

HOUSING AUTHORITY OF THE CITY OF SEDRO-WOOLLEY



SPECIAL HYBRID MEETING OF THE BOARD OF COMMISSIONERS

Thursday, December 11, 2025 @ 10:15am

Zoom Meeting

<https://kcha-org.zoom.us/j/86484034219>

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, December 11, 2025 - 10:15am

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

I. Call to Order	10:15	
II. Refreshments with Residents	10:15-10:45	
III. Roll Call	10:45	
Welcome new SWHA Commissioners:		
• James Cox • Daniel Hasenoehrl		
IV. Public Comment		
V. Approval of Minutes	10:50	1
A. Board Meeting Minutes – October 9, 2025		
A. Action Items for Discussion & Approval	10:55	2
Approval of Voucher Report – Sept 1, 2025 to Oct 31, 2025		
B. Resolution 508 – 2026 Budget Resolution	11:00	3
<i>(Saeed Hajarizadeh, Executive VP of Administration)</i>		
VI. Reports		
A. Housing Management Report for August/Sept 2025	11:05	4
<i>(Penny Bradley, Sr VP of Housing & Community Services)</i>		
B. Financial Report for August 2025	11:10	5
<i>(Sean Lay, Financial Reporting Manager)</i>		
C. Financial History	11:15	6
<i>(Saeed Hajarizadeh, Executive VP of Administration)</i>		
D. Rental Assistance Demonstration (RAD) Presentation	11:25	7
<i>(Chris Clevenger, Housing Initiatives Officer)</i>		
E. Federal Update	11:40	
<i>(Robin Walls, President/CEO)</i>		
VII. New Business		
VIII. Adjournment		

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SPECIAL HOUSING AUTHORITY OF THE CITY OF SEDRO-WOOLLEY
BOARD OF COMMISSIONERS
MEETING MINUTES
Thursday, October 9, 2025

I. Call to Order

The special meeting of the Board of Commissioners of the Sedro-Woolley Housing Authority was called to order by Vice Chair Debra Lancaster at 10:55a.m., on Thursday, October 9, 2025.

Introductions around the room.

II. Roll Call

Present: Commissioner Debra Lancaster, Commissioner Kevin Riley, Commissioner Mario Padilla, Commissioner Danielle Fontaine and Mayor Julia Johnson.

III. Public Comment

No public comment.

IV. Election of Officers:

- A. Chairperson – Debra Lancaster
- B. Vice-Chair – Kevin Riley
- C. Secretary-Treasurer – Robin Walls

Commissioner Danielle Fontaine moved, seconded by Commissioner Mario Padilla; the Board unanimously approved the Election of Officers.

V. Approval of Minutes

A. June 26, 2025

Commissioner Debra Lancaster moved for approval of the Minutes, seconded by Commissioner Kevin Riley; the Board unanimously approved the Minutes from June 26, 2025.

VI. Action Items for Discussion & Approval

A. Approval of Voucher Report June 1, 2025 to July 31, 2025

Questions of Commissioners were answered.

Commissioner Kevin Riley moved for approval of the Voucher Report, seconded by Commissioner Debra Lancaster; the board unanimously approved the Voucher Report for June 1, 2025 to July 31, 2025.

B. Approval of Voucher Report August 1, 2025 to September 30, 2025

Questions of Commissioners were answered.

Commissioner Kevin Riley moved for approval of the Voucher Report, seconded by Commissioner Debra Lancaster; the board unanimously approved the Voucher Report for August 1, 2025 to September 30, 2025.

C. Resolution No. 505 – A Resolution Approving SWHA’s 2025-2029 Capital Fund Program 5-Year Action Plan

Questions of Commissioners were answered.

Commissioner Mario Padilla moved, seconded by Commissioner Danielle Fontaine; the board unanimously approved Resolution 505.

D. Resolution No. 506 – A Resolution Adopting the SWHA 2026-2030 Five-Year Public Housing Agency Plan

This outlines the agencies mission and long-term goals. This is every five years. This was out for public comment for 45 days and we had a public hearing this morning before this meeting. Positive feedback from folks that live here. We posted flyers and encouraged the residents to have a resident advisory board and there was a lot of interest in moving this forward.

Questions of Commissioners were answered.

Commissioner Danielle Fontaine moved, seconded by Commissioner Kevin Riley; the board unanimously approved Resolution 506.

VII. Reports

A. Financial Report for August 2025

Sean Lay, Financial Reporting Manager talked about the highlights of the report.

B. SWHA Audit Report – December 31, 2024

Saeed Hajarizadeh, Executive VP of Administration gave a summary of the audit.

This was a clean audit with no findings.

C. Housing Management Report for August/September 2025

Nancy Cibrian-Perry, Regional Manager, gave details for the Housing Management Report.

D. Funding Stability

Andria Lazaga, VP of Compliance and Policy gave a presentation of the Sedro-Woolley Housing Authority Funding Stability.

- 3rd smallest HA in WA
- 80 units
- 100% Public Housing
- +50 Years old (built in 1971)

- ✓ National Public Housing Funding
- ✓ Sedro-Woolley Operating Revenues. Vs. Expenses
- ✓ Sedro-Woolley Capital Funding vs. Needs
- ✓ National Federal Funding Outlook
 - Public Housing funding has declined while Section 8 funding has responded to rising costs

Commissioner Kevin Riley moved, seconded by Commissioner Mario Padilla; the board unanimously approves to move forward on the Rental Assistance Demonstration model.

E. Federal Update

Robin Walls, President/CEO

- HUD has funding for October and November, prior to the shutdown. HUD operations are fine through November and there is a chance that December.
- If the shutdown goes deep into November, we would need to make active decisions. We would have a lag in when we would need to wind down operations. There is also a threat that is being made to withhold funding for operations.
- The operating fund HUD grants are due to HUD by October 21st. There is a pending class action lawsuit.
- We need to have an election of officers. We need to formalize the election. We have to have quorum. If we don't have enough meetings, there is an issue as we need to have five per year.

VIII. New Business

December meeting/Lunch

IX. Adjournment

There being no further business before the Board of Commissioners, the meeting was adjourned at 12:32 p.m.

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

DEBRA LANCASTER, Chair
Board of Commissioners

ROBIN WALLS
President/CEO

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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: November 26, 2025

RE: Approval of Vouchers October 1, 2025 to November 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

Digitally signed by Crystal
Barrow-Mendez
Date: 2025.11.26 09:24:06 -08'00'

Crystal Barrow-Mendez
Accounting Manager
November 26, 2025

Expenditures to Sedro-Woolley

Operations

Directly to Cedar Grove	33,414.45
Cedar Grove Voids	<u>(3,018.75)</u>
Cedar Grove Total	30,395.70

Directly to Hillsvieview	71,069.57
Hillsvieview Voids	<u>0.00</u>
Hillsvieview Total	<u>71,069.57</u>

Total Expenditures	<u><u>101,465.27</u></u>
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SEDRO-WOOLLEY HOUSING AUTHORITY
Accounts Payable Report
10/01/2025 TO 11/30/2025

Account No.	Major Account Description	Amount	Vendor Name	Voucher Description	Date	Check Number
CEDAR GROVE						
400100	Salaries-Temp Employees	14.10	BEACON HILL SOLUTIONS GROUP LLC	A MILLER 9/27/25	10/3/2025	359617
400100	Salaries-Temp Employees	11.28	BEACON HILL SOLUTIONS GROUP LLC	A MILLER 10/4/25	10/10/2025	359737
400100	Salaries-Temp Employees	13.22	BEACON HILL SOLUTIONS GROUP LLC	A MILLER 10/11/25	10/17/2025	359864
400100	Salaries-Temp Employees	9.52	BEACON HILL SOLUTIONS GROUP LLC	A MILLER 10/18/25	10/24/2025	359987
400100	Salaries-Temp Employees	14.01	BEACON HILL SOLUTIONS GROUP LLC	A MILLER 10/25/25	10/31/2025	360112
400100	Salaries-Temp Employees	14.10	BEACON HILL SOLUTIONS GROUP LLC	A MILLER 11/01/25	11/7/2025	360216
400100	Salaries-Temp Employees	7.76	BEACON HILL SOLUTIONS GROUP LLC	A MILLER 11/8/25	11/14/2025	360322
400100	Salaries-Temp Employees	11.28	BEACON HILL SOLUTIONS GROUP LLC	A MILLER 11/15/25	11/21/2025	360449
409004	Benefits-Work Boots	(100.00)	RED WING BUSINESS ADVANTAGE ACCOUNT	CREDIT INVOICE 5198-99-75418	11/14/2025	360313
410000	Admin Supplies	29.62	CRYSTAL SPRINGS	water - Ballinger/Hillisview	11/21/2025	360363
411102	Computer Equip-Hardware Maintenance	5.21	CDW/COMPUTER CENTERS INC	COMPUTER SUPPLIES	10/3/2025	359548
411103	Computer Equip-Software Maintenance	55.28	HYLAND SOFTWARE, INC	ONBASE	11/21/2025	360407
411104	Computer Equip-Software as a Service Fees	36.77	SHI INTERNATIONAL CORP	PROFESSIONAL SVCS	10/3/2025	359610
411104	Computer Equip-Software as a Service Fees	23.06	SIRIUS COMPUTER SOLUTIONS LLC	COMPUTER	10/10/2025	359750
411901	Equip-Other-Leased/Rented	1.42	CANON FINANCIAL	CONTRACT 0667544-005	10/3/2025	359596
411901	Equip-Other-Leased/Rented	0.96	CANON FINANCIAL	CONTRACT 0667544-005	10/24/2025	359957
411901	Equip-Other-Leased/Rented	0.96	CANON FINANCIAL	CONTRACT 0667544-005	11/26/2025	360506
420000	Professional Services-Legal	150.00	MONTGOMERY PURDUE BLANKINSHIP	LEGAL SVCS	11/14/2025	360255
420000	Professional Services-Legal	43.95	MONTGOMERY PURDUE BLANKINSHIP	LEGAL SVCS	11/14/2025	360255
420000	Professional Services-Legal	0.01	MONTGOMERY PURDUE BLANKINSHIP	LEGAL SVCS	11/14/2025	360255
420000	Professional Services-Legal	0.01	MONTGOMERY PURDUE BLANKINSHIP	LEGAL SVCS	11/14/2025	360255
420000	Professional Services-Legal	85.00	MONTGOMERY PURDUE BLANKINSHIP	LEGAL SVCS	11/14/2025	360255
420000	Professional Services-Legal	12.86	MONTGOMERY PURDUE BLANKINSHIP	LEGAL SVCS	11/14/2025	360255
420101	Professional Services-Auditing	3,018.75	COHNREZNICK LLP	AUDIT FINANCIAL 12.31.24	10/10/2025	359749
420101	Professional Services-Auditing	3,018.75	COHNREZNICK LLP	AUDIT FINANCIAL 12.31.24	10/10/2025	0
420101	Professional Services-Auditing	212.50	COHNREZNICK LLP	SVCS RENDERED HUD ELECTRONIC FILING	11/14/2025	360328
421904	Admin - Cloud Recovery Services	15.34	NET2VAULT LLC	MANAGED VAULTING	10/10/2025	359715
421904	Admin - Cloud Recovery Services	15.41	NET2VAULT LLC	MANAGED VAULTING SVCS	11/26/2025	360512
450002	Comm-Phones Lines-Service-Digital Voice	0.35	CENTURYLINK	9/24-10/23/25 CHGS	10/10/2025	359671
450002	Comm-Phones Lines-Service-Digital Voice	0.35	CENTURYLINK	9/24-10/23/25 CHGS	10/10/2025	359671
450002	Comm-Phones Lines-Service-Digital Voice	0.44	INTRADO LIFE & SAFETY INC	ENTERPRISE ENDPOINT	10/10/2025	359721
450002	Comm-Phones Lines-Service-Digital Voice	0.47	CENTURYLINK	10/1-31/25 CHGS	10/24/2025	359988
450002	Comm-Phones Lines-Service-Digital Voice	0.39	INTRADO LIFE & SAFETY INC	ENTERPRISE ENDPOINT SEPT 2025	10/31/2025	360098
450002	Comm-Phones Lines-Service-Digital Voice	0.35	CENTURYLINK	10/24-11/23/25 CHGS	11/7/2025	360169
450002	Comm-Phones Lines-Service-Digital Voice	0.35	CENTURYLINK	10/24-11/23/25 CHGS	11/7/2025	360169
450002	Comm-Phones Lines-Service-Digital Voice	0.14	CENTURYLINK	9/9-10/8/25 CHGS	10/3/2025	359618
450100	Comm-Long Distance Charges	0.13	CENTURYLINK	9/12-10/11/25 CHGS	10/31/2025	360113
452000	Comm-Advertising	44.01	SKAGIT VALLEY PUBLISHING	LEGAL	10/3/2025	359546
491000	Admin Exp-Criminal/Background Checks	7.24	NATIONAL CREDIT REPORTING	BACKGROUND CHECK	10/10/2025	359668
491000	Admin Exp-Criminal/Background Checks	11.39	NATIONAL CREDIT REPORTING	BACKGROUND CHECK	10/10/2025	359668
491000	Admin Exp-Criminal/Background Checks	7.75	NATIONAL CREDIT REPORTING	BACKGROUND CHECK	10/17/2025	359810

SEDRO-WOOLLEY HOUSING AUTHORITY
Accounts Payable Report
10/01/2025 TO 11/30/2025

Account No.	Major Account Description	Amount	Vendor Name	Voucher Description	Date	Check Number
491000	Admin Exp-Criminal/Background Checks	8.02	WASHINGTON STATE PATROL	BACKGROUND CHECK	11/7/2025	360159
491000	Admin Exp-Criminal/Background Checks	2.75	WASHINGTON STATE PATROL	BACKGROUND CHECK	11/7/2025	360159
491000	Admin Exp-Criminal/Background Checks	11.00	WASHINGTON STATE PATROL	BACKGROUND CHECK	11/7/2025	360159
491000	Admin Exp-Criminal/Background Checks	11.89	WASHINGTON STATE PATROL	BACKGROUND CHECK	11/7/2025	360159
491000	Admin Exp-Criminal/Background Checks	8.02	NATIONAL CREDIT REPORTING	BACKGROUND CHECK	11/14/2025	360270
491001	Admin Exp-Tenant Screening	7.33	CARASOFT TECHNOLOGY CORPORATION	PO NUMBER A1B2WAO00POT	10/31/2025	360107
491001	Admin Exp-Tenant Screening	6.13	CARASOFT TECHNOLOGY CORPORATION	PO NUMBER A1B2WAO00POT	11/21/2025	360435
493000	Other Admin Exp-Postage	14.82	MAIL ADVERTISING BUREAU INC	SEPTEMBER STATEMENTS	10/17/2025	359785
493000	Other Admin Exp-Postage	0.33	MAIL ADVERTISING BUREAU INC	OCTOBER STATEMENTS	10/17/2025	359785
493000	Other Admin Exp-Postage	14.83	MAIL ADVERTISING BUREAU INC	OCTOBER STATEMENTS	10/17/2025	359785
493000	Other Admin Exp-Postage	0.34	MAIL ADVERTISING BUREAU INC	SEPTEMBER STATEMENTS	10/17/2025	359785
493000	Other Admin Exp-Postage	6.67	QUADIENT FINANCE USA INC	ACCT 7900 0440 8081 6949	10/24/2025	359982
493000	Other Admin Exp-Postage	6.69	QUADIENT FINANCE USA INC	ACCT 7900 0440 8081 6949	11/21/2025	360442
493000	Other Admin Exp-Postage	14.86	MAIL ADVERTISING BUREAU INC	NOVEMBER STATEMENTS	11/21/2025	360353
493000	Other Admin Exp-Postage	0.33	MAIL ADVERTISING BUREAU INC	NOVEMBER STATEMENTS	11/21/2025	360353
493100	Other Admin Exp-Mail Handling	0.75	MAIL ADVERTISING BUREAU INC	OCTOBER STATEMENTS	10/17/2025	359785
493100	Other Admin Exp-Mail Handling	2.28	MAIL ADVERTISING BUREAU INC	OCTOBER STATEMENTS	10/17/2025	359785
493100	Other Admin Exp-Mail Handling	2.27	MAIL ADVERTISING BUREAU INC	SEPTEMBER STATEMENTS	10/17/2025	359785
493100	Other Admin Exp-Mail Handling	0.76	MAIL ADVERTISING BUREAU INC	SEPTEMBER STATEMENTS	10/17/2025	359785
493100	Other Admin Exp-Mail Handling	0.75	MAIL ADVERTISING BUREAU INC	NOVEMBER STATEMENTS	11/21/2025	360353
493100	Other Admin Exp-Mail Handling	2.28	MAIL ADVERTISING BUREAU INC	NOVEMBER STATEMENTS	11/21/2025	360353
520104	Social Service - Interpretation	2.08	EFFECTIFF LLC	KING COUNTY PROPERTY MGMT	10/24/2025	360004
520104	Social Service - Interpretation	2.12	EFFECTIFF LLC	KING COUNTY PROPERTY MGMT	11/21/2025	360462
610000	Occ Exp-Materials-Electrical	47.96	HD SUPPLY FACILITIES MAINTENANCE	Supplies	10/17/2025	359787
610003	Occ Exp-Materials-Carpentry	7,830.41	THE HOME DEPOT	Materials	10/17/2025	359786
610009	Occ Exp-Materials-Disaster Preparedness	0.21	CELLHIRE USA LLC	MONTHLY SVC FEE 9/10-10/10/25	10/17/2025	359890
610009	Occ Exp-Materials-Disaster Preparedness	0.19	CELLHIRE USA LLC	SEPT 10- OCT 10 MONTHLY SVC FEE	11/21/2025	360473
610017	Occ Exp-Materials-Janitorial	15.99	HD SUPPLY FACILITIES MAINTENANCE	Supplies	10/17/2025	359787
610101	Occ Exp-Equip-Tools	62.50	HD SUPPLY FACILITIES MAINTENANCE	MAINT SUPPLIES	10/17/2025	359787
610102	Occ Exp-Equip-Appliances	79.04	HD SUPPLY FACILITIES MAINTENANCE	DOOR GASKET	10/17/2025	359787
610102	Occ Exp-Equip-Appliances	444.80	HD SUPPLY FACILITIES MAINTENANCE	RANGE HOOD WHITE	10/17/2025	359787
620012	Occ Exp-Maint -Pest Control	29.08	STOP BUGGING ME PEST CONTROL	PEST CONTROL	10/24/2025	359967
620012	Occ Exp-Maint -Pest Control	29.08	STOP BUGGING ME PEST CONTROL	PEST CONTROL	10/24/2025	359967
620012	Occ Exp-Maint -Pest Control	29.08	STOP BUGGING ME PEST CONTROL	PEST CONTROL	10/24/2025	359967
620013	Occ Exp-Maint -Yard/Garden/Landscaping	3,869.25	SKAGIT LANDSCAPING LLC	Weekly Landscaping	10/3/2025	359616
620013	Occ Exp-Maint -Yard/Garden/Landscaping	3,869.25	SKAGIT LANDSCAPING LLC	SEPT EXT MAINT	10/24/2025	359986
660000	Occ Exp-Utilities-Water	127.93	PUBLIC UTILITY DISTRICT #1	WATER	11/14/2025	360290
660000	Occ Exp-Utilities-Water	213.15	PUBLIC UTILITY DISTRICT #1	WATER	11/14/2025	360290
660000	Occ Exp-Utilities-Water	142.13	PUBLIC UTILITY DISTRICT #1	WATER	11/14/2025	360290
660000	Occ Exp-Utilities-Water	170.54	PUBLIC UTILITY DISTRICT #1	WATER	11/14/2025	360290
660000	Occ Exp-Utilities-Water	142.13	PUBLIC UTILITY DISTRICT #1	WATER	11/14/2025	360290
660000	Occ Exp-Utilities-Water	109.21	PUBLIC UTILITY DISTRICT #1	WATER	11/14/2025	360290

SEDRO-WOOLLEY HOUSING AUTHORITY
Accounts Payable Report
10/01/2025 TO 11/30/2025

Account No.	Major Account Description	Amount	Vendor Name	Voucher Description	Date	Check Number
660000	Occ Exp-Utilities-Water	241.55	PUBLIC UTILITY DISTRICT #1	WATER	11/21/2025	360395
660000	Occ Exp-Utilities-Water	109.21	PUBLIC UTILITY DISTRICT #1	WATER	11/21/2025	360395
660000	Occ Exp-Utilities-Water	198.95	PUBLIC UTILITY DISTRICT #1	WATER	11/21/2025	360395
660000	Occ Exp-Utilities-Water	207.66	PUBLIC UTILITY DISTRICT #1	WATER	11/21/2025	360395
660000	Occ Exp-Utilities-Water	157.56	PUBLIC UTILITY DISTRICT #1	WATER	11/21/2025	360395
660000	Occ Exp-Utilities-Water	193.34	PUBLIC UTILITY DISTRICT #1	WATER	11/21/2025	360395
660000	Occ Exp-Utilities-Water	193.34	PUBLIC UTILITY DISTRICT #1	WATER	11/21/2025	360395
660000	Occ Exp-Utilities-Water	87.26	PUBLIC UTILITY DISTRICT #1	WATER	11/21/2025	360395
660000	Occ Exp-Utilities-Water	221.97	PUBLIC UTILITY DISTRICT #1	WATER	11/21/2025	360395
660000	Occ Exp-Utilities-Water	186.19	PUBLIC UTILITY DISTRICT #1	WATER	11/21/2025	360395
660000	Occ Exp-Utilities-Water	279.23	PUBLIC UTILITY DISTRICT #1	WATER	11/21/2025	360395
660000	Occ Exp-Utilities-Water	171.88	PUBLIC UTILITY DISTRICT #1	WATER	11/21/2025	360395
660000	Occ Exp-Utilities-Water	179.03	PUBLIC UTILITY DISTRICT #1	WATER	11/21/2025	360395
660000	Occ Exp-Utilities-Water	193.34	PUBLIC UTILITY DISTRICT #1	WATER	11/21/2025	360395
660100	Occ Exp-Utilities-Sewer	324.33	CITY OF SEDRO WOOLLEY	SEWER	10/10/2025	359701
660100	Occ Exp-Utilities-Sewer	814.36	CITY OF SEDRO WOOLLEY	SEWER	10/10/2025	359701
660100	Occ Exp-Utilities-Sewer	486.02	CITY OF SEDRO WOOLLEY	SEWER	10/10/2025	359701
660100	Occ Exp-Utilities-Sewer	813.23	CITY OF SEDRO WOOLLEY	SEWER	11/21/2025	360398
660100	Occ Exp-Utilities-Sewer	486.02	CITY OF SEDRO WOOLLEY	SEWER	11/21/2025	360398
660100	Occ Exp-Utilities-Sewer	324.33	CITY OF SEDRO WOOLLEY	SEWER	11/21/2025	360398
660200	Occ Exp-Utilities-Electricity	70.41	PUGET SOUND ENERGY-BOT-01H	ELECTRIC	10/3/2025	359579
660200	Occ Exp-Utilities-Electricity	20.61	PUGET SOUND ENERGY-BOT-01H	ELECTRIC	10/3/2025	359579
660200	Occ Exp-Utilities-Electricity	80.34	PUGET SOUND ENERGY-BOT-01H	ELECTRIC	10/3/2025	359579
660200	Occ Exp-Utilities-Electricity	147.24	PUGET SOUND ENERGY-BOT-01H	ELECTRIC	10/31/2025	360063
660200	Occ Exp-Utilities-Electricity	23.32	PUGET SOUND ENERGY-BOT-01H	ELECTRIC	10/31/2025	360063
660200	Occ Exp-Utilities-Electricity	92.23	PUGET SOUND ENERGY-BOT-01H	ELECTRIC	10/31/2025	360063
660300	Occ Exp-Utilities-Natural Gas	32.61	CASCADE NATURAL GAS CO	GAS	10/10/2025	359685
660300	Occ Exp-Utilities-Natural Gas	189.53	CASCADE NATURAL GAS CO	GAS	11/7/2025	360175
660500	Occ Exp-Utilities-Surface Water Mgmt	29.99	CITY OF SEDRO WOOLLEY	STORM	10/10/2025	359701
660500	Occ Exp-Utilities-Surface Water Mgmt	75.49	CITY OF SEDRO WOOLLEY	STORM	10/10/2025	359701
660500	Occ Exp-Utilities-Surface Water Mgmt	44.91	CITY OF SEDRO WOOLLEY	STORM	10/10/2025	359701
660500	Occ Exp-Utilities-Surface Water Mgmt	75.32	CITY OF SEDRO WOOLLEY	STORM	11/21/2025	360398
660500	Occ Exp-Utilities-Surface Water Mgmt	44.91	CITY OF SEDRO WOOLLEY	STORM	11/21/2025	360398
660500	Occ Exp-Utilities-Surface Water Mgmt	29.99	CITY OF SEDRO WOOLLEY	STORM	11/21/2025	360398
660700	Occ Exp-Utilities-Garbage	227.05	CITY OF SEDRO WOOLLEY	GARBAGE	10/10/2025	359701
660700	Occ Exp-Utilities-Garbage	678.24	CITY OF SEDRO WOOLLEY	GARBAGE	10/10/2025	359701
660700	Occ Exp-Utilities-Garbage	338.15	CITY OF SEDRO WOOLLEY	GARBAGE	10/10/2025	359701
660700	Occ Exp-Utilities-Garbage	646.39	CITY OF SEDRO WOOLLEY	GARBAGE	11/21/2025	360398
660700	Occ Exp-Utilities-Garbage	338.15	CITY OF SEDRO WOOLLEY	GARBAGE	11/21/2025	360398
660700	Occ Exp-Utilities-Garbage	227.05	CITY OF SEDRO WOOLLEY	GARBAGE	11/21/2025	360398
	SUBTOTAL CEDAR GROVE	33,414.45				

SEDRO-WOOLLEY HOUSING AUTHORITY
Accounts Payable Report
10/01/2025 TO 11/30/2025

Account No.	Major Account Description	Amount	Vendor Name	Voucher Description	Date	Check Number
	CEDAR GROVE VOIDS	(3,018.75)				
	TOTAL CEDAR GROVE	30,395.70				
HILLSVIEW						
Account	Account(T)	Amount	Vendor(T)	Voucher Description	Pay Date	Check No
170000	Work-In-Process	1,816.92	WASHINGTON ELEVATOR LLC	ELEVATOR SERVICE	10/3/2025	359635
170000	Work-In-Process	10,990.72	WASHINGTON ELEVATOR LLC	HILLSVIEW	10/17/2025	359884
400100	Salaries-Temp Employees	42.31	BEACON HILL SOLUTIONS GROUP LLC	A MILLER 9/27/25	10/3/2025	359617
400100	Salaries-Temp Employees	33.85	BEACON HILL SOLUTIONS GROUP LLC	A MILLER 10/4/25	10/10/2025	359737
400100	Salaries-Temp Employees	39.66	BEACON HILL SOLUTIONS GROUP LLC	A MILLER 10/11/25	10/17/2025	359864
400100	Salaries-Temp Employees	28.56	BEACON HILL SOLUTIONS GROUP LLC	A MILLER 10/18/25	10/24/2025	359987
400100	Salaries-Temp Employees	42.04	BEACON HILL SOLUTIONS GROUP LLC	A MILLER 10/25/25	10/31/2025	360112
400100	Salaries-Temp Employees	42.31	BEACON HILL SOLUTIONS GROUP LLC	A MILLER 11/01/25	11/7/2025	360216
400100	Salaries-Temp Employees	23.27	BEACON HILL SOLUTIONS GROUP LLC	A MILLER 11/8/25	11/14/2025	360322
400100	Salaries-Temp Employees	33.85	BEACON HILL SOLUTIONS GROUP LLC	A MILLER 11/15/25	11/21/2025	360449
409004	Benefits-Work Boots	(300.00)	RED WING BUSINESS ADVANTAGE ACCOUNT	CREDIT INVOICE 5198-99-75418	11/14/2025	360313
410000	Admin Supplies	125.26	CRYSTAL SPRINGS	water - HILLSVIEW/BALLINGER	10/24/2025	359922
410000	Admin Supplies	88.85	CRYSTAL SPRINGS	water - Ballinger/Hillsview	11/21/2025	360363
411099	Phone Equip-Other	346.48	HD SUPPLY FACILITIES MAINTENANCE	MAINT SUPPLIES	10/17/2025	359787
411102	Computer Equip-Hardware Maintenance	14.88	CDW/COMPUTER CENTERS INC	COMPUTER SUPPLIES	10/3/2025	359548
411103	Computer Equip-Software Maintenance	157.93	HYLAND SOFTWARE, INC	ONBASE	11/21/2025	360407
411104	Computer Equip-Software as a Service Fees	105.05	SHI INTERNATIONAL CORP	PROFESSIONAL SVCS	10/3/2025	359610
411104	Computer Equip-Software as a Service Fees	65.87	SIRIUS COMPUTER SOLUTIONS LLC	COMPUTER	10/10/2025	359750
411901	Equip-Other-Leased/Rented	4.25	CANON FINANCIAL	CONTRACT 0667544-005	10/3/2025	359596
411901	Equip-Other-Leased/Rented	2.87	CANON FINANCIAL	CONTRACT 0667544-005	10/24/2025	359957
411901	Equip-Other-Leased/Rented	2.87	CANON FINANCIAL	CONTRACT 0667544-005	11/26/2025	360506
420000	Professional Services-Legal	131.16	MONTGOMERY PURDUE BLANKINSHIP	LEGAL SVCS	11/14/2025	360255
420000	Professional Services-Legal	0.04	MONTGOMERY PURDUE BLANKINSHIP	LEGAL SVCS	11/14/2025	360255
420000	Professional Services-Legal	0.03	MONTGOMERY PURDUE BLANKINSHIP	LEGAL SVCS	11/14/2025	360255
420000	Professional Services-Legal	38.39	MONTGOMERY PURDUE BLANKINSHIP	LEGAL SVCS	11/14/2025	360255
420101	Professional Services-Auditing	9,056.25	COHNREZNICK LLP	AUDIT FINANCIAL 12.31.24	10/10/2025	359749
420101	Professional Services-Auditing	9,056.25	COHNREZNICK LLP	AUDIT FINANCIAL 12.31.24	10/10/2025	0
420101	Professional Services-Auditing	637.50	COHNREZNICK LLP	SVCS RENDERED HUD ELECTRONIC FILING	11/14/2025	360328
421904	Admin - Cloud Recovery Services	43.84	NET2VAULT LLC	MANAGED VAULTING	10/10/2025	359715
421904	Admin - Cloud Recovery Services	44.02	NET2VAULT LLC	MANAGED VAULTING SVCS	11/26/2025	360512
450002	Comm-Phones Lines-Service-Digital Voice	1.01	CENTURYLINK	9/24-10/23/25 CHGS	10/10/2025	359671
450002	Comm-Phones Lines-Service-Digital Voice	1.01	CENTURYLINK	9/24-10/23/25 CHGS	10/10/2025	359671
450002	Comm-Phones Lines-Service-Digital Voice	1.27	INTRADO LIFE & SAFETY INC	ENTERPRISE ENDPOINT	10/10/2025	359721
450002	Comm-Phones Lines-Service-Digital Voice	1.34	CENTURYLINK	10/1-31/25 CHGS	10/24/2025	359988
450002	Comm-Phones Lines-Service-Digital Voice	1.11	INTRADO LIFE & SAFETY INC	ENTERPRISE ENDPOINT SEPT 2025	10/31/2025	360098
450002	Comm-Phones Lines-Service-Digital Voice	1.01	CENTURYLINK	10/24-11/23/25 CHGS	11/7/2025	360169
450002	Comm-Phones Lines-Service-Digital Voice	1.01	CENTURYLINK	10/24-11/23/25 CHGS	11/7/2025	360169

SEDRO-WOOLLEY HOUSING AUTHORITY
Accounts Payable Report
10/01/2025 TO 11/30/2025

Account No.	Major Account Description	Amount	Vendor Name	Voucher Description	Date	Check Number
450003	Comm-Phones Lines-Security	135.00	WASHINGTON TECHNOLOGY SOLUTIONS	MONTHLY CHGS	10/17/2025	359827
450003	Comm-Phones Lines-Security	69.69	WASHINGTON TECHNOLOGY SOLUTIONS	ORDER ACTIVITY	11/21/2025	360409
450100	Comm-Long Distance Charges	0.40	CENTURYLINK	9/9-10/8/25 CHGS	10/3/2025	359618
450100	Comm-Long Distance Charges	0.37	CENTURYLINK	9/12-10/11/25 CHGS	10/31/2025	360113
452000	Comm-Advertising	132.02	SKAGIT VALLEY PUBLISHING	LEGAL	10/3/2025	359546
491000	Admin Exp-Criminal/Background Checks	21.72	NATIONAL CREDIT REPORTING	BACKGROUND CHECK	10/10/2025	359668
491000	Admin Exp-Criminal/Background Checks	34.18	NATIONAL CREDIT REPORTING	BACKGROUND CHECK	10/10/2025	359668
491000	Admin Exp-Criminal/Background Checks	23.26	NATIONAL CREDIT REPORTING	BACKGROUND CHECK	10/17/2025	359810
491000	Admin Exp-Criminal/Background Checks	35.68	WASHINGTON STATE PATROL	BACKGROUND CHECK	11/7/2025	360159
491000	Admin Exp-Criminal/Background Checks	24.06	WASHINGTON STATE PATROL	BACKGROUND CHECK	11/7/2025	360159
491000	Admin Exp-Criminal/Background Checks	8.25	WASHINGTON STATE PATROL	BACKGROUND CHECK	11/7/2025	360159
491000	Admin Exp-Criminal/Background Checks	33.00	WASHINGTON STATE PATROL	BACKGROUND CHECK	11/7/2025	360159
491000	Admin Exp-Criminal/Background Checks	24.06	NATIONAL CREDIT REPORTING	BACKGROUND CHECK	11/14/2025	360270
491001	Admin Exp-Tenant Screening	22.00	CARASOFT TECHNOLOGY CORPORATION	PO NUMBER A1B2WA000P0T	10/31/2025	360107
491001	Admin Exp-Tenant Screening	18.38	CARASOFT TECHNOLOGY CORPORATION	PO NUMBER A1B2WA000P0T	11/21/2025	360435
493000	Other Admin Exp-Postage	44.47	MAIL ADVERTISING BUREAU INC	SEPTEMBER STATEMENTS	10/17/2025	359785
493000	Other Admin Exp-Postage	1.00	MAIL ADVERTISING BUREAU INC	OCTOBER STATEMENTS	10/17/2025	359785
493000	Other Admin Exp-Postage	44.49	MAIL ADVERTISING BUREAU INC	OCTOBER STATEMENTS	10/17/2025	359785
493000	Other Admin Exp-Postage	1.01	MAIL ADVERTISING BUREAU INC	SEPTEMBER STATEMENTS	10/17/2025	359785
493000	Other Admin Exp-Postage	20.00	QUADIENT FINANCE USA INC	ACCT 7900 0440 8081 6949	10/24/2025	359982
493000	Other Admin Exp-Postage	20.06	QUADIENT FINANCE USA INC	ACCT 7900 0440 8081 6949	11/21/2025	360442
493000	Other Admin Exp-Postage	44.58	MAIL ADVERTISING BUREAU INC	NOVEMBER STATEMENTS	11/21/2025	360353
493000	Other Admin Exp-Postage	0.99	MAIL ADVERTISING BUREAU INC	NOVEMBER STATEMENTS	11/21/2025	360353
493100	Other Admin Exp-Mail Handling	2.27	MAIL ADVERTISING BUREAU INC	SEPTEMBER STATEMENTS	10/17/2025	359785
493100	Other Admin Exp-Mail Handling	2.25	MAIL ADVERTISING BUREAU INC	OCTOBER STATEMENTS	10/17/2025	359785
493100	Other Admin Exp-Mail Handling	6.83	MAIL ADVERTISING BUREAU INC	OCTOBER STATEMENTS	10/17/2025	359785
493100	Other Admin Exp-Mail Handling	6.82	MAIL ADVERTISING BUREAU INC	SEPTEMBER STATEMENTS	10/17/2025	359785
493100	Other Admin Exp-Mail Handling	2.24	MAIL ADVERTISING BUREAU INC	NOVEMBER STATEMENTS	11/21/2025	360353
493100	Other Admin Exp-Mail Handling	6.84	MAIL ADVERTISING BUREAU INC	NOVEMBER STATEMENTS	11/21/2025	360353
520104	Social Service - Interpretation	6.24	EFFECTIFF LLC	KING COUNTY PROPERTY MGMT	10/24/2025	360004
520104	Social Service - Interpretation	6.35	EFFECTIFF LLC	KING COUNTY PROPERTY MGMT	11/21/2025	360462
610000	Occ Exp-Materials-Electrical	131.27	HD SUPPLY FACILITIES MAINTENANCE	Supplies	10/17/2025	359787
610003	Occ Exp-Materials-Carpentry	61.11	HD SUPPLY FACILITIES MAINTENANCE	MAINT SUPPLIES	10/17/2025	359787
610003	Occ Exp-Materials-Carpentry	32.37	HD SUPPLY FACILITIES MAINTENANCE	Supplies	10/17/2025	359787
610004	Occ Exp-Materials-Cabinetry	161.97	HD SUPPLY FACILITIES MAINTENANCE	Supplies	10/31/2025	360041
610006	Occ Exp-Materials-Windows	1,040.00	LYNDALE GLASS INC	Installation	11/14/2025	360300
610008	Occ Exp-Materials-Fire/Safety	1,745.12	HD SUPPLY FACILITIES MAINTENANCE	FIRESTOPS	10/24/2025	359916
610009	Occ Exp-Materials-Disaster Preparedness	0.59	CELLHIRE USA LLC	MONTHLY SVC FEE 9/10-10/10/25	10/17/2025	359890
610009	Occ Exp-Materials-Disaster Preparedness	0.54	CELLHIRE USA LLC	SEPT 10- OCT 10 MONTHLY SVC FEE	11/21/2025	360473
610101	Occ Exp-Equip-Tools	62.50	HD SUPPLY FACILITIES MAINTENANCE	MAINT SUPPLIES	10/17/2025	359787
610102	Occ Exp-Equip-Appliances	284.80	HD SUPPLY FACILITIES MAINTENANCE	Supplies	10/17/2025	359787
610103	Occ Exp-Equip-Water Heaters	99.66	HD SUPPLY FACILITIES MAINTENANCE	Supplies	10/17/2025	359787

SEDRO-WOOLLEY HOUSING AUTHORITY
Accounts Payable Report
10/01/2025 TO 11/30/2025

Account No.	Major Account Description	Amount	Vendor Name	Voucher Description	Date	Check Number
620003	Occ Exp-Maint -Electrical	580.00	VECA ELECTRIC & TECHNOLOGIES LLC	HILLSVIEW SHUNT TRIP TESTING	10/3/2025	359611
620006	Occ Exp-Maint -Floor Covering	2,654.40	GREAT FLOORS LLC	CARPET/VINYL INSTALL - UNIT 346	10/17/2025	359835
620006	Occ Exp-Maint -Floor Covering	2,961.60	GREAT FLOORS LLC	CARPET/VINYL INSTALL - UNIT 111	11/21/2025	360417
620007	Occ Exp-Maint -Elevator	1,193.88	SCHINDLER ELEVATOR CORPORATION	Elevator Repair	10/24/2025	359968
620011	Occ Exp-Maint -Fire/Safety	892.00	SMITH FIRE SYSTEMS INC	SMOKE DETECTOR INSPECTION - SEP-25	11/21/2025	360445
620012	Occ Exp-Maint -Pest Control	65.43	STOP BUGGING ME PEST CONTROL	PEST CONTROL	10/24/2025	359967
620016	Occ Exp-Maint -Hazardous Material	7,142.00	CONSTRUCTION GROUP INTER LLC	ASBESTOS ABATEMENT	10/3/2025	359566
660000	Occ Exp-Utilities-Water	2,351.58	PUBLIC UTILITY DISTRICT #1	WATER	11/14/2025	360290
660100	Occ Exp-Utilities-Sewer	4,790.93	CITY OF SEDRO WOOLLEY	SEWER	10/10/2025	359701
660100	Occ Exp-Utilities-Sewer	4,790.93	CITY OF SEDRO WOOLLEY	SEWER	11/21/2025	360398
660200	Occ Exp-Utilities-Electricity	1,184.25	PUGET SOUND ENERGY-BOT-01H	ELECTRIC	10/3/2025	359579
660200	Occ Exp-Utilities-Electricity	1,158.83	PUGET SOUND ENERGY-BOT-01H	ELECTRIC	10/31/2025	360063
660201	Occ Exp-Utilities-Electricity-Closing Bill	21.05	PUGET SOUND ENERGY-BOT-01H	ELECTRIC	10/3/2025	359579
660201	Occ Exp-Utilities-Electricity-Closing Bill	19.71	PUGET SOUND ENERGY-BOT-01H	ELECTRIC	11/7/2025	360179
660201	Occ Exp-Utilities-Electricity-Closing Bill	21.89	PUGET SOUND ENERGY-BOT-01H	ELECTRIC	11/7/2025	360179
660201	Occ Exp-Utilities-Electricity-Closing Bill	11.53	PUGET SOUND ENERGY-BOT-01H	ELECTRIC	11/26/2025	360500
660500	Occ Exp-Utilities-Surface Water Mgmt	438.91	CITY OF SEDRO WOOLLEY	STORM	10/10/2025	359701
660500	Occ Exp-Utilities-Surface Water Mgmt	438.91	CITY OF SEDRO WOOLLEY	STORM	11/21/2025	360398
660700	Occ Exp-Utilities-Garbage	1,605.13	CITY OF SEDRO WOOLLEY	GARBAGE	10/10/2025	359701
660700	Occ Exp-Utilities-Garbage	1,605.13	CITY OF SEDRO WOOLLEY	GARBAGE	11/21/2025	360398
	SUBTOTAL HILLSVIEW	71,069.57				
	VOIDS	-				
	TOTAL HILLSVIEW	71,069.57				
TOTAL SEDRO WOOLLEY		101,465.27				

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SEDRO-WOOLLEY HOUSING AUTHORITY

TO: Board of Commissioners

FROM: Shannon Nicholas, Financial Planning Manager

DATE: December 11, 2025

RE: **Resolution No. 507** - 2026 Comprehensive Operating and Capital Budget

The King County Housing Authority (KCHA) has prepared this budget (see Exhibit A, page 5) for consideration by the Sedro-Woolley Housing Authority (SWHA) Board of Commissioners. This budget estimates the income and expenses that will be needed to support both operations and capital improvements.

Executive Summary

Operating revenues of SWHA are derived from two main sources: tenant revenues and Operating Fund Subsidy received from the Department of Housing and Urban Development (HUD). Operating expenses, such as property management services, maintenance costs, utilities, insurance, etc., are paid out of these combined revenue sources.

Below is a snapshot of the 2026 operating budget, compared to 2025:

Operating Budget	2025 Budget	2026 Budget	Change
Operating Revenue			
Tenant Revenue	325,400	326,500	1,100
Operating Fund Subsidy	417,830	288,252	(129,577)
Other Revenue	1,475	1,507	32
Total Operating Income	744,705	616,259	(128,445)
Operating Expense			
Salaries & Benefits	223,022	238,057	15,035
Property & Other Admin Expenses	485,495	461,530	(23,965)
Total Operating Expense	708,516	699,587	(8,930)
Net Operating Income/(Loss)	36,188	(83,327)	(119,515)

Capital projects at Hillview and Cedar Grove are funded primarily through Capital Fund Program (CFP) grants from HUD but can also be funded with draws from reserves.

The 2026 capital budget includes CFP draws of \$57,415 for one unit upgrade at Cedar Grove. Below is a summary of the 2026 Capital Budget with a comparison to the 2025 budget.

Capital Budget	2025 Budget	2026 Budget	Change
Sources			
Capital Fund Program (CFP)	518,339	57,415	(460,925)
Draw from Reserves	-	-	-
Total Sources	518,339	57,415	(460,925)
Uses			
Capital Construction Projects	419,081	-	(419,081)
Unit Upgrades	56,067	57,415	1,348
Maintenance & Other Special Projects	-	-	-
Total Uses	475,148	57,415	(417,733)
Excess/(Deficit)	43,191	-	(43,191)

Operating Budget Overview

OPERATING INCOME

Tenant Revenue

Tenant income is comprised of two separate components: monthly tenant rental income and ancillary tenant income.

Tenant Revenue	2025 Budget	2025 Actuals¹	2026 Budget
Hillsview	212,500	203,091	214,000
Cedar Grove	107,000	118,327	108,500
Ancillary Tenant Income	5,900	12,590	4,000
Total Tenant Revenue	325,400	334,008	326,500

¹ Based on October actuals

Tenant rental income at HillsvieW is forecasted to increase by 0.7% over the 2025 budget, while Cedar Grove is expected to see a 1.7% increase to better align with the income streams of current residents. Given that tenant revenue is closely tied to tenants' income levels, we have adopted a conservative approach in forecasting 2026 tenant revenue to account for potential variability and economic uncertainties.

Operating Fund Subsidy

Eligibility for the 2026 Public Housing Operating Fund Subsidy is generally based on 2025's HUD-approved levels.

Operating Fund Subsidy	2025 Budget	2025 Actuals	2026 Budget
HillsvieW	310,267	167,037	179,828
Cedar Grove	107,563	86,922	108,425
Total Operating Fund Subsidy	417,830	253,959	288,252

The 2025 Operating Subsidy Fund proration was budgeted at 90% while the actual was 102.6%. The 2026 budget again assumes a conservative 90% proration due to continued anticipation of federal funding uncertainties. Note that the calculation of the 2025 Operating Subsidy budget was overstated, resulting in a significant variance compared to 2026.

OPERATING EXPENSES

Employees

The 2026 budget includes a total of 2.04 Full Time Equivalent (FTE) employees charged to SWHA, down 0.05 FTE from 2025.

Staffing (Full Time Equivalents)	2025 Budget	2026 Budget	Change
Property Mgmt & Administration	0.85	0.80	(0.05)
Maintenance	1.00	1.00	-
Central Applications Center	0.24	0.24	-
Total Staffing	2.09	2.04	(0.05)

Employee Benefits

A 2.5% Cost of Living Adjustment (COLA) wage increase was awarded to all employees in November 2025.

Fixed employee benefits include medical, dental and life insurance and are charged to each property based upon their number of employees. Variable benefits include FICA, Medicare, worker's compensation, contributions to the state Public Employees Retirement System (PERS), and a tax to fund Washington State's new Paid Family and Medical Leave (PFML). For 2026, the PERS employer contribution rate has decreased from 10.39% to 5.58%.

Employee Benefits	2025 Budget	2026 Budget	Change
Fixed Benefits - Medical Insurance	\$16,810	\$18,148	\$1,338
Variable Benefit - FICA/Medicare	7.65%	7.65%	-
Variable Benefit - WA PFML	0.15%	0.15%	-
Variable Benefit - Retirement	10.39%	5.58%	(0.05)

Other Operating Expenses

Other operating costs are forecast to increase in 2026, with projected increases in insurance, maintenance contracts and utilities.

Capital Improvements Budget

The 2026 capital improvement budget totals \$57,148 for one unit upgrade at Cedar Grove. To fund this project, draws will be made from Capital Fund Program (CFP) grants.

Since the inception of the unit upgrade program, 44 out of SWHA's 80 units have been upgraded, 32 at Hillsvew and 12 at Cedar Grove.

Cash Reserves

Cash reserves are forecast to be approximately \$137,000 at the end of 2025 as a result of some large and unanticipated expenses at Hillsvew in 2025 including an elevator door operator upgrade, failing smoke detectors and community room improvements. Although Operating Net Income is projected to be negative for 2026, Non-Operating Revenue of approximately \$122,000 from CFP grants for unit upgrades and operations will allow Sedro-Woolley Housing Authority to end 2026 with positive cash flow. We anticipate that, barring any significant unforeseen expenditures, cash reserves at year-end will be approximately \$118,300.

Summary

The Sedro-Woolley Housing Authority will have sufficient revenue to meet its 2026 obligations but maintaining a reserve level of approximately four months of operating expenses is not likely attainable given the current revenue and expense projections.

SEDRO-WOOLLEY HOUSING AUTHORITY
2026 Budget

EXHIBIT A

	Cedar Grove	Hillsview	2026 Proposed Combined
Beginning Balance, Unrestricted Cash	\$10,250	\$126,825	\$137,075
Revenues			
Tenant Revenue	109,100	217,400	326,500
Operating Fund Subsidy from HUD	108,425	179,828	288,252
Other Operating Revenue	663	844	1,507
Total Operating Revenues	218,188	398,072	616,259
Expenses			
Salaries & Benefits	(61,179)	(176,878)	(238,057)
Routine Maintenance, Utilities, Taxes & Insurance	(102,199)	(208,683)	(310,882)
Other Social Service Support Expenses & HAP	(235)	(450)	(685)
Administrative Support Expenses	(38,365)	(111,598)	(149,963)
Total Operating Expenses	(201,978)	(497,609)	(699,587)
Operating Net Income	16,210	(99,537)	(83,327)
Non-operating Revenue	73,555	48,420	121,975
Non-operating Expenses	0	0	0
Net Income	89,765	(51,117)	38,647
Other Sources/(Uses) of Cash			
Capital Projects and Acquisitions	(57,415)	0	(57,415)
Changes in Receivables	0	0	0
Total Other Sources/(Uses) of Cash	(57,415)	0	(57,415)
Net Change in Unrestricted Cash	32,350	(51,117)	(18,767)
Ending Balance, Unrestricted Cash	\$42,600	\$75,708	\$118,308

THE HOUSING AUTHORITY OF THE CITY OF SEDRO-WOOLLEY

RESOLUTION NO. 507

**AUTHORIZING APPROVAL OF THE COMPREHENSIVE OPERATING
BUDGET FOR FISCAL YEAR BEGINNING JANUARY 1, 2026**

WHEREAS, the Chief Executive Officer has submitted a Comprehensive Operating Budget for the Calendar Year beginning January 1, 2026 (Calendar Year 2026); and

WHEREAS, the Board of Commissioners has determined that the proposed expenditures are necessary for the efficient and economical operations of the Housing Authority for the purpose of serving low-income families; and

WHEREAS, the budget indicates sources of funding adequate to cover all proposed expenditures; and

WHEREAS, all proposed rental charges and expenditures will be consistent with provisions of the Washington State Housing Authority law (RCW 35.82) and the Annual Contributions Contract (where applicable); and

WHEREAS, the Authority hereby certifies that no employee of the Housing Authority is serving in a variety of positions which will exceed 100% of his/her time. This certification includes the proration of an employee's time between the various programs administered by the Housing Authority of the City of Sedro-Woolley; and

WHEREAS, the Authority certifies that a drug-free workplace is provided to employees as required by the Drug-Free Workplace Act of 1988; and

WHEREAS, the Authority certifies that no Federally appropriated funds will be paid on behalf of the Housing Authority to any persons for influencing or attempting to influence an officer or employee of any agency, a member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any

Federal loan, the entering into of any cooperative agreement and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan or cooperative agreement; and,

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

Section 1: Operating expenditures of \$699,587 and capital expenditures of \$57,415 are hereby authorized for the Calendar Year beginning January 1, 2026.

Section 2: Full property budgets as found in Exhibit A are incorporated into this resolution and hereby adopted.

ADOPTED AT A SPECIAL MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF SEDRO-WOOLLEY AT AN OPEN PUBLIC MEETING THIS 11th DAY OF DECEMBER, 2025.

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

DEBRA LANCASTER, Chair
Board of Commissioners

ROBIN WALLS
Secretary-Treasurer

**SEDRO-WOOLLEY HOUSING AUTHORITY
2026 Budget**

EXHIBIT A

	Cedar Grove	Hillsview	2026 Proposed Combined
Beginning Balance, Unrestricted Cash	\$10,250	\$126,825	\$137,075
Revenues			
Tenant Revenue	109,100	217,400	326,500
Operating Fund Subsidy from HUD	108,425	179,828	288,252
Other Operating Revenue	663	844	1,507
Total Operating Revenues	218,188	398,072	616,259
Expenses			
Salaries & Benefits	(61,179)	(176,878)	(238,057)
Routine Maintenance, Utilities, Taxes & Insurance	(102,199)	(208,683)	(310,882)
Other Social Service Support Expenses & HAP	(235)	(450)	(685)
Administrative Support Expenses	(38,365)	(111,598)	(149,963)
Total Operating Expenses	(201,978)	(497,609)	(699,587)
Operating Net Income	16,210	(99,537)	(83,327)
Non-operating Revenue	73,555	48,420	121,975
Non-operating Expenses	0	0	0
Net Income	89,765	(51,117)	38,647
Other Sources/(Uses) of Cash			
Capital Projects and Acquisitions	(57,415)	0	(57,415)
Changes in Receivables	0	0	0
Total Other Sources/(Uses) of Cash	(57,415)	0	(57,415)
Net Change in Unrestricted Cash	32,350	(51,117)	(18,767)
Ending Balance, Unrestricted Cash	\$42,600	\$75,708	\$118,308

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SEDRO-WOOLLEY HOUSING AUTHORITY

Housing Management Report

October to November 2025

VACANCIES

Vacant Units

Total vacant units as of the last day of the reporting period: 0

Hillsvieview – 0

Cedar Grove - 0

Unit Turn Over

Unit turnover during the reporting period

	Vacates	Housings	Completed Upgrades
Hillsvieview	1	3	0
Cedar Grove	0	0	0

YTD Average Unit Turnover Rate:

Hillsvieview – 26 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	83 (24 elderly/disabled)	37	120

Cedar Grove	Preference	Non-Preference	Total
2 Bedrooms	277	28	305
3 Bedrooms	56	19	75
4 Bedrooms	11	2	13
Total	344	49	393

*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	7	3	1	0	13	26
Cedar Grove I	2	1	0	0	0	6	9
Cedar Grove II	1	3	0	0	0	1	5
Cedar Grove III	0	1	0	0	0	1	2
Cedar Grove (total)	3*	5	0	0	0	8	16
Total	5	12	3	1	0	21	42

RA=Reasonable Accommodation

*fire inspection all 3 Cedar Groves

UPDATES

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

Staffing: The Senior Property Manager position has been filled by Michelle Davis.

Resident Functions: Residents had a pizza party to celebrate opening of the community room.

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

Building Issues: Dead tree was removed. Elevator door upgrade is scheduled for December 2. Fire door magnet system is waiting for a part to be repaired.

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SEDRO-WOOLLEY HOUSING AUTHORITY

INTEROFFICE MEMORANDUM

TO: Board of Commissioners
FROM: Sean Lay, Temporary Financial Reporting Manager
DATE: December 11, 2025
RE: October 2025 Financial Report

Attached for your review is the unaudited financial report for October 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

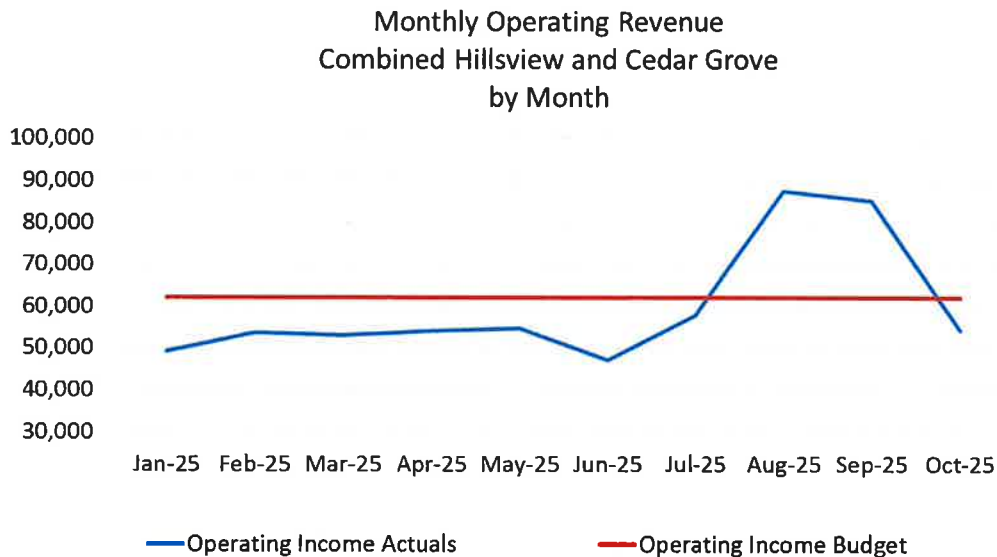
Year-to-date operating income was 2.6% under budget and operating expenses were 15.1% over budget.

Operating Revenue	Favorable (Unfavorable)				Operating Expenses	Favorable (Unfavorable)			
	\$ Variance	% Variance				\$ Variance	% Variance		
Tenant Revenue	\$78,084	28.8%	●		Salaries and Benefits	\$3,952	2.1%	●	
Federal Operating Support	(94,232)	-27.1%	●		Administrative Expenses	(\$255)	-0.2%	●	
Other Revenue	(52)	-4.3%	●		Maintenance Expenses, Utilities, Taxes	(\$93,889)	-33.2%	●	
					Other Programmatic Expenses	\$682	87.5%	●	
Total Operating Income	(\$16,201)	-2.6%	●		Total Operating Expenses	(89,509)	-15.1%	●	

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

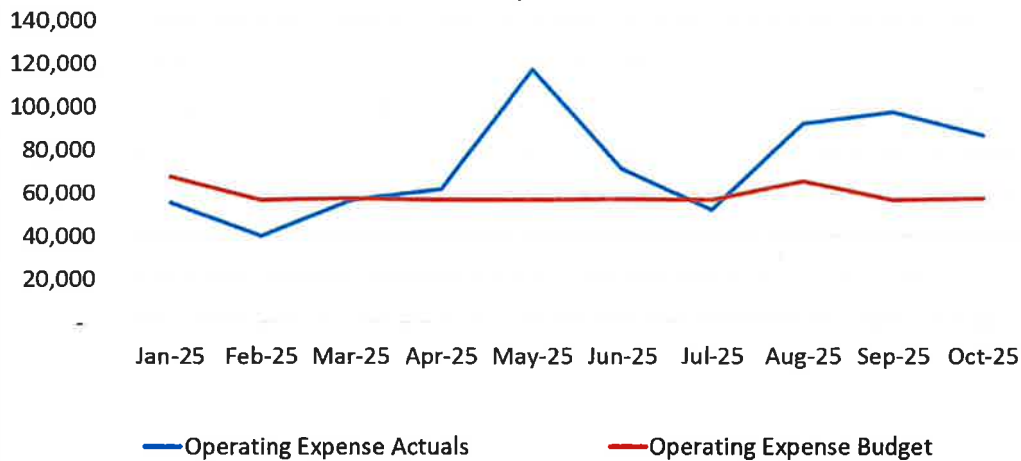
OPERATING REVENUE AND EXPENSE

Year-to-date operating revenues totaling \$604.6K came under budget expectations by \$16.2K, or 2.6%. The primary driver of this variance was the Operating Fund Subsidy. The budget assumed a higher funding amount, particularly at the Hillsview property. This was slightly offset by tenant revenue being over budget. Dwelling rent was higher than budget due to higher income from residents.



Year-to-date operating expenses in the amount of \$683K were over budget by 15.1%. The primary drivers are benefits and occupancy expenses. Benefits were under budget, resulting in a favorable \$11.5K variance. Occupancy expenses were higher than budget due to a \$20K elevator door operator upgrade at Hillsview. In addition, 70 failing smoke detectors were replaced and an additional 14 were purchased as spares which totaled \$23K. Both expenses were unbudgeted. There were also extensive carpentry expenses at both properties. At Cedar Grove, a bathroom had to be renovated due to a leak from a bath tub. During the renovation, mold was discovered in the wood surrounding the tub. This all had to be replaced. At Hillsview, there was work done to the Community Room as well.

Monthly Operating Expense Combined Hillsview and Cedar Grove by Month

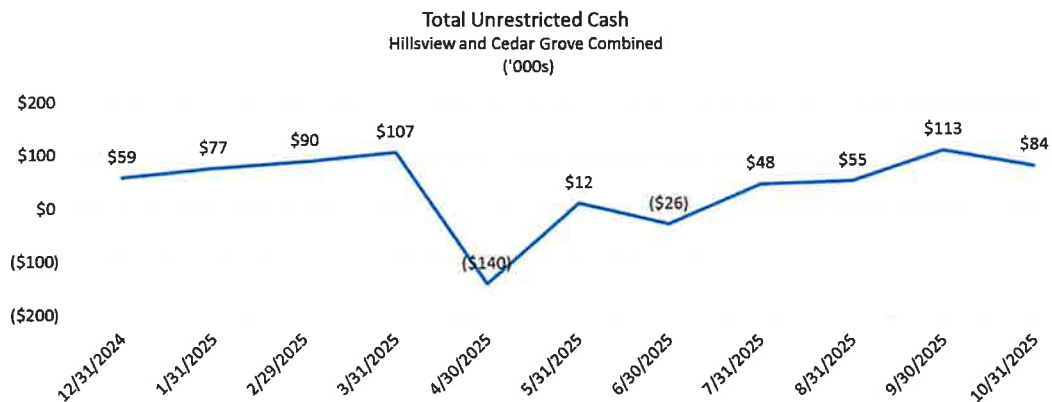


CAPITAL ACTIVITY

Capital project expenditures were under budget by 7% primarily due to the roof project at Cedar Grove being under budget. This was offset by an unbudgeted \$70K in unit upgrades at Hillsview. \$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 \$83.9K increased by \$25.2K since the beginning of the year. The increase in cash balance was mainly due to decreases in grant receivable and prepaid insurance. This was slightly offset by a decrease in accounts payable.



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

	Cedar Grove	Hillsview	Combined
Cash-Unrestricted	\$93,306	(\$9,330)	\$83,976
Cash-Held by Management Agent	-	-	-
Cash-Designated	-	-	-
Cash-Restricted	7,375	10,450	17,825
Total Cash	100,681	1,120	101,801
Current Assets	(3,515)	9,965	6,450
Long-term Assets	973,884	962,121	1,936,006
Total Other Assets	970,369	972,086	1,942,456
Total Assets	1,071,050	973,206	2,044,257
Current Liabilities	28,886	39,709	68,595
Long-Term Liabilities	-	-	-
Total Liabilities	28,886	39,709	68,595
Equity	1,042,164	933,497	1,975,662
Total Liabilities and Equity	\$1,071,050	\$973,206	\$2,044,257

Sedro-Woolley Housing Authority
Cash Reconciliation Report
Combined Operations
For the Period Ended October 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	\$349,468	\$271,384	\$78,084	28.8%	(1)
Operating Subsidy from HUD-PH	253,959	348,191	(94,232)	(27.1%)	(2)
Other Operating Income	1,178	1,230	(52)	(4.3%)	
Total Operating Income	604,605	620,805	(16,201)	-2.6%	
Salaries	(139,269)	(131,740)	(7,528)	(5.7%)	
Benefits	(45,485)	(56,966)	11,481	20.2%	(3)
Occupancy Expenses	(376,998)	(283,109)	(93,889)	(33.2%)	(4)
Other Social Service Expenses	(98)	(780)	682	87.5%	
Administrative Expenses	(120,806)	(120,550)	(255)	(0.2%)	
Total Operating Expenses	(682,655)	(593,146)	(89,509)	(15.1%)	
Operating Cash Flow	(78,050)	27,660	(105,710)	(382.2%)	
Non-Operating Income	442,206	491,319	(49,114)	(10.0%)	(5,6)
Non-Operating Expenses	(1,021)	-	(1,021)	n/a	
Capital Expenditures	(423,945)	(455,709)	31,764	7.0%	(5)
Change in Designated Cash	-	-	-	n/a	
Change in Restricted Cash	(8,975)	-	(8,975)	n/a	
Transfers In/Out	-	-	-	n/a	
Others Sources/(Uses of Cash)	95,003	-	95,003	n/a	(7)
Non Operating Net Sources (Uses) of Cash	103,268	35,611	67,657	190.0%	
Net Change in Unrestricted Cash	25,217	\$63,270	(\$38,053)	(60.1%)	
Ending Cash Balance-Unrestricted/Held by Mgmt Agent	\$83,976				
Ending Cash Balance-Designated	0				
Ending Cash Balance-Restricted	17,825				
Total Ending Resources	\$101,801				

- 1) Dwelling Rent was higher than budget due to higher income from residents.
- 2) Operating fund subsidy was below target as the budget assumed a higher funding amount.
- 3) Benefits were under budget, resulting in a favorable \$11.5K variance.
- 4) 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. At Cedar Grove, a bathroom had to be renovated due to a leak from a bath tub. During the renovation, mold was discovered in the wood surrounding the tub. This all had to be replaced. At Hillsvie, there was work done to the Community Room as well.
- 5) \$407K was budgeted roof repair through October for the Cedar Grove. The project came under budget resulting in a \$118K variance resulting in a lower draw from the CFP grant. This is partially offset by \$70K in unit upgrades at Hillsvie.
- 6) \$63K was drawn down from eLOCCS for operations and admin fees. Unbudgeted.
- 7) Mainly due to the decreases in grant receivable and prepaid insurance. Slightly offset by a decrease in accounts payable.

Sedro-Woolley Housing Authority
Cash Reconciliation Report
Cedar Grove
For the Period Ended October 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	\$124,412	\$89,738	\$34,674	38.6%	(1)
Operating Subsidy from HUD-PH	86,922	89,636	(2,714)	(3.0%)	
Other Operating Income	516	350	165	47.2%	
Total Operating Income	211,850	179,724	32,126	17.9%	
Salaries	(35,193)	(33,177)	(2,016)	(6.1%)	
Benefits	(11,607)	(14,534)	2,927	20.1%	
Occupancy Expenses	(124,904)	(105,370)	(19,535)	(18.5%)	(2)
Other Social Service Expenses	(24)	(321)	297	92.4%	
Administrative Expenses	(30,365)	(33,240)	2,875	8.6%	
Total Operating Expenses	(202,094)	(186,642)	(15,451)	(8.3%)	
Operating Cash Flow	9,756	(6,918)	16,674	241.0%	
Non-Operating Income	288,509	465,925	(177,416)	(38.1%)	(3,4)
Non-Operating Expenses	-	-	-	n/a	
Capital Expenditures	(310,764)	(453,991)	143,227	31.5%	(3)
Change in Designated Cash	-	-	-	n/a	
Change in Restricted Cash	(3,675)	-	(3,675)	n/a	
Transfers In/Out	-	-	-	n/a	
Others Sources/(Uses of Cash)	40,581	-	40,581	n/a	(5)
Non Operating Net Sources (Uses) of Cash	14,652	11,935	2,717	22.8%	
Net Change in Unrestricted Cash	\$24,408	\$5,017	\$19,392	386.5%	
Ending Cash Balance-Unrestricted/Held by Mgmt Agent	\$93,306				
Ending Cash Balance-Designated	0				
Ending Cash Balance-Restricted	7,375				
Total Ending Resources	\$100,681				

- 1) Dwelling Rent was higher than budget due to higher income from residents.
- 2) Carpentry expenses were \$19K over budget. A bathroom had to be renovated due to a leak from a bath tub. During the renovation, mold was discovered in the wood surrounding the tub. This all had to be replaced.
- 3) \$407K was budgeted for roof repair through October. The project came under budget resulting in a \$118K variance. One unit upgrade was budgeted for the year, but never happened. This results in a lower draw from the CFP grant.
- 4) \$19K was drawn down from eLOCCS for operations and admin fees. Unbudgeted.
- 5) Mainly due to the decreases in grant receivable and prepaid insurance. Slightly offset by a decrease in accounts payable.

Sedro-Woolley Housing Authority
Cash Reconciliation Report
Hillsview
For the Period Ended October 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	\$225,055	\$181,645	\$43,410	23.9%	(1)
Operating Subsidy from HUD-PH	167,037	258,556	(91,519)	(35.4%)	(2)
Other Operating Income	662	880	(218)	(24.7%)	
Total Operating Income	392,755	441,081	(48,326)	-11.0%	
Salaries	(104,076)	(98,563)	(5,513)	(5.6%)	
Benefits	(33,877)	(42,431)	8,554	20.2%	(3)
Occupancy Expenses	(252,094)	(177,740)	(74,354)	(41.8%)	(4)
Other Social Service Expenses	(73)	(459)	386	84.1%	
Administrative Expenses	(90,441)	(87,311)	(3,130)	(3.6%)	
Total Operating Expenses	(480,561)	(406,504)	(74,058)	(18.2%)	
Operating Cash Flow	(87,807)	34,577	(122,384)	(353.9%)	
Non-Operating Income	153,697	25,394	128,303	505.2%	(5)
Non-Operating Expenses	(1,021)	-	(1,021)	n/a	
Capital Expenditures	(113,181)	(1,718)	(111,463)	(6,487.6%)	(5)
Change in Designated Cash	-	-	-	n/a	
Change in Restricted Cash	(5,300)	-	(5,300)	n/a	
Transfers In/Out	-	-	-	n/a	
Others Sources/(Uses of Cash)	54,421	-	54,421	n/a	(7)
Non Operating Net Sources (Uses) of Cash	88,616	23,676	64,940	274.3%	
Net Change in Unrestricted Cash	\$809	\$58,253	(\$57,445)	(98.6%)	
Ending Cash Balance-Unrestricted/Held by Mgmt Agent	(\$9,330)				
Ending Cash Balance-Designated	0				
Ending Cash Balance-Restricted	10,450				
Total Ending Resources	\$1,120				

- 1) Dwelling Rent was higher than budget due to higher income from residents.
- 2) Operating fund subsidy was below target as the budget assumed a higher funding amount.
- 3) Benefits were under budget, resulting in a favorable \$8,500 variance.
- 4) 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. Carpentry expense was also higher than budget by \$15K due to work done to the community center.
- 5) Mainly due to unbudgeted \$70K unit upgrades and \$13k Hillsview Elevator Investigation project cost. As these projects were funded by CFP grant, the related grant income exceeded target. Also, \$46.8K was drawn down from eLOCCS for operations and admin fees. Unbudgeted.
- 6) Mainly due to the decreases in grant receivable and prepaid insurance. Slightly offset by a decrease in accounts payable.

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Sedro Woolley Housing Authority Historical Financial Performance

Hillview 60 Unit Elderly
Cedar Grov 20 Unit Family

	2018	2019	2020	2021	2022	2023	2024	Through Sep 2025	2026 Budget
	Actual	Actual	Actual	Actual	Actual	Actual	Actual		
Tenant Revenue-Apt. Dwell Rent	198,426	207,549	215,503	215,235	257,504	312,610	308,521	321,848	322,500
Tenant Revenue-Apt. Dwell Rent	5,760	8,703	3,989	4,630	3,015	2,788	(13,518)	(516)	4,000
Public Housing Subsidy	303,908	312,098	318,369	340,779	422,268	372,312	361,293	227,843	288,252
Other Income-Misc	1,401	20,349	1,885	2,122	3,119	1,896	1,485	1,178	1,507
Investment Income-Op Accts	4,540	8,463	2,187	238	4,518	8,047	604	(8,431)	-
Non-Operating Grants	262,433	106,013	113,038	394,962	41,723	122,933	328,291	443,048	121,975
Total Income	776,468	663,175	654,971	957,965	732,146	820,585	986,676	984,970	738,234
Salaries and Benefits	(143,115)	(154,094)	(178,574)	(208,015)	(207,671)	(214,630)	(246,515)	(169,170)	(238,057)
Occupancy Expenses-Materials & Equipment	(20,059)	(16,368)	(12,697)	(42,629)	(43,500)	(21,530)	(37,196)	(54,995)	(27,309)
Occupancy Expenses-Maintenance Contracts	(34,552)	(39,197)	(32,271)	(104,920)	(156,103)	(206,966)	(161,485)	(125,409)	(86,200)
Occupancy Expenses-Rent & Fees	(142)	(723)	(227)	(147)	(163)	(163)	(191)	-	(250)
Occupancy Expenses-Utilities	(125,920)	(138,107)	(120,758)	(149,664)	(151,595)	(162,073)	(162,742)	(125,157)	(166,459)
Occupancy Expenses-Taxes	-	-	-	-	-	-	-	-	-
Occupancy Expenses-Insurance	(4,068)	(4,679)	(8,326)	(15,048)	(16,691)	(21,170)	(26,949)	(23,474)	(30,664)
Occupancy Expenses	(184,740)	(199,074)	(174,279)	(312,409)	(368,053)	(411,902)	(388,563)	(329,035)	(310,882)
Social Service Expenses	(7,556)	(7,397)	(7,313)	(1,784)	(266)	(5,565)	(143)	(89)	(685)
Other Operating Expenses	(115,060)	(112,618)	(124,351)	(125,053)	(120,643)	(146,897)	(138,731)	(100,381)	(149,963)
Total Operating Expenses	(450,471)	(473,183)	(484,517)	(647,261)	(696,633)	(778,995)	(773,952)	(598,675)	(699,587)
YoY % Change	0%	5%	2%	34%	8%	12%	-1%		
Net Operating Income	325,997	189,991	170,454	310,704	35,513	41,590	212,725	386,295	38,647
Prior Period Expense Adjustments	-	-	-	(952)	-	(4,572)	-	(1,021)	-
Net Change in Capital Assets	(282,289)	(99,983)	(164,792)	(424,436)	(55,706)	(113,798)	(272,879)	(407,088)	(57,415)
Change in Assets/Liabilities/Equity	(28,989)	(23,245)	20,838	46,853	(27,525)	(169,544)	75,149	76,045	-
Change in Unrestricted Cash	14,719	66,763	26,500	(67,830)	(47,719)	(246,325)	14,994	54,231	(18,767)
Beginning Unrestricted Cash Balance	297,682	312,401	379,163	405,664	337,833	290,115	43,765	58,759	112,990
Estimated for remainder of 2025									24,085
Ending Balance, Unrestricted Cash	312,401	379,163	405,664	337,833	290,115	43,790	58,759	112,990	118,307

Explanations for net unrestricted cash declining since 2018:

General

HUD Public Housing subsidy has not kept up with inflation and often funded at less than 100% appropriations.

Almost all Public Housing only housing authorities have properties in disrepair due to inadequate federal funding.

HUD has not funded the construction of any Public Housing properties since 1992. HUD has attempted to transfer ownership back to local housing authorities.

SWHA buildings have continued to age where major components are needed to be repaired or replaced.

Specific

Note 1 Beginning in 2021 we began to contract out landscaping with increasing costs. Needed more reliable and quality service.

Starting in 2021, we found drug tested units at moveout that needed major mitigation, continued over the years impacting unexpected spending.

During 2021 we had a mold infested unit at Cedar Grove. Water damage and elevator major repair at Hillview.

Note 2 Insurance cost has increased faster than the rate of revenue.

Note 3 Major elevator repair in 2025 paid from Capital Fund Grant

Note 4 Shows changes in the balancesheet since we use accrual accounting

SWHA Capital Grant Programs Summary

Grant Number	Available	Spend Before	Amount Awarded	Spent on Construction	Spent on Admin & Oper	Balance
WA01P030501-19	Jun-2020	Apr-2025	220,253	176,203	44,050	-
WA01P030501-20	Jun-2021	Mar-2026	238,392	238,392	-	-
WA01P030501-21	Jun-2022	Feb-2025	249,004	249,004	-	-
WA01P030501-22	Jun-2023	May-2026	311,649	249,531	62,118	-
WA01P030501-23	Jun-2024	Feb-2027	321,271	229,949	64,053	27,269
WA01P030501-24	Jun-2025	May-2028	315,992	-	62,503	253,489



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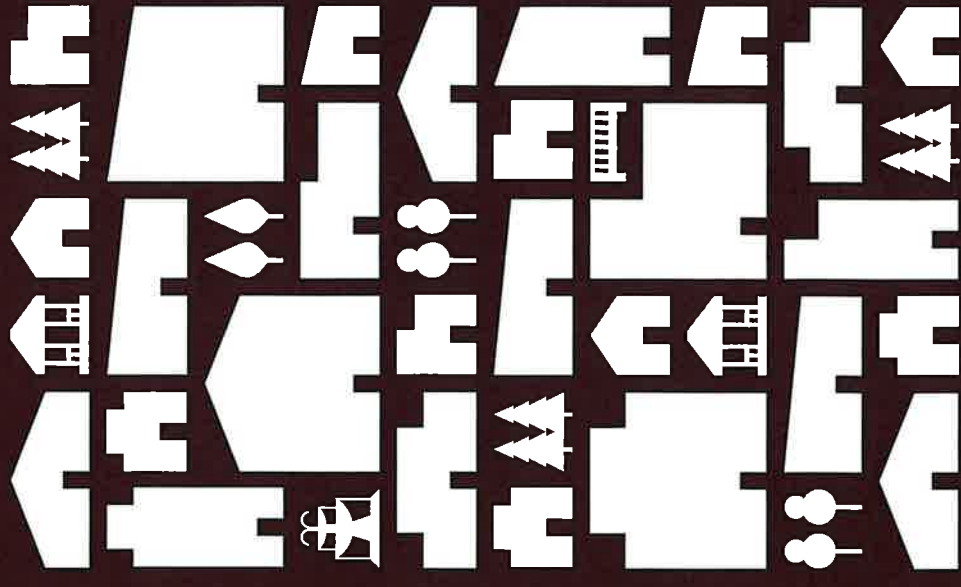
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SWHA Repositioning

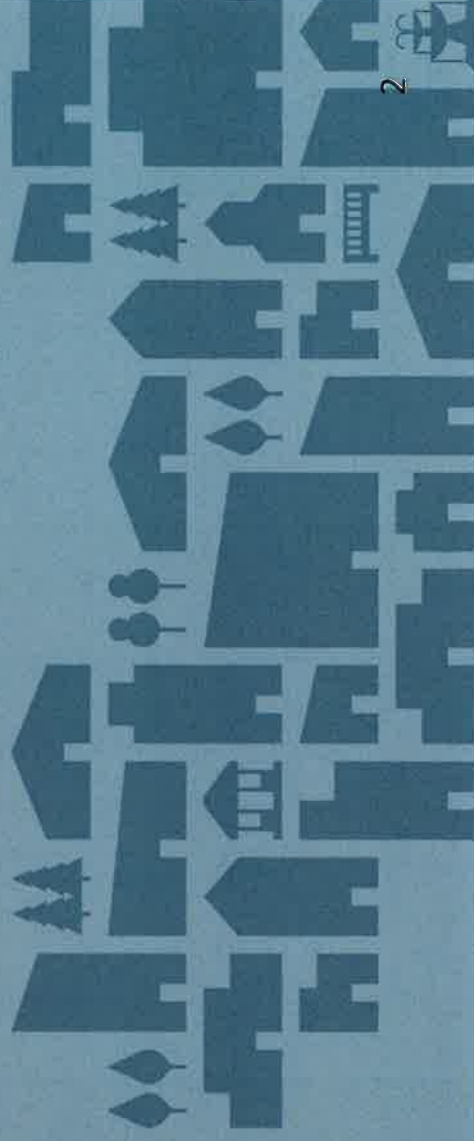
Converting SWHA's Public Housing portfolio to the Section 8 program through HUD's **Rental Assistance Demonstration Program (RAD)**

December 11, 2025



Sedro-Woolley Housing Authority

Current Situation



HillsvieW

Built in 1971

\$2.26 million
needed to address
immediate capital
repairs at HillsvieW

Immediate Capital Needs

1. Envelope Repair: **\$300K** (\$1M for full repair)
 - \$200K from 2024 Capital Fund Grant
 - \$100K from 2025 Capital Fund Grant
2. Elevator Replacement: **\$615K**
 - \$106K from 2025 Capital Fund Grant
 - \$206K from 2026 Capital Fund Grant
 - \$206K from 2027 Capital Fund Grant
3. Fire Alarm System: **\$400K**
 - \$206K from 2028 Capital Fund Grant
 - \$206K from 2029 Capital Fund Grant
4. Waste Line Replacement: **\$250K**
 - ?

SWHA won't have sufficient capital funding to replace waste lines within the next 5 years

Cedar Grove

Built in 1971

\$2.8 million
needed to address SHWA's
immediate capital needs at
Hillsvieview & Cedar Grove

Immediate Capital Needs

1. Siding and window replacement: **\$550K**
(remaining units)

- ?

SWHA won't have sufficient capital funding to replace siding and windows within the next 5 years



Funding through the **Public Housing** program hasn't kept up with the rising costs to operate and maintain SWHA's housing developments.

