelling Unit-Interior (1480)-Kitchen Cabinets,Dwelling Unit-Interior (1480)-Kitchen Sinks and Faucets,Dwelling Unit-Interior (1480)-Mechanical,Dwelling Unit-Interior (1480)-Other,Dwelling Unit-Interior (1480)-Plumbing,Dwelling Unit-Interior (1480)-Tubs and Showers)	Includes repair/replacement of counters, fixtures, flooring, and paint		\$25,000.00
	CEDAR GROVE I (WA030000103)			\$25,000.00

Form HUD-50075.2(4/2008)

Capital Fund Program - Five-Year Action Plan

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
2577-0274
02/28/2022

Part II: Supporting Pages - Physical Needs Work Statements (s)				
Work Statement for Year 5 2029				
Identifier	Development Number/Name	General Description of Major Work Categories	Quantity	Estimated Cost
	AUTHORITY-WIDE (NAWASD)			\$63,954.60
ID0000226	Administration Fees(Administration (1410)-Other,Administration (1410)-Salaries,Administration (1410)-Sundry)	Admin Costs		\$31,977.30
ID0000227	Operations Fees(Operations (1406))	Operations		\$31,977.30
	HILLSVIEW (WA030000155)			\$230,818.40
ID0000228	Hillsview Elevator(Non-Dwelling Construction - Mechanical (1480)-Elevator)	Repair/Replace elevator, elevator cab, electrical components		\$205,818.40
ID0000229	Hillsview Unit Upgrade(Dwelling Unit-Interior (1480)-Bathroom Counters and Sinks,Dwelling Unit-Interior (1480)-Bathroom Flooring (non cyclical),Dwelling Unit-Interior (1480)-Electrical,Dwelling Unit-Interior (1480)-Flooring (non routine),Dwelling Unit-Interior (1480)-Interior Doors,Dwelling Unit-Interior (1480)-Interior Painting (non routine),Dwelling Unit-Interior (1480)-Kitchen Cabinets,Dwelling Unit-Interior (1480)-Kitchen Sinks and Faucets,Dwelling Unit-Interior (1480)-Mechanical,Dwelling Unit-Interior (1480)-Other,Dwelling Unit-Interior (1480)-Plumbing,Dwelling Unit-Interior (1480)-Tubs and Showers)	Includes repair/replacement of counters, fixtures, flooring, and paint		\$25,000.00
	CEDAR GROVE I (WA030000103)			\$25,000.00

Capital Fund Program - Five-Year Action Plan

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
2577-0274
02/28/2022

Part III: Supporting Pages - Management Needs Work Statements (s)	
Work Statement for Year 1	2025
Development Number/Name General Description of Major Work Categories	Estimated Cost
Housing Authority Wide	
Administration Fees(Administration (1410)-Salaries,Administration (1410)-Sundry,Administration (1410)-Other)	\$31,977.30
Operations Fees(Operations (1406))	\$31,977.30
Subtotal of Estimated Cost	\$63,954.60

Form HUD-50075.2(4/2008)

Form HUD-50075.2(4/2008)

Form HUD-50075.2(4/2008)

Form HUD-50075.2(4/2008)

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5

HOUSING AUTHORITY OF THE CITY OF SEDRO-WOOLLEY



TO: Board of Commissioners

FROM: JJ Jordan

DATE: October 2, 2025

RE: Resolution 506: Adopting the 2026–2030 Five-Year PHA Plan

This memorandum is to provide background and context for the attached Resolution adopting the Housing Authority of the City of Sedro-Woolley's (SWHA, Authority) 2026–2030 Five-Year Public Housing Agency Plan (5-Year Plan).

The 5-Year Plan outlines the Authority's mission and long-term goals for serving residents and addressing local housing needs in compliance with requirements of the U.S. Department of Housing and Urban Development's (HUD).

SWHA is designated as a Qualified Public Housing Agency (PHA) under HUD criteria (as a small housing authority). As a Qualified PHA, SWHA is not required to submit an Annual PHA Plan to HUD each year. Instead, Qualified PHAs are required only to conduct a public hearing and submit an executed Civil Rights Certification (form HUD 50077-CR).

SWHA's draft 5-Year Plan was made available for public review and comment for the HUD-required 45-day period, from August 20 to October 9, 2025. As of the writing of this memo, no comments have been received.

A public hearing will be held on October 9, 2025. The Board will be briefed on any comments received prior to voting on the resolution. The 5-Year Plan document will be updated to reflect comments received, if applicable, prior to submission to HUD.

As required, SWHA obtained a Certification of Consistency with the Consolidate Plan from Skagit County.

As a Moving to Work (MTW) Regional Partner with the King County Housing Authority (KCHA), MTW activities applicable to SWHA are outlined in KCHA's Annual MTW Plan. KCHA's 2026 MTW Annual Plan was made available for public comment as required and a public hearing was conducted on September 25, 2025. No comments were received pertaining to SWHA.

Staff recommends approval of the resolution.

THE HOUSING AUTHORITY OF THE CITY OF SEDRO-WOOLLEY
RESOLUTION NO. 506
ADOPTION OF THE SWHA 2026-2030 FIVE-YEAR PUBLIC HOUSING AGENCY
PLAN

WHEREAS, the Housing Authority of the City of Sedro-Woolley (SWHA) is mandated by the U.S. Department of Housing and Urban Development (HUD) to submit a 5-Year Public Housing Agency Plan (Plan) every five years; and

WHEREAS, the Housing Authority of the City of Sedro-Woolley has prepared a Plan in accordance with applicable requirements including a 45-day public review and comment period and holding a public hearing.

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

1. Adopt the Housing Authority's Five-Year Public Housing Agency Plan for fiscal years 2026-2030.
2. Authorize staff to finalize and submit the Plan to HUD.
3. Authorizes the execution of the required "Civil Rights Certification" (HUD 50077-CR).

ADOPTED AT A SPECIAL MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF SEDRO-WOOLLEY THIS 9th DAY OF OCTOBER, 2025.

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

DEBRA LANCASTER, Vice-Chair
Board of Commissioners

ROBIN WALLS
Secretary-Treasurer

T A B N U M B E R

6



SEDRO-WOOLLEY HOUSING AUTHORITY

INTEROFFICE MEMORANDUM

TO: Board of Commissioners
FROM: Sean Lay, Temporary Financial Reporting Manager
DATE: October 9, 2025
RE: August 2025 Financial Report

Attached for your review is the unaudited financial report for August 2025. This report shows actual results, budgets, and variances expressed in both dollars and percentages. The report, in cash format, details operating income and expenses, operating cash flow, non-operating income and expenses, and changes in assets and liabilities. Reports in this format will reconcile the changes in cash, and both the beginning and ending cash balances are displayed.

EXECUTIVE SUMMARY

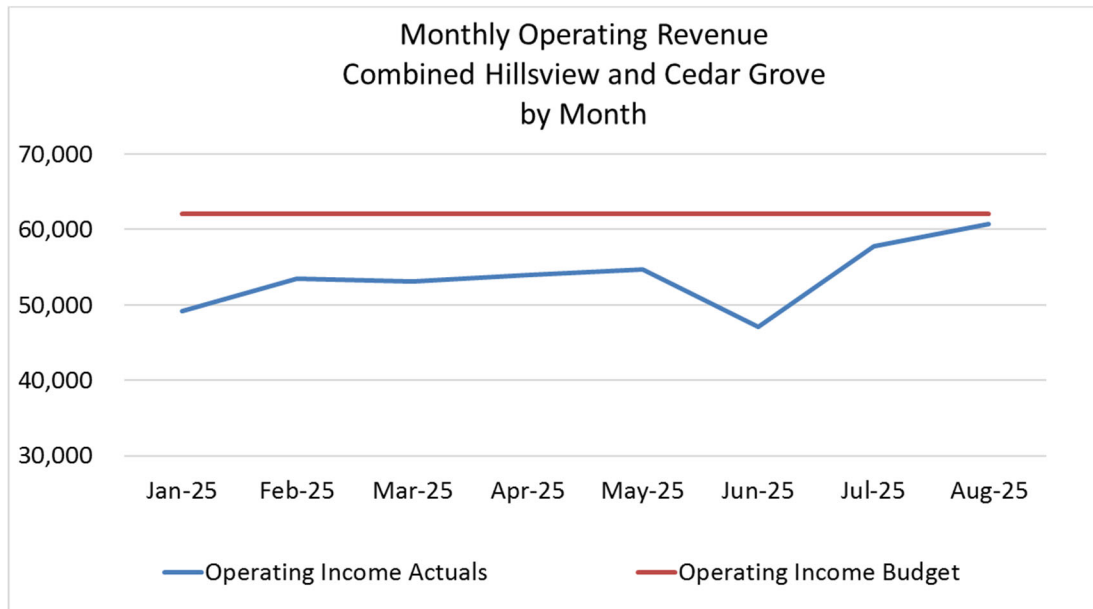
Year-to-date operating income was 12.4% under budget and operating expenses were 11.6% over budget.

Operating Revenue	Favorable (Unfavorable)			Operating Expenses	Favorable (Unfavorable)		
	\$ Variance	% Variance			\$ Variance	% Variance	
Tenant Revenue	\$14,127	6.5%	●	Salaries and Benefits	\$2,271	1.5%	●
Federal Operating Support	(75,975)	-27.3%	●	Administrative Expenses	(\$6,189)	-6.4%	●
Other Revenue	194	19.7%	●	Maintenance Expenses, Utilities, Taxes	(\$52,218)	-23.1%	●
				Other Programmatic Expenses	\$543	87.1%	●
Total Operating Income	(\$61,655)	-12.4%	●	Total Operating Expenses	(55,593)	-11.6%	●

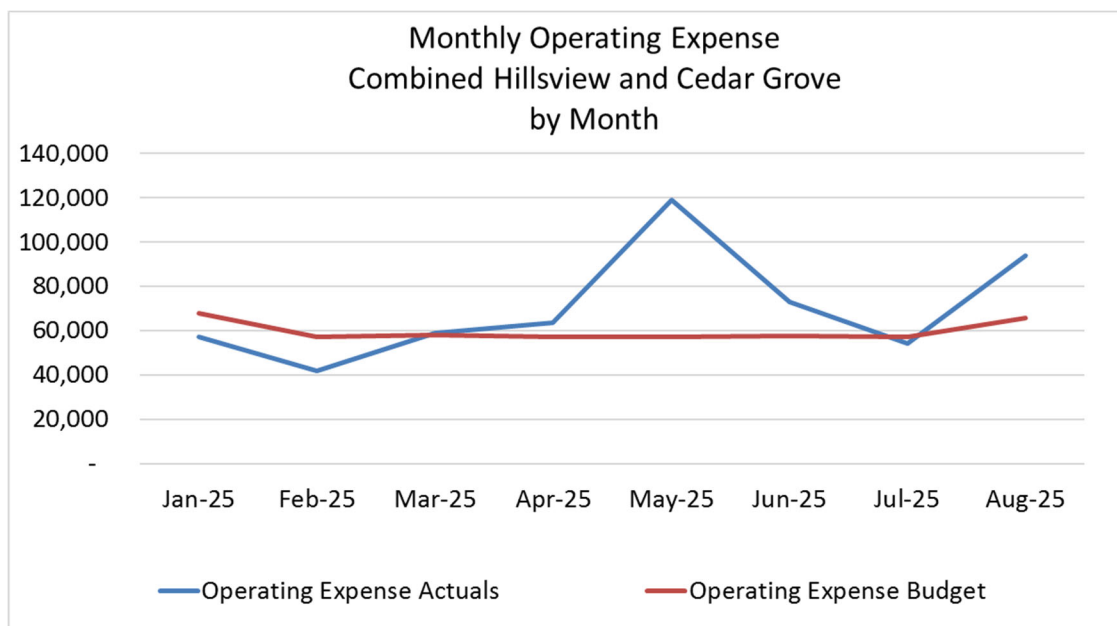
- Green are favorable variances
- Yellow are unfavorable variances less than 5%
- Red are unfavorable variances greater than 5%

OPERATING REVENUE AND EXPENSE

Year-to-date operating revenues totaling \$435K came under budget expectations by \$61.7K, or 12.4%. The primary driver of this variance was the Operating Fund Subsidy. The budget assumed a higher funding amount, particularly at the Hillsvieview property.



Year-to-date operating expenses in the amount of \$534K were over budget by 11.6%. The primary drivers are benefits and occupancy expenses. Benefits were under budget, resulting in a favorable \$10.5K variance. Occupancy expenses were higher than budget due to a \$20K elevator door operator upgrade at Hillsvieview. In addition, 70 failing smoke detectors were replaced and an additional 14 were purchased as spares which totaled \$23K. Both expenses were unbudgeted.

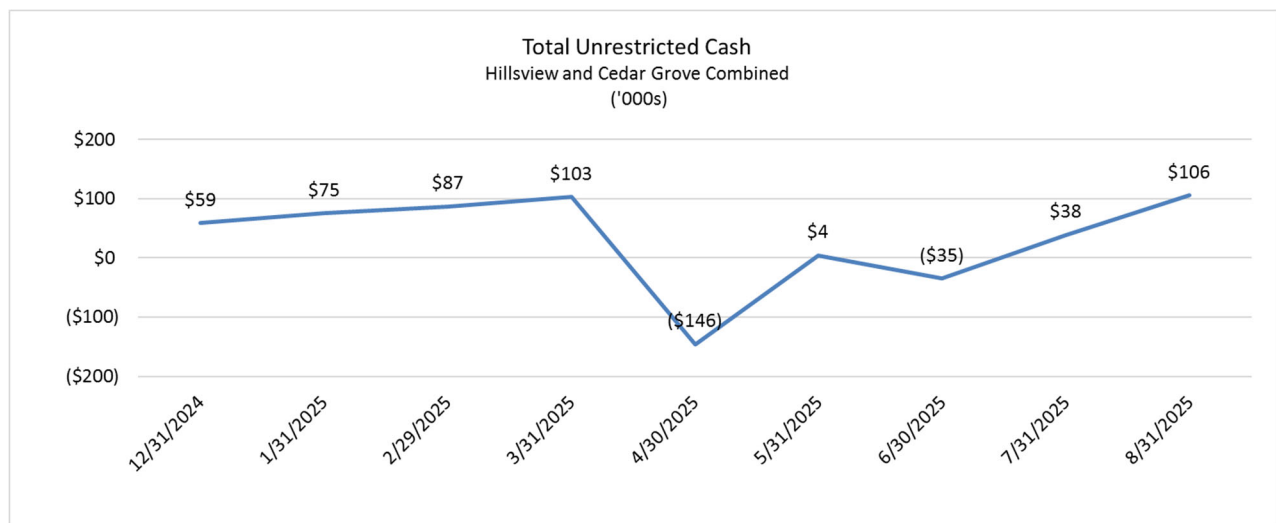


CAPITAL ACTIVITY

Capital project expenditures were under budget by 11.5% primarily due to the roof project at Cedar Grove being under budget. This was offset by an unbudgeted \$70K in unit upgrades at Hillsvie. \$397K was budgeted for roof repair through August at Cedar Grove, but approximately \$289K was spent. In addition, \$63K was drawn down from eLOCCS for operations and admin fees. This resulted in a lower draw from the CFP grant.

CHANGE IN UNRESTRICTED CASH

Unrestricted cash in the amount of \$106K increased by \$46.8K since the beginning of the year. The increase in cash balance was mainly due to decreases in prepaid insurance, grant receivable, and tenant receivable as well as an increase in contract retentions.



Sedro-Woolley Housing Authority
Statement of Financial Position
As of August 31, 2025

	Cedar Grove	Hillsview	Combined
Cash-Unrestricted	\$10,149	\$95,454	\$105,604
Cash-Held by Management Agent	-	-	-
Cash-Designated	-	-	-
Cash-Restricted	11,400	15,900	27,300
Total Cash	21,549	111,354	132,904
Current Assets	110,995	(44,330)	66,664
Long-term Assets	979,085	960,695	1,939,780
Total Other Assets	1,090,080	916,364	2,006,444
Total Assets	1,111,629	1,027,719	2,139,348
Current Liabilities	61,546	98,600	160,146
Long-Term Liabilities	-	-	-
Total Liabilities	61,546	98,600	160,146
Equity	1,050,083	929,118	1,979,202
Total Liabilities and Equity	\$1,111,629	\$1,027,719	\$2,139,348

Sedro-Woolley Housing Authority
Cash Reconciliation Report
Combined Operations
For the Period Ended August 31, 2025

	2025 YTD Actual	2025 YTD Budget	Favorable (Unfavorable) \$ Variance	Favorable (Unfavorable)	
Beginning Cash Balance-Unrestricted/Held by Mgmt Agent	\$58,759				
Beginning Cash Balance-Designated	0				
Beginning Cash Balance-Restricted	8,850				
Total Beginning Resources	\$67,609				
Tenant Revenue	\$231,234	\$217,107	\$14,127	6.5%	
Operating Subsidy from HUD-PH	202,578	278,553	(75,975)	(27.3%)	(1)
Other Operating Income	1,178	984	194	19.7%	
Total Operating Income	434,990	496,644	(61,655)	-12.4%	
Salaries	(115,966)	(107,772)	(8,194)	(7.6%)	
Benefits	(36,129)	(46,594)	10,465	22.5%	(2)
Occupancy Expenses	(278,706)	(226,488)	(52,218)	(23.1%)	(3)
Other Social Service Expenses	(81)	(624)	543	87.1%	
Administrative Expenses	(102,760)	(96,571)	(6,189)	(6.4%)	
Total Operating Expenses	(533,641)	(478,049)	(55,593)	(11.6%)	
Operating Cash Flow	(98,652)	18,596	(117,247)	(630.5%)	
Non-Operating Income	417,751	464,299	(46,549)	(10.0%)	(4,5)
Non-Operating Expenses	(1,021)	-	(1,021)	n/a	
Capital Expenditures	(385,941)	(436,269)	50,328	11.5%	(4)
Change in Designated Cash	-	-	-	n/a	
Change in Restricted Cash	(18,450)	-	(18,450)	n/a	
Transfers In/Out	-	-	-	n/a	
Others Sources/(Uses of Cash)	133,158	-	133,158	n/a	(6)
Non Operating Net Sources (Uses) of Cash	145,497	28,030	117,466	419.1%	
Net Change in Unrestricted Cash	46,845	\$46,626	\$219	0.5%	
Ending Cash Balance-Unrestricted/Held by Mgmt Agent	\$105,604				
Ending Cash Balance-Designated	0				
Ending Cash Balance-Restricted	27,300				
Total Ending Resources	\$132,904				

- 1) Operating fund subsidy was below target as the budget assumed a higher funding amount.
- 2) Benefits were under budget, resulting in a favorable \$10.4K variance.
- 3) Occupancy expenses were higher than budget due to a \$20K elevator door operator upgrade at Hillsvie. In addition to replacing 70 failing smoke detectors and purchasing an additional 14 as spares which total \$23K. Both were unbudgeted.
- 4) \$397K was budgeted roof repair through August for the Cedar Grove. The project came under budget resulting in a \$108K variance. This was slightly offset by \$70K in unit upgrades at Hillsvie. This resulted in a lower draw from the CFP grant.
- 5) \$63K was drawn down from eLOCCS for operations and admin fees. Unbudgeted.
- 6) Mainly due to decreases in prepaid insurance, grant receivable, and tenant receivable; and increase in contract retentions.

Sedro-Woolley Housing Authority
Cash Reconciliation Report
Cedar Grove
For the Period Ended August 31, 2025

	2025 YTD Actual	2025 YTD Budget	Favorable (Unfavorable) \$ Variance	Favorable (Unfavorable)	
Beginning Cash Balance-Unrestricted/Held by Mgmt Agent	\$68,898				
Beginning Cash Balance-Designated	0				
Beginning Cash Balance-Restricted	3,700				
Total Beginning Resources	\$72,598				
Tenant Revenue	\$85,226	\$71,791	\$13,435	18.7%	(1)
Operating Subsidy from HUD-PH	69,327	71,708	(2,381)	(3.3%)	
Other Operating Income	516	280	235	84.0%	
Total Operating Income	155,069	143,779	11,289	7.9%	
Salaries	(29,347)	(27,151)	(2,196)	(8.1%)	
Benefits	(9,236)	(11,888)	2,652	22.3%	
Occupancy Expenses	(90,344)	(84,296)	(6,048)	(7.2%)	
Other Social Service Expenses	(20)	(257)	237	92.2%	
Administrative Expenses	(26,158)	(26,625)	466	1.8%	
Total Operating Expenses	(155,105)	(150,215)	(4,889)	(3.3%)	
Operating Cash Flow	(36)	(6,436)	6,400	99.4%	
Non-Operating Income	289,814	443,984	(154,170)	(34.7%)	(2,3)
Non-Operating Expenses	-	-	-	n/a	
Capital Expenditures	(301,262)	(434,551)	133,288	30.7%	(2)
Change in Designated Cash	-	-	-	n/a	
Change in Restricted Cash	(7,700)	-	(7,700)	n/a	
Transfers In/Out	-	-	-	n/a	
Others Sources/(Uses of Cash)	(39,564)	-	(39,564)	n/a	(4)
Non Operating Net Sources (Uses) of Cash	(58,712)	9,433	(68,145)	(722.4%)	
Net Change in Unrestricted Cash	(\$58,748)	\$2,997	(\$61,745)	(2,060.1%)	
Ending Cash Balance-Unrestricted/Held by Mgmt Agent	\$10,149				
Ending Cash Balance-Designated	0				
Ending Cash Balance-Restricted	11,400				
Total Ending Resources	\$21,549				

- 1) Dwelling Rent was higher than budget due to higher income from residents.
- 2) \$397K was budgeted for roof repair through August. The project came under budget resulting in a \$108K variance. One unit upgrade was budgeted for the year, but has yet to be completed. This results in a lower draw from the CFP grant.
- 3) \$16K was drawn down from eLOCCS for operations and admin fees. Unbudgeted.
- 4) Mainly due to the increase in grant receivable.

Sedro-Woolley Housing Authority
Cash Reconciliation Report
Hillview
For the Period Ended August 31, 2025

	2025 YTD Actual	2025 YTD Budget	Favorable (Unfavorable) \$ Variance	Favorable (Unfavorable)	
Beginning Cash Balance-Unrestricted/Held by Mgmt Agent	(\$10,139)				
Beginning Cash Balance-Designated	0				
Beginning Cash Balance-Restricted	5,150				
Total Beginning Resources	(\$4,989)				
Tenant Revenue	\$146,008	\$145,316	\$692	0.5%	
Operating Subsidy from HUD-PH	133,251	206,845	(73,594)	(35.6%)	(1)
Other Operating Income	662	704	(42)	(5.9%)	
Total Operating Income	279,921	352,865	(72,944)	-20.7%	
Salaries	(86,620)	(80,621)	(5,998)	(7.4%)	
Benefits	(26,893)	(34,706)	7,813	22.5%	(2)
Occupancy Expenses	(188,362)	(142,192)	(46,170)	(32.5%)	(3)
Other Social Service Expenses	(60)	(367)	307	83.5%	
Administrative Expenses	(76,602)	(69,947)	(6,655)	(9.5%)	
Total Operating Expenses	(378,537)	(327,833)	(50,703)	(15.5%)	
Operating Cash Flow	(98,616)	25,032	(123,647)	(494.0%)	
Non-Operating Income	127,937	20,315	107,621	529.8%	(4,5)
Non-Operating Expenses	(1,021)	-	(1,021)	n/a	
Capital Expenditures	(84,679)	(1,718)	(82,961)	(4,828.6%)	(4)
Change in Designated Cash	-	-	-	n/a	
Change in Restricted Cash	(10,750)	-	(10,750)	n/a	
Transfers In/Out	-	-	-	n/a	
Others Sources/(Uses of Cash)	172,722	-	172,722	n/a	(6)
Non Operating Net Sources (Uses) of Cash	204,209	18,597	185,612	998.1%	
Net Change in Unrestricted Cash	\$105,593	\$43,629	\$61,964	142.0%	
Ending Cash Balance-Unrestricted/Held by Mgmt Agent	\$95,454				
Ending Cash Balance-Designated	0				
Ending Cash Balance-Restricted	15,900				
Total Ending Resources	\$111,354				

- 1) Operating fund subsidy was below budget as the budget assumed a higher funding amount.
- 2) Benefits were under budget, resulting in a favorable \$7,800 variance.
- 3) Occupancy expenses were higher than budget due to a \$20K elevator door operator upgrade. In addition to replacing 70 failing smoke detectors and purchasing an additional 14 as spares which total \$23K. Both were unbudgeted.
- 4) Mainly due to \$70K in unit upgrades. Unbudgeted.
- 5) \$46.8K was drawn down from eLOCCS for operations and admin fees. Unbudgeted.
- 6) Mainly due to a decrease in grant receivable.

T A B N U M B E R

7

Housing Authority of the City of Sedro-Woolley

**Financial Statements
(With Supplementary Information)
and Independent Auditor's Report**

December 31, 2024

Housing Authority of the City of Sedro-Woolley

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Independent Auditor's Report

To the Board of Commissioners
Housing Authority of the City of Sedro-Woolley

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the business-type activities of the Housing Authority of the City of Sedro-Woolley (the "Authority"), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the business-type activities of the Authority, as of December 31, 2024, and the changes in financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may

involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying financial data schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards, as required by

Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is presented for purposes of additional analysis and is also not a required part of the basic financial statements.

The financial data schedule and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the financial data schedule and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 29, 2025, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "CohnReznick LLP".

Charlotte, North Carolina
September 29, 2025

Independent Auditor's Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*

To the Board of Commissioners
Housing Authority of the City of Sedro-Woolley

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Housing Authority of the City of Sedro-Woolley (the "Authority") as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated September 29, 2025.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

This purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CohnReznick LLP

Charlotte, North Carolina
September 29, 2025

Housing Authority of the City of Sedro-Woolley

**Schedule of Findings and Responses
December 31, 2024**

Our audit disclosed no findings that are required to be reported herein.

Housing Authority of the City of Sedro-Woolley

Management's Discussion and Analysis

This first section of the annual financial report presents a discussion and analysis of the Housing Authority of the City of Sedro-Woolley's (SWHA) financial performance during the year ended December 31, 2024. It should be read in conjunction with the Authority's financial statements, which immediately follow this section.

Located in Skagit County, Washington, the city of Sedro-Woolley officially merged the neighboring towns of Sedro and Woolley when it incorporated over 100 years ago. With a local population of approximately 11,690, SWHA currently operates two public housing developments—Hillsview and Cedar Grove. These two developments total 80 units and serve a diversified population including senior, disabled and family households.

The King County Housing Authority (KCHA) has a long-standing contract to manage and assist the Sedro-Woolley Housing Authority. SWHA has its own Board of Commissioners, which is responsible for approving its operating and capital budgets and overseeing programs. SWHA is charged by KCHA for the direct operating expenses of the two public housing developments. In addition, KCHA also charges for administrative services provided. These indirect costs are allocated to SWHA using established allocation methods, generally based upon the number of units.

The financial statements included in this report are in conformance with Generally Accepted Accounting Principles for governments.

2024 Financial Highlights

- Total assets of the Authority exceeded total liabilities at December 31, 2024 by \$1,817,391.
- Total revenues (operating and non-operating) for 2024 were \$910,649. Total expenses (operating and non-operating) were \$1,072,840. The change in net position was a decrease of \$87,184.

Overview of the Financial Statements

As required under the GASB 34 financial reporting standards, this annual report consist of two parts—the *basic financial statements*, and *required supplementary information*.

The following *basic financial statements* are included in this report:

- *Statement of Net Position*—reports the Authority’s current financial resources (short-term expendable resources) with capital assets and long-term debt obligations.
- *Statement of Revenues, Expenses and Changes in Net Position*—reports the operating and non-operating revenues, by major source along with operating and non-operating expenses and capital contributions.
- *Statement of Cash Flows*—reports the Authority’s cash flows from operating, investing, capital and non-capital activities.
- The statements identified above are followed by a section of required supplementary information that further explains and supports the information found in the financial statements.

Financial Analysis of the Authority

Statement of Net Position:

The *Statement of Net Position* presents the assets, liabilities, and net position of the Authority at the end of the year. The purpose of the statement is to provide a snapshot of the financial condition of the Authority at a certain point in time. Table A-1 presents the Authority’s *Condensed Statement of Net Position* for 2024 and 2023. Supplementary information is provided in the accompanying notes that further explain and support the data presented in table A-1.

Table A-1, Condensed Statement of Net Position

Assets:	2024	2023
Current and other assets	\$ 215,869	\$ 252,670
Capital assets	1,717,946	1,743,955
Total Assets	1,933,815	1,996,625
Liabilities:		
Current and other liabilities	85,071	92,050
Noncurrent Liabilities	31,353	-
Total Liabilities	116,424	92,050
Net Position:		
Net investment in capital assets	1,717,946	1,743,954
Unrestricted	99,445	160,621
Total Net Position	\$ 1,817,391	\$ 1,904,575

Current and other assets, excluding capital assets, for the year ended December 31, 2024 total \$215,869 and are comprised of \$77,748 in cash and cash equivalents and \$102,791 in accounts receivables, and \$35,330 in other assets. Cash and cash equivalents increased by \$24,883.

Capital assets for the year ended December 31, 2024 are \$1.72 million. Included in this category are land and improvements, buildings and improvements, personal property, and construction-in-progress.

Total liabilities totaled \$116,424 at December 31, 2024, an increase of \$24,374 from 2023 primarily from accrued compensated absences, accounts payable and deferred rent revenue.

The Authority's current ratio reflects the relationship between current assets and current liabilities and is a measure of the Authority's ability to pay short-term obligations. At December 31, 2024, the Authority's current ratio was 2.54:1, a decrease from the previous year's current ratio of 2.74:1. This means that for every dollar in current liabilities there is \$2.54 in current assets.

Total net position decreased by \$87,184 during 2024. Net investment in capital assets decreased by \$26,008, primarily due to depreciation net of additions to construction-in-progress, while unrestricted net position decreased by \$61,176. Unrestricted net position decreased by 38% primarily due to increase in operating expenses.

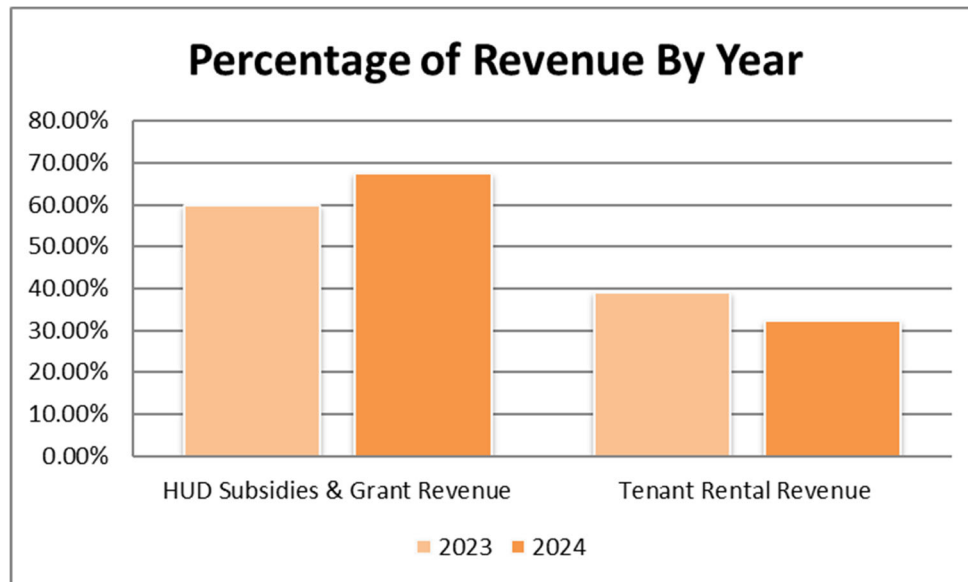
Statement of Revenues, Expenses and Changes in Net Position:

The purpose of the Statement of Revenues, Expenses and Changes in Net Position is to present the revenues earned by the Authority (both operating and non-operating) and the expenses incurred (operating and non-operating), and any other revenues, expenses, gains and losses received or spent by SWHA. Table A-2 represents the Authority's *Condensed Statement of Revenues, Expenses, and Changes in Net Position* for 2024 and 2023.

Table A-2, Condensed Statement of Revenues, Expenses and Changes in Net Position

	2024	2023
Operating Revenues	\$ 296,489	\$ 317,293
Net nonoperating revenues	614,160	491,261
Total Revenues	910,649	808,554
Operating expenses	1,072,840	998,246
Total Expenses	1,072,840	998,246
Excess or deficiency before contributions	(162,191)	(189,692)
Capital grant contributions	75,007	12,031
Change in Net Position	(87,184)	(177,661)
Beginning Net Position	1,904,575	2,082,236
Ending Net Position	<u>\$ 1,817,391</u>	<u>\$ 1,904,575</u>

Revenues are classified as operating or non-operating. Table A-3 shows the sources of operating revenues for 2023 and 2024.

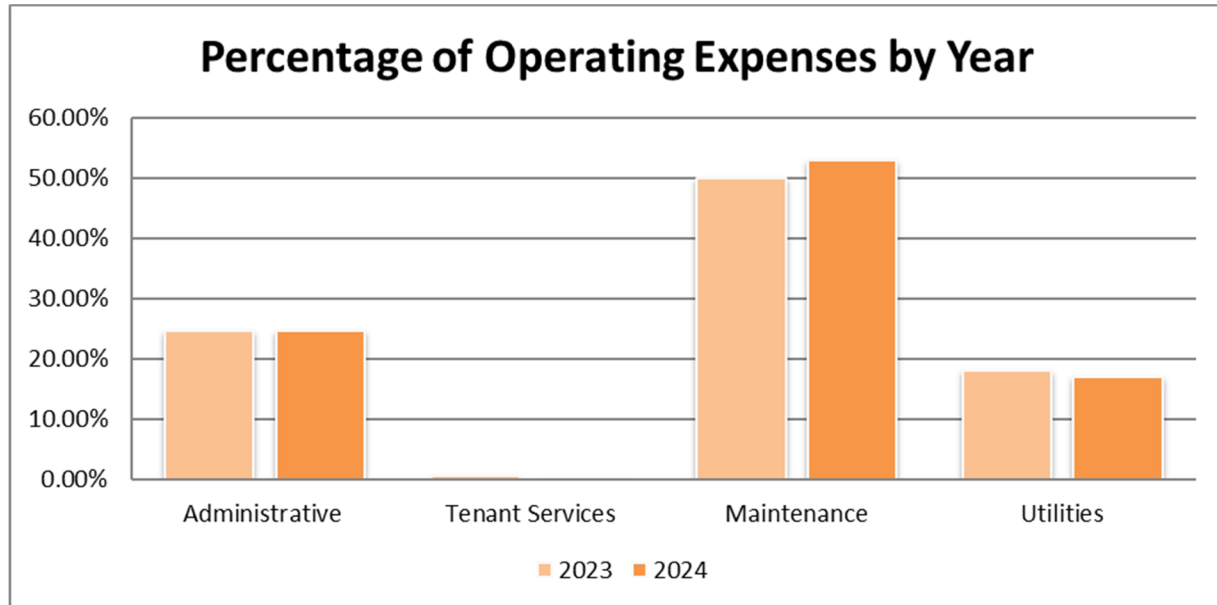
Table A-3, Sources of Revenues for 2023 and 2024

Operating expenses are amounts paid for providing housing to the Authority's tenants and administering the various programs. Total operating expenses (excluding depreciation), for 2024

were \$971,825. Costs included in operating expenses include: administrative, tenant services, maintenance, utilities, and other.

Table A-4 illustrates the operating expense break down by category. Increase in operating expense was mainly due to unbudgeted asphalt, fence, and roof repairs.

Table A-4, Operating Expenses for 2023 and 2024



Capital Assets

The Housing Authority of the City of Sedro-Woolley is committed to the ongoing rehabilitation and modernization of its housing inventory. Hillsview and Cedar Grove were both built in 1971.

Table A-5, Capital Assets for 2024 and 2023

	2024	2023
Land	\$ 59,287	\$ 59,287
Buildings and Improvements	4,306,856	4,306,856
Construction-in-progress	393,403	318,396
	<u>4,759,546</u>	<u>4,684,539</u>
Total accumulated depreciation	<u>(3,041,600)</u>	<u>(2,940,585)</u>
Net Capital Assets	<u>\$ 1,717,946</u>	<u>\$ 1,743,954</u>

Information about the Authority's capital assets is further presented in the financial statements Note 4 – Capital Assets.

Economic Factors Affecting the Authority's Future

The Authority receives the bulk of its operational funding from the United States Department of Housing and Urban Development (HUD) which, like all federal agencies, depends upon congressional appropriations. The current administration advocates severe funding cuts to programs administered by HUD; including completely defunding the Capital Fund Program. It is uncertain how much congress will appropriate.

Contacting the Authority's Financial Management

This financial report is designed to provide our stakeholders with a general overview of the Housing Authority's finances and to demonstrate SWHA's accountability for its resources. Any questions about this report, or requests for additional information, should be directed to the Vice President of Finance of the King County Housing Authority.

Housing Authority of The City of Sedro-Woolley
Statement Of Net Position
As of December 31, 2024

ASSETS:

Current Assets

Cash and cash equivalents	\$ 68,898
Restricted cash and cash equivalents	8,850
Receivables, net	102,791
Other current assets	35,330
Total Current Assets	<u>215,869</u>

Noncurrent Assets

Land, Buildings, and Equipment, net	
Nondepreciable	452,690
Depreciable	1,265,256
Total Noncurrent Assets	<u>1,717,946</u>
Total Assets	<u>1,933,815</u>

LIABILITIES:

Current Liabilities

Accounts payable	47,557
Accrued compensated absences	3,484
Tenant security deposits	8,850
Prepaid tenant rent	13,642
Other Current Liabilities	11,538
Total Current Liabilities	<u>85,071</u>

Noncurrent Liabilities

Accrued compensated absences - Noncurrent	<u>31,353</u>
Total Noncurrent Liabilities	<u>31,353</u>
Total Liabilities	<u>116,424</u>

NET POSITION:

Net investment in capital assets	1,717,946
Unrestricted	99,445
Total Net Position	<u>\$ 1,817,391</u>

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

Housing Authority of The City of Sedro-Woolley
Statement of Revenues, Expenses and Changes in Net Position
For the 12 Month Period Ending December 31, 2024

Operating Revenues

Tenant revenue	\$ 295,004
Other revenue	1,485
Total Operating Revenues	<u>296,489</u>

Operating Expenses

Administrative	235,110
Tenant services	143
Maintenance	511,892
Utilities	162,742
Depreciation	101,015
Other expenses	61,938
Total Operating Expenses	<u>1,072,840</u>
Operating Income (Loss)	(776,351)

Nonoperating Revenues (Expenses)

HUD subsidies and grant revenue	613,556
Investment income	604
Total Nonoperating Revenues (Expenses)	<u>614,160</u>

INCOME (LOSS) before contributions (162,191)

Capital grant contributions 75,007

CHANGE IN NET POSITION (87,184)

Beginning Net Position 1,904,575

Ending Net Position \$ 1,817,391

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

Housing Authority of The City of Sedro-Woolley
Statement of Cash Flows
For the 12 Month Period Ending December 31, 2024

Cash Flows from Operating Activities:

Receipts from tenants	\$ 318,085
Payments to employees	(167,650)
Payments to suppliers of goods and services	(789,266)
Other receipts	1,511
Net cash used in operating activities	<u>(637,320)</u>

Cash Flows from Noncapital Financing Activities:

Receipts from HUD	661,599
Net cash provided by noncapital financing activities	<u>661,599</u>

Cash Flows from Capital and Related Financing Activities:

Capital grant contributions	75,007
Purchases of capital assets	(75,007)
Net cash provided by capital and related financing activities	<u>(0)</u>

Cash Flows from Investing Activities:

Investment income	604
Other receipts (payments)	-
Net cash provided by investing activities	<u>604</u>

Net increase in cash, restricted cash and cash equivalents 24,883

Cash, restricted cash and cash equivalents - beginning of the year	52,865
Cash, restricted cash and cash equivalents -- end of the year	<u>\$ 77,748</u>

**Reconciliation of operating income (loss) to net cash
provided (used) by operating activities:**

Operating income (loss)	\$ (776,351)
Adjustments to reconcile operating income (loss) to net cash	
Used in operating activities:	
Depreciation expense	101,015
Change in assets and liabilities:	
Receivables	18,553
Inventories and other	(4,912)
Accounts payable	(4,692)
Other current liabilities	29,067
Net cash provided by (used in) operating activities	<u>\$ (637,320)</u>

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

Note 1 – Reporting Entity and Summary of Significant Accounting Policies

Reporting Entity

Primary Government

The Housing Authority of the City of Sedro-Woolley (the “Authority”) was created as a municipal corporation under the provisions of the State Housing Authorities Law (RCW 35.82) and the Housing Cooperation Law (RCW 35.83) in response to the Federal Housing Act of 1937. The Act created the United States Housing Authority, empowering it to make loans and annual contributions to local public housing agencies to assist in the development, acquisition and administration of low rent projects. The programs authorized under the Act, as amended, are now administered by the Department of Housing and Urban Development (HUD).

The King County Housing Authority (KCHA) has a long-standing contract to manage and assist the Authority. The Authority has its own Board of Commissioners, which is responsible for approving its operating and capital budgets and overseeing programs. The Authority is charged by KCHA for the direct operating expenses of the two public housing developments. In addition, KCHA also charges a fee for administrative services provided.

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

Summary of Significant Accounting Policies

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

Basis of Accounting

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

Use of Estimates

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

Revenues and Expenses

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

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

Cash, Cash Equivalents and Investments

Cash consists of Federal Depository Insurance Corporation (FDIC) insurable deposits with original maturities of less than three months. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash. Investments include deposits with original maturities exceeding three months, securities and other assets that are held primarily for the purpose of obtaining income or profit. Restricted cash and cash equivalents as of December 31, 2024 include \$8,850 of tenant security deposits.

Receivables and Bad Debts

Receivables consist primarily of rents due from tenants. Annually, tenant receivables are analyzed and the allowance for doubtful accounts is appropriately adjusted. No allowances existed at December 31, 2024 other than the allowance for tenant accounts receivable of \$217.

Capital Assets

Capital assets are recorded at historical cost in the land, structures, and equipment accounts. Donated assets are recorded at acquisition cost. The Authority defines capital assets as tangible items with an initial individual cost of at least \$5,000 if the item is equipment and \$50,000 if the item is real property or a capital improvement. Capital assets are depreciated using the straight-line method with depreciation commencing in the acquisition year and ceasing in the disposal year. Capital project costs clearly associated with the acquisition, development, and construction of a real estate project, including indirect costs and interest, are capitalized as a cost of that project.

Depreciable lives for the capital asset categories follow:

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

Maintenance and repairs are charged to expense when incurred. Management reviews land, structures, and equipment for possible impairment whenever events or circumstances indicate the carrying amount of an asset may not be recoverable. If there is an indication of impairment, management prepares an estimate of future cash flows expected to result from the use of the asset and its eventual disposition. If these cash flows are less than the carrying amount of the asset, an impairment loss is recognized to write down the asset to its estimated fair value.

Preparation of estimated expected future cash flows is inherently subjective and is based on management's best estimate of assumptions concerning expected future conditions.

Tax Liability

The Authority is by law exempt from all federal, state, and local taxes and assessments.

Compensated Absences

The liability for compensated absences reported on the statement of net position consists of leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or otherwise paid in cash. It is the Authority's policy to pay 100% of accumulated annual leave when an employee terminates employment from the Authority. As such, the value of annual leave earned but not used at year-end is accrued. Sick leave does not vest and is only paid to those separating from the Authority as retirees as defined by the state pension system. Because the amount of such payments is difficult to estimate, an accrual is made only when the actual payment amount is known.

Note 2 – Adoption of New Accounting Standards

a) New Accounting Standards Adopted

During 2024, the Authority adopted GASB Statement No. 100, Accounting Changes and Error Corrections – an amendment of GASB statement No. 62, will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The adoption of GASB Statement No. 100 had no material impact on the financial statements.

During 2024, the Authority adopted GASB Statement No. 101, Compensated Absences, will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability between governments that offer different types of leave. The adoption of GASB Statement No. 101 had no material impact on the financial statements.

b) New Accounting Standards to be Adopted in Future Years

GASB Statement No. 102, Certain Risk Disclosures, the objective of this Statement defines concentration and constraints related to inflows and outflows of resources which may limit a government's ability to acquire resources or control spending. This Statement requires a government to assess and disclose on whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. This Statement is effective for fiscal years beginning after June 15, 2024.

GASB Statement No. 103, Financial Reporting Model Improvements, the objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement is effective for fiscal years beginning after June 15, 2025.

The Authority's management is currently evaluating these new standards to determine what impact they will have on the Authority.

GASB Statement No. 104, Disclosure of Certain Capital Assets, the objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement is effective for fiscal years beginning after June 15, 2025.

The Authority's management is currently evaluating these new standards to determine what impact they will have on the Authority.

Note 3 - Cash Deposits and Investments

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

Insurance and Collateralization

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

Interest Rate Risk

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

Credit Risk

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

- 1) Direct obligations of the Federal government backed by the full faith and credit of the United States
 - a) U.S. Treasury Bills.
 - b) U.S. Treasury Notes and Bonds.
- 2) Obligations of Federal government agencies, such as:
 - a) Government National Mortgage Association (GNMA) mortgage-backed securities.
 - b) GNMA participation securities.
 - c) Maritime Administration Bonds.
 - d) Small Business Administration Bonds.
- 3) Securities of Government Sponsored Agencies, such as:
 - a) Federal Home Loan Mortgage Corporation (FHLMC) notes and bonds.
 - b) Federal National Mortgage Association (FNMA) notes and bonds.

- c) Federal Home Loan Bank (FHLB) notes and bonds.
- d) Federal Farm Credit Bank (FFCB) notes and bonds.
- e) Student Loan Marketing Association (SLMA) notes and bonds.
- 4) Demand and savings accounts.
- 5) Money Market Deposit accounts.
- 6) Certain mutual funds.

Concentration of Credit Risk

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

Valuation and Classification

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

The Authority is a voluntary participant in the Local Government Investment Pool, an external investment pool operated by the Washington State Treasurer. The pool is not rated and not registered with the SEC. Rather, oversight is provided by the State Finance Committee in accordance with RCW 43.250. Investments in the LGIP are reported at amortized cost, which is the same as the value of the pool per share. The LGIP does not impose any restrictions on participant withdrawals. As of December 31, 2024, the pool had an average days-to-maturity of 24 days and therefore is reported at cost.

A summary of cash and investments at December 31, 2024 follows.

	Unrestricted	Restricted	Total
Cash and Cash Equivalents:			
Depository	\$ 5,000	\$ -	\$ 5,000
Local Government Investment Pool	63,898	8,850	72,748
Washington State Investment Pool	-	-	-
Total Cash And Cash Equivalents	<u>\$ 68,898</u>	<u>\$ 8,850</u>	<u>\$ 77,748</u>

Note 4 – Capital Assets

The components and capital activity of land, structures and equipment follow.

	<u>Beginning Balances</u>	<u>Additions and Transfers-in</u>	<u>Disposals and Transfers-out</u>	<u>Ending Balances</u>
Nondepreciable:				
Land	\$ 59,287	\$ -	\$ -	\$ 59,287
Construction-in-progress	318,396	75,007	-	393,403
Total Nondepreciable	<u>377,683</u>	<u>75,007</u>	<u>-</u>	<u>452,690</u>
Depreciable:				
Buildings and Improvements	4,306,856	-	-	4,306,856
Total Depreciable	<u>4,306,856</u>	<u>-</u>	<u>-</u>	<u>4,306,856</u>
Total Capital Assets:	4,684,539	75,007	-	4,759,546
Less: Accumulated depreciation	<u>(2,940,584)</u>	<u>(101,016)</u>	<u>-</u>	<u>(3,041,600)</u>
	<u>\$ 1,743,955</u>	<u>\$ (26,009)</u>	<u>\$ -</u>	<u>\$ 1,717,946</u>

Note 5 - Risk Management

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

The Housing Authority has secured fidelity coverage through Travelers Insurance with a \$2,000,000 per occurrence/aggregate for all employees. Management liability coverage is provided by Chubb. Coverage includes public officials, errors & omissions, and employment practices liability coverage appropriate to the agency's scope of work with \$5,000,000 per occurrence/aggregate limit and a \$200,000 deductible on a claims made basis.

Buildings, contents, and rental income are insured through Philadelphia Insurance Company on a replacement-cost basis within a blanket policy. The per-loss deductible varies between \$5,000 for tax credit properties to \$25,000 for public housing and bond properties. Electronics and contents at SWHA office locations are insured on a replacement-cost basis within a blanket policy form. The per-loss deductible is \$1,000.

SWHA maintains cyber liability coverage with a \$5,000,000 per claim policy limit through Resilience (\$150,000 deductible). HAI Group provides a shared excess cyber liability policy in the amount of \$250,000.

Finally, KCHA maintains coverage for flood-related losses at specified properties as required by the U.S. Department of Housing and Urban Development. Requirements are based on identified risks related to local geographies.

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

Note 6 – Subsequent Event

Events that occur after the date of the statement of net position but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the date of the statement of net position are recognized in the accompanying financial statements. Subsequent events, which provide evidence about conditions that existed after the date of the statement of net position, require disclosure in the accompanying notes. Management evaluated the activity of the Authority through September 29, 2025 (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

HOUSING AUTHORITY OF THE CITY OF SEDRO-WOOLLEY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the 12 Month Period Ending December 31, 2024

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Debt Liability Balance	Note
				From Pass- Through Awards	From Direct Awards	Total			
Office Of Public And Indian Housing, Department Of Housing And Urban Development	Public and Indian Housing	14.850	S 004	\$ -	\$ 360,272	\$ 360,272	\$ -	\$ -	1,2
Office Of Public And Indian Housing, Department Of Housing And Urban Development	Public Housing Capital Fund	14.872	WA01P030501-21	-	328,291	328,291	-	-	1,2
Total CFDA 14.872				-	328,291	328,291	-	-	
Total Federal Expenditures				\$ -	\$ 688,563	\$ 688,563	\$ -	\$ -	

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

NOTE 1 - BASIS OF ACCOUNTING

The Schedule of Financial Assistance is prepared on the same basis of accounting as the City of Sedro-Woolley Housing Authority's financial statements. (See Note 1 in the Notes to the Financial Statements.)

NOTE 2 - PROGRAM COSTS

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

NOTE 3 - INDIRECT COST RATE

The Authority has not elected to use the 10-percent de minimus indirect cost rate allowed under the Uniform Guidance.

HA City of Sedro Woolley (WA030)

TUKWILA, WA

Project Balance Sheet Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2024

	WA030000103	WA030000155	OTHER PROJ	Total
111 Cash - Unrestricted	\$68,898			\$68,898
112 Cash - Restricted - Modernization and Development				
113 Cash - Other Restricted				
114 Cash - Tenant Security Deposits	\$3,700	\$5,150		\$8,850
115 Cash - Restricted for Payment of Current Liabilities				
100 Total Cash	\$72,598	\$5,150	\$0	\$77,748
121 Accounts Receivable - PHA Projects	\$4,627	\$1,486		\$6,113
122 Accounts Receivable - HUD Other Projects	\$29,143	\$62,501		\$91,644
124 Accounts Receivable - Other Government				
125 Accounts Receivable - Miscellaneous				
126 Accounts Receivable - Tenants	\$3,434	\$1,817		\$5,251
126.1 Allowance for Doubtful Accounts -Tenants	-\$217	\$0		-\$217
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current				
128 Fraud Recovery				
128.1 Allowance for Doubtful Accounts - Fraud				
129 Accrued Interest Receivable				
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$36,987	\$65,804	\$0	\$102,791
131 Investments - Unrestricted				
132 Investments - Restricted				
135 Investments - Restricted for Payment of Current Liability				
142 Prepaid Expenses and Other Assets	\$11,520	\$23,811		\$35,331
143 Inventories				
143.1 Allowance for Obsolete Inventories				
144 Inter Program Due From				

HA City of Sedro Woolley (WA030)

TUKWILA, WA

Project Balance Sheet Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2024

	WA030000103	WA030000155	OTHER PROJ	Total
145 Assets Held for Sale				
150 Total Current Assets	\$121,105	\$94,765	\$0	\$215,870
161 Land		\$59,287		\$59,287
162 Buildings	\$516,537	\$3,270,426		\$3,786,963
163 Furniture, Equipment & Machinery - Dwellings				
164 Furniture, Equipment & Machinery - Administration				
165 Leasehold Improvements				
166 Accumulated Depreciation	-\$554,920	-\$2,486,680		-\$3,041,600
167 Construction in Progress	\$366,277	\$27,126		\$393,403
168 Infrastructure	\$383,139	\$136,753		\$519,892
160 Total Capital Assets, Net of Accumulated Depreciation	\$711,033	\$1,006,912	\$0	\$1,717,945
171 Notes, Loans and Mortgages Receivable - Non-Current				
172 Notes, Loans, & Mortgages Receivable - Non Current - Past				
173 Grants Receivable - Non Current				
174 Other Assets				
176 Investments in Joint Ventures				
180 Total Non-Current Assets	\$711,033	\$1,006,912	\$0	\$1,717,945
200 Deferred Outflow of Resources				
290 Total Assets and Deferred Outflow of Resources	\$832,138	\$1,101,677	\$0	\$1,933,815
311 Bank Overdraft				
312 Accounts Payable <= 90 Days	\$18,470	\$29,087		\$47,557
313 Accounts Payable >90 Days Past Due				
321 Accrued Wage/Payroll Taxes Payable	\$3,031	\$8,507		\$11,538

HA City of Sedro Woolley (WA030)

TUKWILA, WA

Project Balance Sheet Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2024

	WA030000103	WA030000155	OTHER PROJ	Total
322 Accrued Compensated Absences - Current Portion	\$871	\$2,613		\$3,484
324 Accrued Contingency Liability				
325 Accrued Interest Payable				
331 Accounts Payable - HUD PHA Programs				
332 Account Payable - PHA Projects				
333 Accounts Payable - Other Government				
341 Tenant Security Deposits	\$3,700	\$5,150		\$8,850
342 Unearned Revenue	\$7,442	\$6,200		\$13,642
343 Current Portion of Long-term Debt - Capital				
344 Current Portion of Long-term Debt - Operating Borrowings				
345 Other Current Liabilities				
346 Accrued Liabilities - Other				
347 Inter Program - Due To				
348 Loan Liability - Current				
310 Total Current Liabilities	\$33,514	\$51,557	\$0	\$85,071
351 Long-term Debt, Net of Current - Capital Projects/Mortgage				
352 Long-term Debt, Net of Current - Operating Borrowings				
353 Non-current Liabilities - Other				
354 Accrued Compensated Absences - Non Current	\$7,838	\$23,515		\$31,353
355 Loan Liability - Non Current				
356 FASB 5 Liabilities				
357 Accrued Pension and OPEB Liabilities				
350 Total Non-Current Liabilities	\$7,838	\$23,515	\$0	\$31,353
300 Total Liabilities	\$41,352	\$75,072	\$0	\$116,424
400 Deferred Inflow of Resources				

HA City of Sedro Woolley (WA030)

TUKWILA, WA

Project Balance Sheet Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2024

	WA030000103	WA030000155	OTHER PROJ	Total
508.4 Net Investment in Capital Assets	\$711,033	\$1,006,913		\$1,717,946
511.4 Restricted Net Position				
512.4 Unrestricted Net Position	\$79,753	\$19,692	\$0	\$99,445
513 Total Equity - Net Assets / Position	\$790,786	\$1,026,605	\$0	\$1,817,391
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$832,138	\$1,101,677	\$0	\$1,933,815

HA City of Sedro Woolley (WA030)

TUKWILA, WA

Project Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2024

	WA030000103	WA030000155	OTHER PROJ	Total
70300 Net Tenant Rental Revenue	\$99,715	\$187,459		\$287,174
70400 Tenant Revenue - Other	\$2,010	\$5,820		\$7,830
70500 Total Tenant Revenue	\$101,725	\$193,279	\$0	\$295,004
70600 HUD PHA Operating Grants	\$260,881	\$352,676		\$613,557
70610 Capital Grants	\$50,098	\$24,909		\$75,007
70710 Management Fee				
70720 Asset Management Fee				
70730 Book Keeping Fee				
70740 Front Line Service Fee				
70750 Other Fees				
70700 Total Fee Revenue				
70800 Other Government Grants				
71100 Investment Income - Unrestricted				
71200 Mortgage Interest Income				
71300 Proceeds from Disposition of Assets Held for Sale				
71310 Cost of Sale of Assets				
71400 Fraud Recovery				
71500 Other Revenue	\$523	\$962		\$1,485
71600 Gain or Loss on Sale of Capital Assets				
72000 Investment Income - Restricted	\$495	\$109		\$604
70000 Total Revenue	\$413,722	\$571,935	\$0	\$985,657
91100 Administrative Salaries	\$22,614	\$64,734		\$87,348
91200 Auditing Fees	\$3,799	\$11,398		\$15,197
91300 Management Fee	\$17,167	\$51,001		\$68,168

HA City of Sedro Woolley (WA030)

TUKWILA, WA

Project Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2024

	WA030000103	WA030000155	OTHER PROJ	Total
91310 Book-keeping Fee				
91400 Advertising and Marketing	\$34	\$101		\$135
91500 Employee Benefit contributions - Administrative	\$7,767	\$21,755		\$29,522
91600 Office Expenses	\$1,186	\$5,364		\$6,550
91700 Legal Expense	\$4,305	\$2,228		\$6,533
91800 Travel	\$195	\$586		\$781
91810 Allocated Overhead				
91900 Other	\$2,963	\$17,914		\$20,877
91000 Total Operating - Administrative	\$60,030	\$175,081	\$0	\$235,111
92000 Asset Management Fee				
92100 Tenant Services - Salaries		\$107		\$107
92200 Relocation Costs				
92300 Employee Benefit Contributions - Tenant Services				
92400 Tenant Services - Other	\$36			\$36
92500 Total Tenant Services	\$36	\$107	\$0	\$143
93100 Water	\$16,839	\$13,268		\$30,107
93200 Electricity	\$2,074	\$13,825		\$15,899
93300 Gas	\$1,918			\$1,918
93400 Fuel				
93500 Labor				
93600 Sewer	\$18,926	\$55,759		\$74,685
93700 Employee Benefit Contributions - Utilities				
93800 Other Utilities Expense	\$16,650	\$23,483		\$40,133
93000 Total Utilities	\$56,407	\$106,335	\$0	\$162,742
94100 Ordinary Maintenance and Operations - Labor	\$22,542	\$66,274		\$88,816

HA City of Sedro Woolley (WA030)

TUKWILA, WA

Project Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2024

	WA030000103	WA030000155	OTHER PROJ	Total
94200 Ordinary Maintenance and Operations - Materials and	\$136,612	\$95,391		\$232,003
94300 Ordinary Maintenance and Operations Contracts	\$63,748	\$97,740		\$161,488
94500 Employee Benefit Contributions - Ordinary Maintenance	\$7,447	\$22,138		\$29,585
94000 Total Maintenance	\$230,349	\$281,543	\$0	\$511,892
95100 Protective Services - Labor				
95200 Protective Services - Other Contract Costs				
95300 Protective Services - Other				
95500 Employee Benefit Contributions - Protective Services				
95000 Total Protective Services	\$0	\$0	\$0	\$0
96110 Property Insurance	\$9,939	\$17,011		\$26,950
96120 Liability Insurance	\$5,443	\$15,048		\$20,491
96130 Workmen's Compensation	\$839	\$2,516		\$3,355
96140 All Other Insurance				
96100 Total insurance Premiums	\$16,221	\$34,575	\$0	\$50,796
96200 Other General Expenses				
96210 Compensated Absences	\$2,753	\$8,388		\$11,141
96300 Payments in Lieu of Taxes				
96400 Bad debt - Tenant Rents				
96500 Bad debt - Mortgages				
96600 Bad debt - Other				
96800 Severance Expense				
96000 Total Other General Expenses	\$2,753	\$8,388	\$0	\$11,141
96710 Interest of Mortgage (or Bonds) Payable				
96720 Interest on Notes Payable (Short and Long Term)				

HA City of Sedro Woolley (WA030)

TUKWILA, WA

Project Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2024

	WA030000103	WA030000155	OTHER PROJ	Total
96730 Amortization of Bond Issue Costs				
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$365,796	\$606,029	\$0	\$971,825
97000 Excess of Operating Revenue over Operating Expenses	\$47,926	-\$34,094	\$0	\$13,832
97100 Extraordinary Maintenance				
97200 Casualty Losses - Non-capitalized				
97300 Housing Assistance Payments				
97350 HAP Portability-In				
97400 Depreciation Expense	\$31,205	\$69,811		\$101,016
97500 Fraud Losses				
97600 Capital Outlays - Governmental Funds				
97700 Debt Principal Payment - Governmental Funds				
97800 Dwelling Units Rent Expense				
90000 Total Expenses	\$397,001	\$675,840	\$0	\$1,072,841
10010 Operating Transfer In				
10020 Operating transfer Out				
10030 Operating Transfers from/to Primary Government				
10040 Operating Transfers from/to Component Unit				
10050 Proceeds from Notes, Loans and Bonds				
10060 Proceeds from Property Sales				
10070 Extraordinary Items, Net Gain/Loss				
10080 Special Items (Net Gain/Loss)				
10091 Inter Project Excess Cash Transfer In				
10092 Inter Project Excess Cash Transfer Out				

HA City of Sedro Woolley (WA030)

TUKWILA, WA

Project Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2024

	WA030000103	WA030000155	OTHER PROJ	Total
10093 Transfers between Program and Project - In				
10094 Transfers between Project and Program - Out				
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$16,721	-\$103,905	\$0	-\$87,184
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$774,065	\$1,130,510	\$0	\$1,904,575
11040 Prior Period Adjustments, Equity Transfers and	\$0	\$0	\$0	\$0
11050 Changes in Compensated Absence Balance				
11060 Changes in Contingent Liability Balance				
11070 Changes in Unrecognized Pension Transition Liability				
11080 Changes in Special Term/Severance Benefits Liability				
11090 Changes in Allowance for Doubtful Accounts - Dwelling				
11100 Changes in Allowance for Doubtful Accounts - Other				
11170 Administrative Fee Equity				
11180 Housing Assistance Payments Equity				
11190 Unit Months Available	239	714	0	953
11210 Number of Unit Months Leased	236	699	0	935
11270 Excess Cash	\$56,261	-\$20,670	\$0	\$35,591
11610 Land Purchases	\$0	\$0	\$0	\$0
11620 Building Purchases	\$50,098	\$25,930	\$0	\$76,028
11630 Furniture & Equipment - Dwelling Purchases	\$0	\$0	\$0	\$0
11640 Furniture & Equipment - Administrative Purchases	\$0	\$0	\$0	\$0
11650 Leasehold Improvements Purchases	\$0	\$0	\$0	\$0
11660 Infrastructure Purchases	\$0	\$0	\$0	\$0
13510 CFFP Debt Service Payments	\$0	\$0	\$0	\$0

HA City of Sedro Woolley (WA030)

TUKWILA, WA

Project Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2024

	WA030000103	WA030000155	OTHER PROJ	Total
13901 Replacement Housing Factor Funds	\$0	\$0	\$0	\$0

T A B N U M B E R

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SEDRO-WOOLLEY HOUSING AUTHORITY

Housing Management Report

August to September 2025

VACANCIES

Vacant Units

Total vacant units as of the last day of the reporting period: 2

Hillsvieview – 2

Cedar Grove - 0

Unit Turn Over

Unit turnover during the reporting period

	Vacates	Housings	Completed Upgrades
Hillsvieview	2	0	0
Cedar Grove	0	0	0

YTD Average Unit Turnover Rate:

Hillsvieview – 23 days

Cedar Grove – 0 days

APPLICATIONS

Number of applicants by property, bedroom size and admissions preference* claimed by applicant as of the last day of the reporting period:

Hillsvieview	Preference	Non-Preference	Total
1 Bedroom	93 (32 elderly/disabled)	37	130

Cedar Grove	Preference	Non-Preference	Total
2 Bedrooms	273	29	302
3 Bedrooms	53	19	72
4 Bedrooms	10	3	13
Total	336	51	387

*Preferences:

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.

SEDRO-WOOLLEY HOUSING AUTHORITY

Housing Management Report

WORK ORDERS

Work orders completed during the reporting period

	Preven- tive	Inspec- tion	Emergency	Vacate	RA	Tenant Request	Total
Hillsvview	2	3	1	1	0	12	19
Cedar Grove I	1	0	0	0	0	2	3
Cedar Grove II	1	0	0	0	0	1	2
Cedar Grove III	0	0	0	0	0	2	2
Cedar Grove (total)	2	0	0	0	0	5	7
Total	4	3	1	1	0	17	26

RA=Reasonable Accommodation

UPDATES

Previous Meeting Follow Up: No pending follow-up items.

Staffing: The Senior Property Manager position is vacant; recruitment is underway. Michelle Davis is serving as Interim Senior Property Manager.

Resident Functions: No events were held in June or July. Resident functions will resume in October. Resident Advisory Board (RAB) flyer was posted on 9/22.

Resident Issues: No major issues reported at Hillsvview or Cedar Grove. Routine lease enforcement is ongoing.

Building Issues: Elevator malfunction occurred on 9/15 (doors stuck open). Temporary repairs completed, but the elevator remains a concern. One tall dead pine tree near the building poses a risk during high winds and requires removal.

T A B N U M B E R

9



Sedro-Woolley Housing Authority Funding Stability

August 28, 2025



Topics

1. National Public Housing Funding
2. Sedro-Woolley Operating Revenues vs Expenses
3. Sedro-Woolley Capital Funding vs Needs
4. National Federal Funding Outlook
5. Potential Strategies

Sedro-Woolley Housing Authority

- 🏠 3rd smallest housing authority in Washington
- 🏠 80 units
 - Hillsvue – 60 1-BRs for seniors and people with disabilities
 - Cedar Grove – 20 family-sized units
- 🏠 100% Public Housing
- 🏠 More than 50 years old (built in 1971)



Public Housing Federal Funding



Public Housing Funding Sources

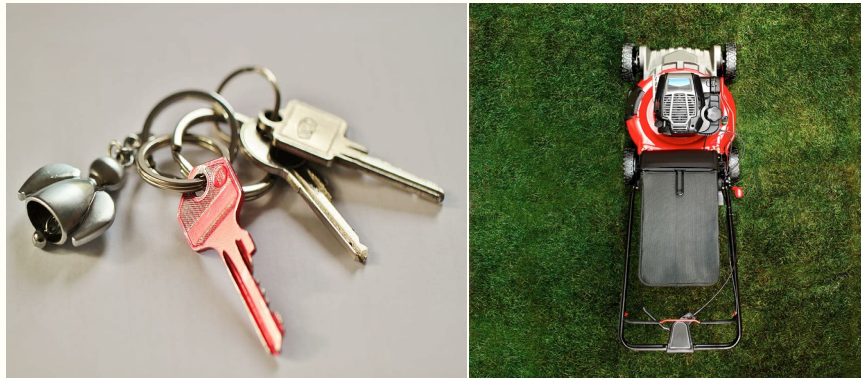
🏠 Operating

Property management, maintenance, vacates, etc.

HUD Operating Subsidy

+

Tenant Rents



🏠 Capital

Roofs, elevators, siding, windows, etc.

HUD Capital Fund Grant



HUD Public Housing Operating Subsidy Factors*

1. Amount properties are eligible for

$$\begin{array}{|c|} \hline \text{HUD's} \\ \text{estimated} \\ \text{costs for} \\ \text{the PHA} \\ \hline \end{array} - \begin{array}{|c|} \hline \text{Estimated} \\ \text{tenant} \\ \text{rents} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{SWHA} \\ \text{Subsidy} \\ \text{Eligibility} \\ \hline \end{array}$$

2. Proration to address actual funding availability

$$\begin{array}{|c|} \hline \text{Total} \\ \text{Congressional} \\ \text{Appropriations} \\ \hline \end{array} \div \begin{array}{|c|} \hline \text{Total} \\ \text{National} \\ \text{Subsidy} \\ \text{Eligibility} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Proration} \\ \% \\ \hline \end{array}$$

3. Actual Funding

$$\begin{array}{|c|} \hline \text{SWHA} \\ \text{Subsidy} \\ \text{Eligibility} \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{Proration} \\ \% \\ \hline \end{array} = \begin{array}{|c|} \hline \text{SWHA} \\ \text{Funding} \\ \hline \end{array}$$

For Example

$$\begin{array}{rcl} +\$700,000 & \text{HUD estimated costs for SWHA} \\ - \$300,000 & \text{Estimated tenant rents} \\ \hline = \$400,000 & \text{SWHA Subsidy Eligibility} \end{array}$$

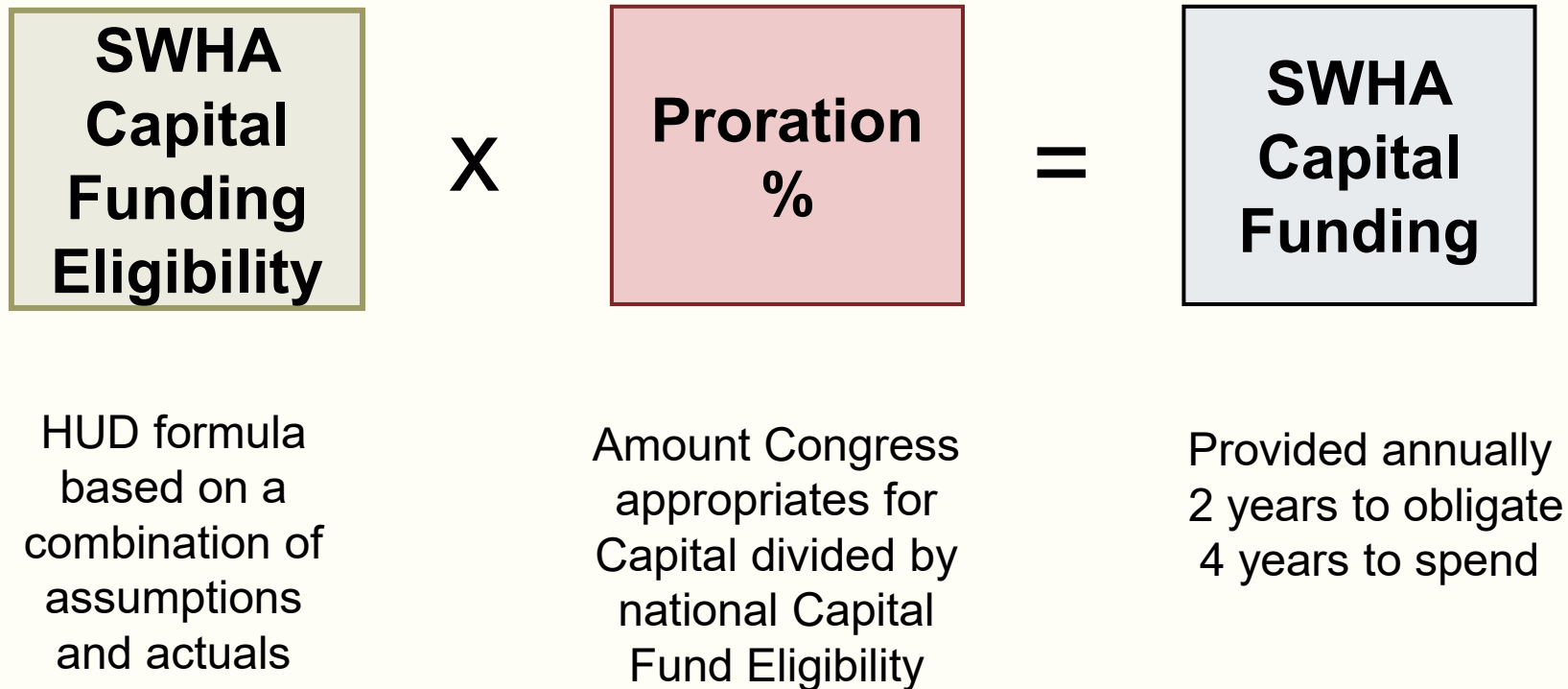
$$\begin{array}{rcl} \$540,000,000 & \text{Congressional appropriations} \\ \div \$590,000,000 & \text{Nation-wide subsidy eligibility} \\ \hline = 91.5\% & \text{Proration rate} \end{array}$$

$$\begin{array}{rcl} \$400,000 & \text{SWHA Subsidy Eligibility} \\ \times .915 & \text{Proration rate} \\ \hline = \$366,000 & \text{SWHA Funding} \end{array}$$

**Simplified for illustrative purposes.*

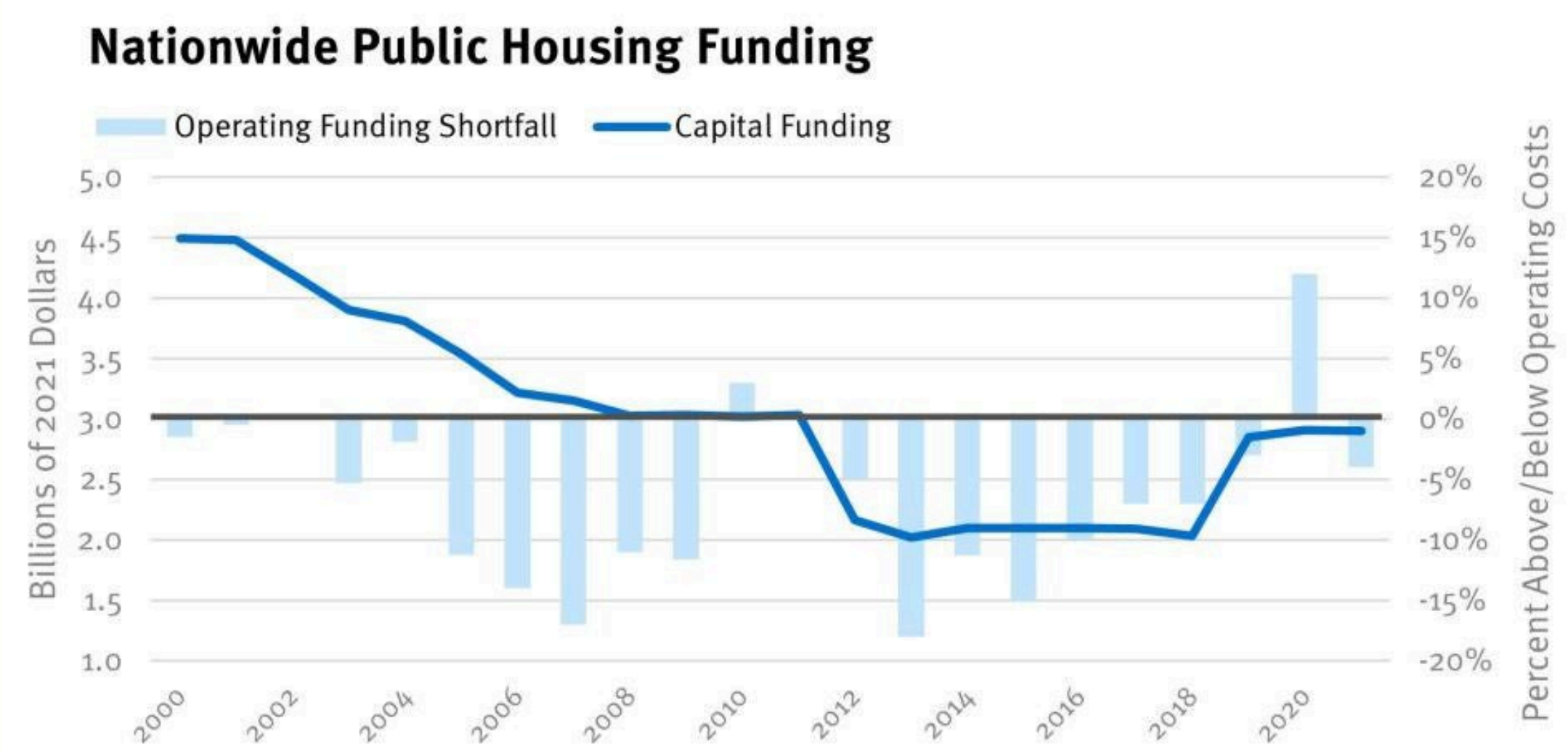
HUD Public Housing Capital Funding Factors*

The Capital Fund Grant is funded separately under different rules, but process is similar.



**Simplified for illustrative purposes.*

Federal Public Housing is Consistently Underfunded

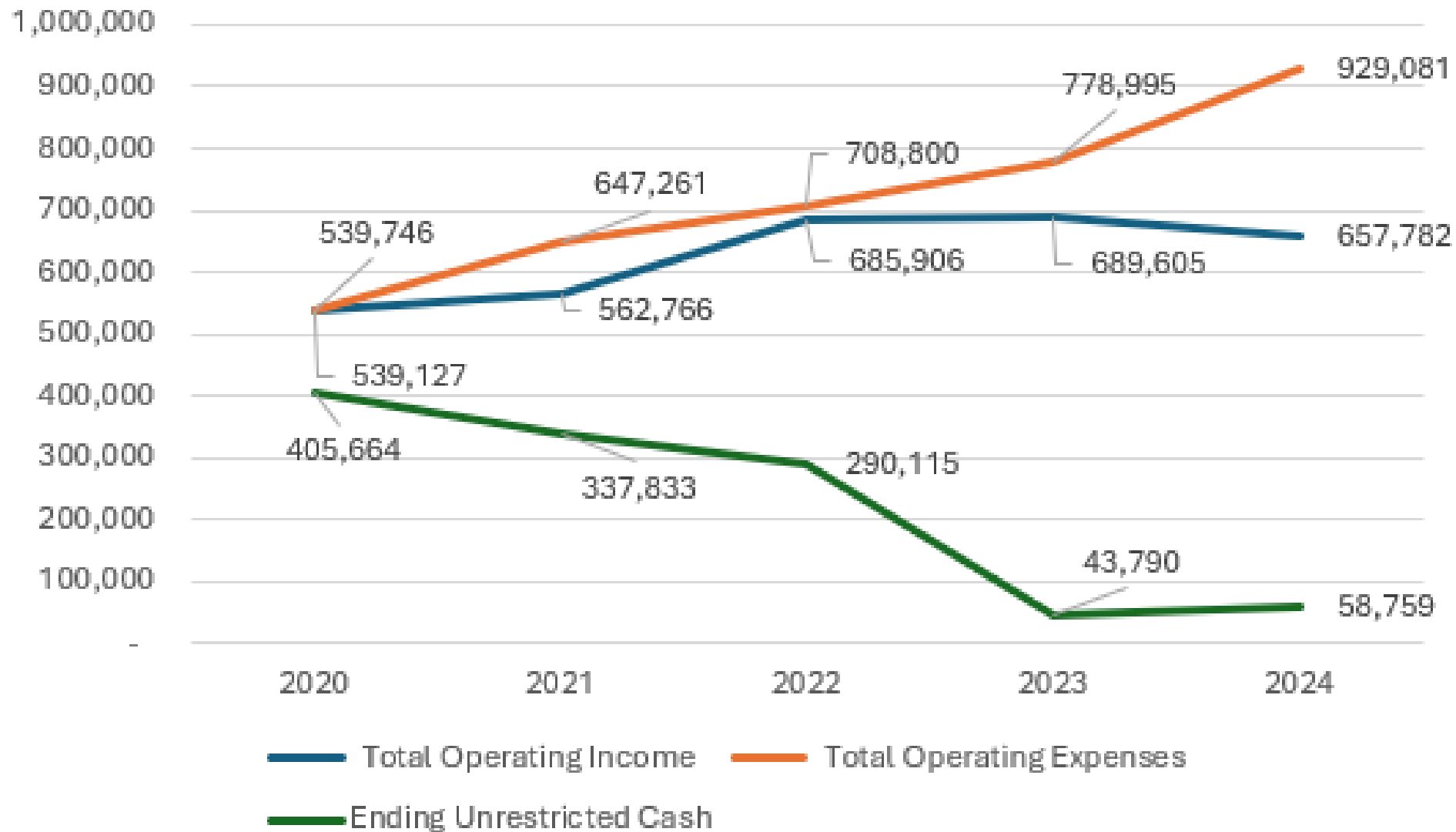




SWHA Operating Revenues vs Expenses



Five Year Financial Performance



Operating Expenses Consistently Exceed Revenues

Cash resources are depleted



SWHA Capital Funding vs Needs



Hillsview

\$2.2 Million needed
to address immediate
capital needs at Hillsview

Immediate Capital Needs

1. Envelope Repair: **\$1M** (for full repair)
2. Elevator Replacement: **\$600K**
3. Fire Alarm System **\$400K**
4. Waste Line Replacement: **\$250K**

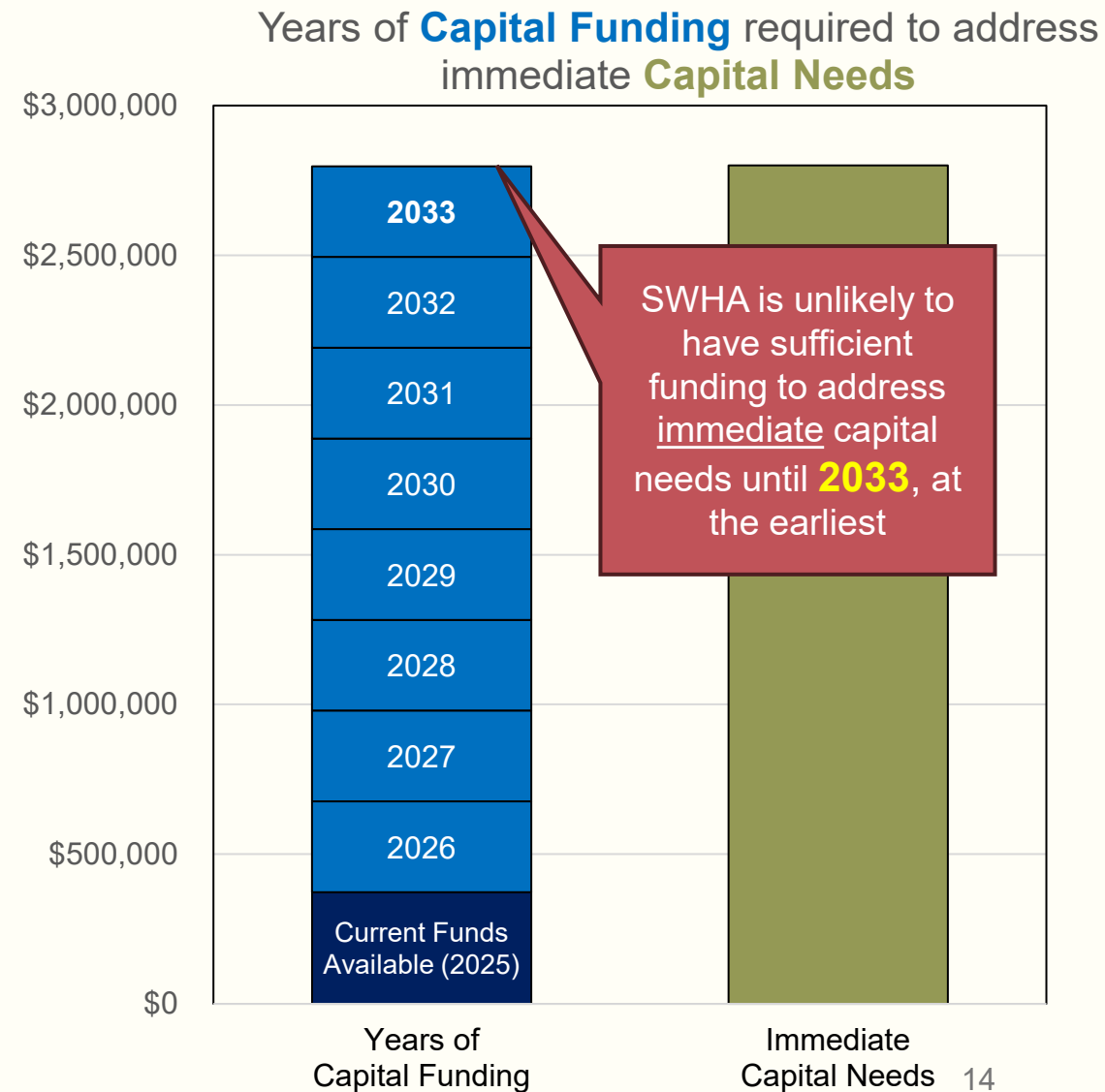
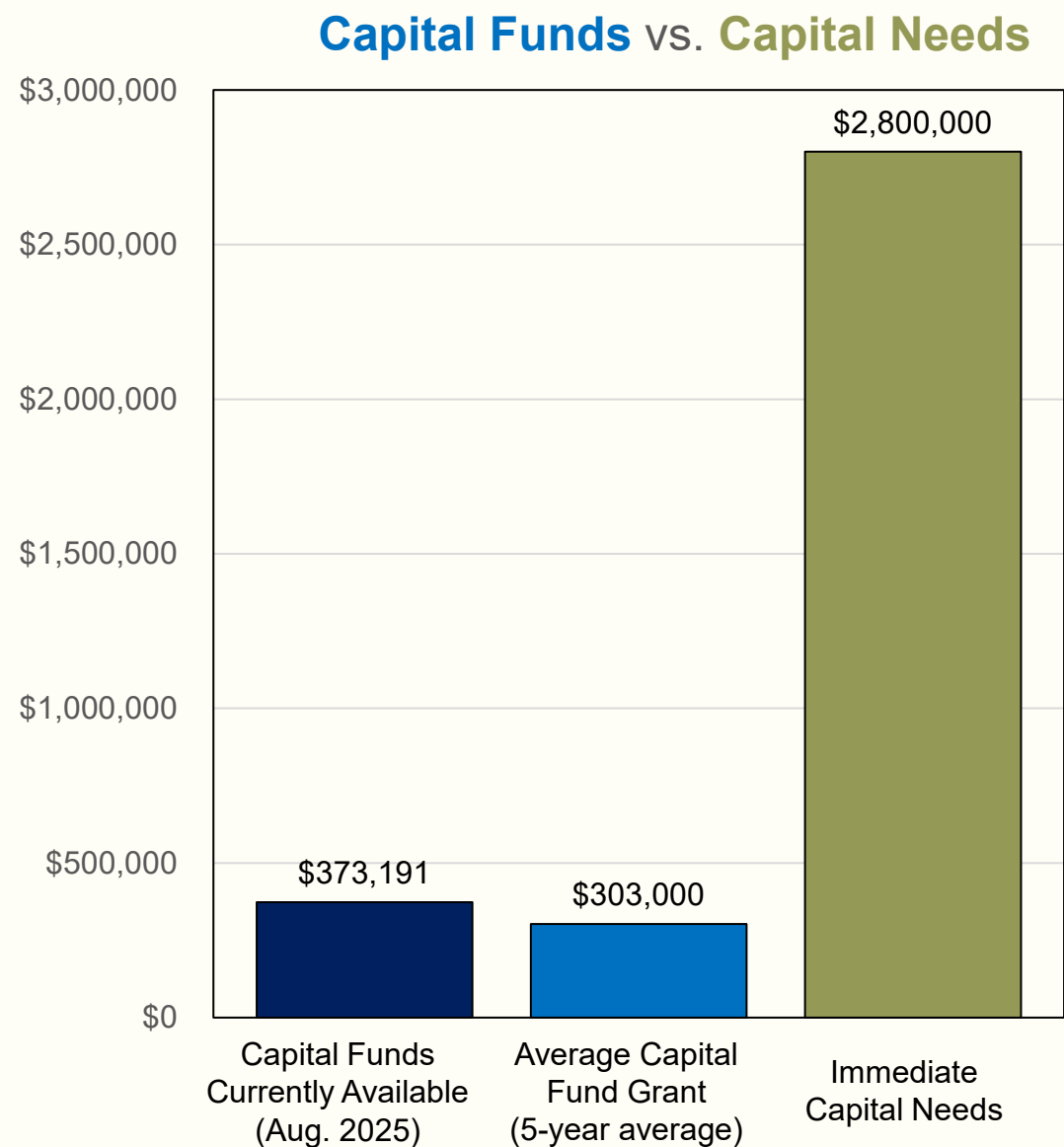
Cedar Grove

Immediate Capital Needs

1. Envelope Repairs: **\$550K**

\$2.8 Million needed to address
Sedro-Woolly HA's immediate
capital needs at both properties

8 more years of HUD funding to address immediate capital needs



Additional Capital Needs Challenges

🏠 Unit Turnover Costs

~\$60K/year average cost for unit upgrades & meth abatement

🏠 Capital Funding Time Window Limits

Public Housing Capital Fund grant must be obligated and spent in a specific timeframe making it difficult to do projects >\$500K, given SWHA's annual funding amounts.

🏠 Debt Restriction

Public Housing status prohibits leveraging debt to address capital needs shortfalls

🏠 BABA* Compliance

Projects > \$250K must meet complex sourcing rules for future projects

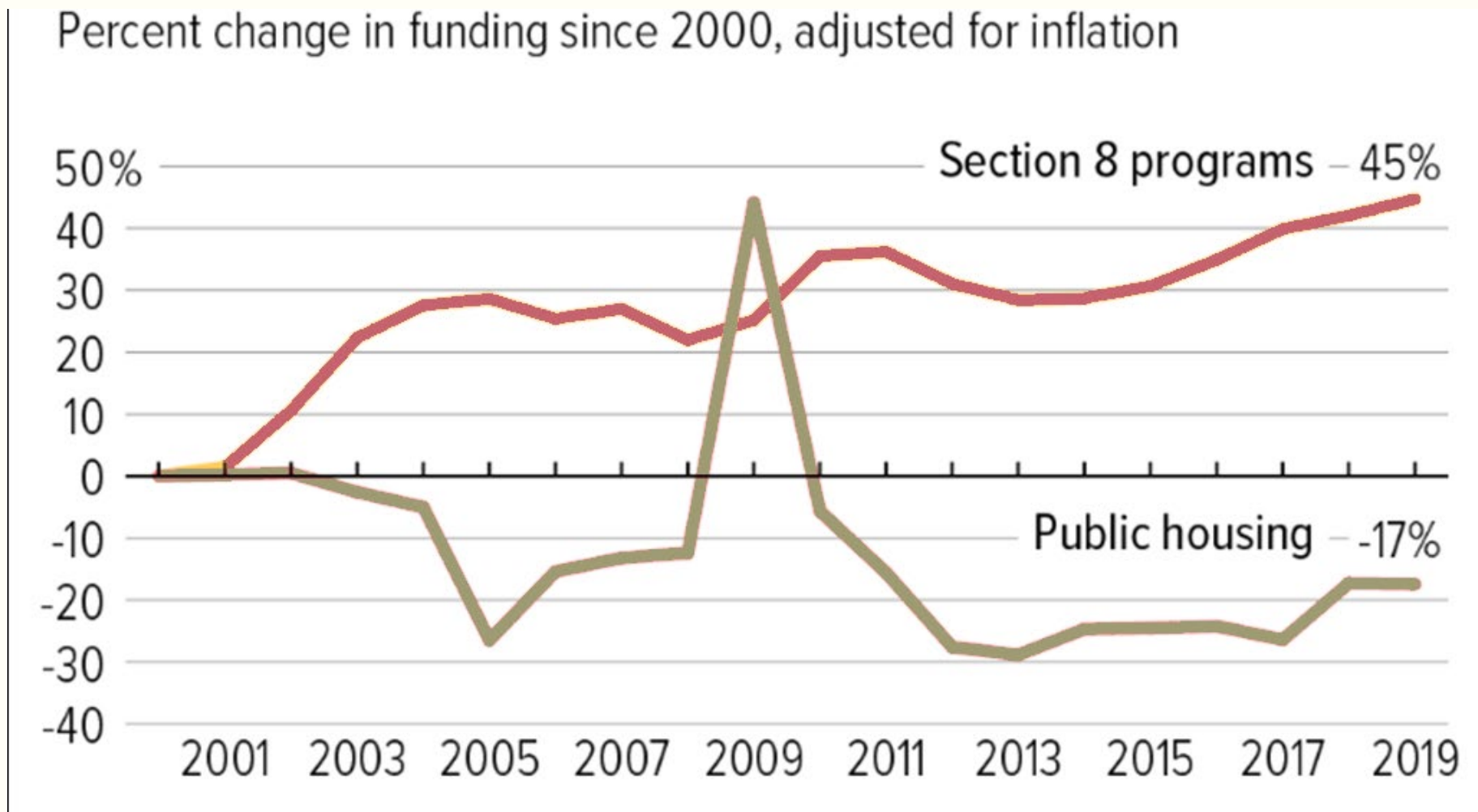
S-W location limits the contractor pool, increasing risk for compliance and cost



Future Federal Funding Outlook



Public Housing funding has declined while Section 8 funding has responded to rising costs



2026 Outlook

(based on THUD bill as of 8.18.25)

- Public Housing continues to be underfunded
- Level funding is still a reduction due to inflation
- Section 8 funding continues to see moderate increases



Senate FY 2026 THUD Appropriations Bill

Bill Highlights:

- Public Housing Fund:
 - Operating Fund:** \$4.873 billion, \$603 million less than FY 2025.
 - Operating Fund Shortfall:** \$214 million, \$189 million more than FY 2025.
 - Capital Fund:** \$3.2 billion, level with FY 2025.
- Section 8:
 - Voucher renewal funding (Housing Assistance Payments):** \$33.974 billion, which is \$1.829 billion more than FY 2025 enacted.
 - Administrative Fees:** \$2.906 billion, \$135 million more than FY 2025.
 - Tenant Protection Vouchers:** \$430 million for tenant protection vouchers, an amount that is \$93 million more than the FY 2025 enacted amount.
 - Mainstream Vouchers:** \$810 million for Mainstream Housing Assistance Payment (HAP) and administrative fees, \$67 million more than FY 2025.
 - Project-Based Rental Assistance (PBRA):** \$17.804 billion which is \$914 million more than the FY 2025 enacted amount.

Decrease in Operating Funds for 2026

Capital Fund remains level with FY 2026



Mitigation Strategies



MTW Regionalization

🏠 Efficiencies

- mirror KCHA's administrative processes and policies

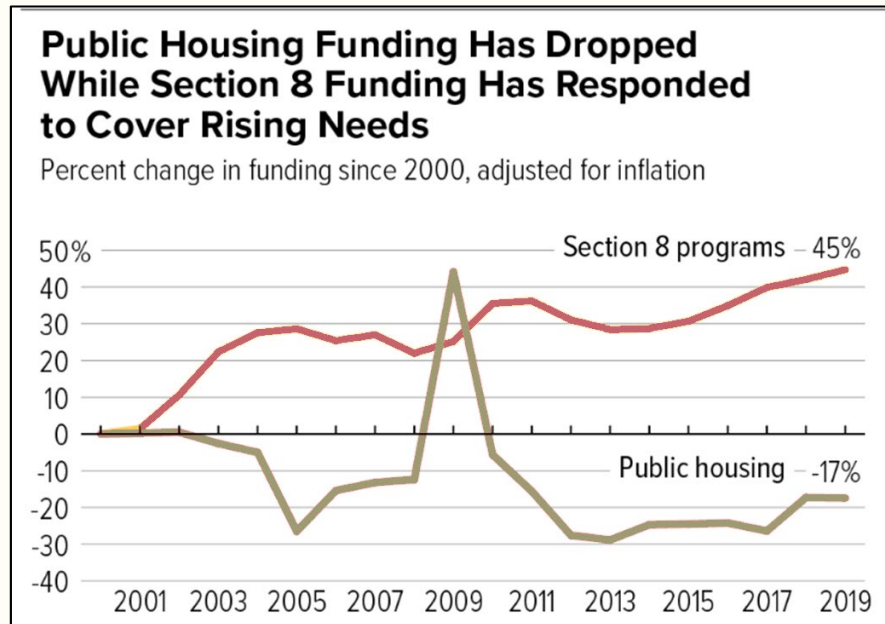
🏠 Funding

- No changes to federal funding due to regionalization

🏠 Insufficient to address funding challenges

Alternative Federal Funding Sources

Because of this:



Many housing authorities are preserving their low-income housing by converting **public housing** buildings to the **Section 8 program** because it has been **more stable** and leverage debt to finance needed repairs.

Section 8 Conversion *Tools*:

- Section 18 Disposition
- Rental Assistance Demonstration (RAD)
- RAD + Section 18 Blend



**King County
Housing
Authority**

What KCHA is doing?

RAD Conversion of 100% of its Public Housing portfolio

- Retains ownership
- Seamless transition for residents
- More stable funding

More information: www.kcha.org/residents/radp

🏠 What's next?

- Discussion of potential options at October Board meeting

🏠 Questions?