

RESOLUTION NO. 2026-04

A RESOLUTION OF THE GOVERNING BOARD OF THE KING COUNTY REGIONAL HOMELESSNESS AUTHORITY ESTABLISHING A FINANCE COMMITTEE

SPONSORS: Jorge L. Barón

WHEREAS, in December 2019, the City of Seattle and King County entered into an Interlocal Agreement establishing the King County Regional Homelessness Authority (“KCRHA” or “Authority”), representing a major shift in the way the region approaches strategic planning, program development, and funding for homeless services in the Seattle-King County region; and

WHEREAS, in November 2024, the City of Seattle and King County amended the Interlocal Agreement to streamline the governance structure at the Authority to improve transparency, coordination, and oversight; and

WHEREAS, Article VIII (“Powers and Authority of the Governing Board”) of the amended Interlocal Agreement provides that it is a responsibility of the Governing Board to provide fiscal oversight, including through an annual review of year-end financial reports, and monitoring of year-to-date financials reports at least quarterly; and

WHEREAS, the City of Seattle and King County each hold Master Services Agreements with the Authority requiring it to safeguard allocated funds, establish a system of financial controls, and ensure funds are used in accordance with the terms of the agreements; and

WHEREAS, a forensic investigation completed in April 2026 found significant failures in the Authority’s internal controls and financial stewardship to the extent requiring immediate and comprehensive corrective action; and

WHEREAS, the investigation identified unreconcilable and unrecoverable cash including the growing interest of \$1.26 million, \$8 million that cannot be matched against KCRHA financial records, and \$4.26 million in administrative overspend; and

WHEREAS, KCRHA holds a negative \$62,806,126.05 balance in the King County Investment Pool as of March 2026; and

WHEREAS, Article VIII states that the Governing Board may delegate discrete powers and authorities to subcommittees; and

WHEREAS, maintaining consistent and coordinated oversight of financial systems is an integral component of maintaining trust in local government,

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BOARD OF THE KING COUNTY REGIONAL HOMELESSNESS AUTHORITY:

Section 1: Creation of Finance Committee and Primary Duties. The Governing Board hereby establishes a Finance Committee to convene and consult with the CEO and/or their delegate for the purpose of providing financial oversight, supporting fiscal health, monitoring internal controls, and making informed recommendations to the Governing Board regarding the Authority’s financial position. The committee shall:

- A) Conduct an annual review of year-end financial reports;

- B) Conduct a quarterly review of year-to-date financial reports;
- C) Monitor the progress and outcomes of any financial audits of the Authority, including those conducted by the Washington State Auditor's Office;
- D) Periodically report to the full Governing Board on the above; and
- E) Approve any new agreements that increase costs or liability where there is not existing budget authority granted. Notwithstanding this provision, the CEO may execute Continuum of Care grant agreements as approved by the Finance Committee.
- F) Develop and approve a documented exception process for the hiring of positions critical for core service delivery. The CEO shall pause on the recruitment and hiring of vacant or new positions unless approved by the Finance Committee.
- G) Define discretionary spending. The CEO shall pause on any discretionary spending unless approved by the Finance Committee.
- H) Undertake other activities that the committee considers necessary to assist the Governing Board in carrying out its fiscal oversight responsibilities, including making additional requests of the Authority to understand and address the findings from the forensic evaluation as appropriate and necessary to uphold the standards of good governance.

Section 2: Finance Committee Membership. Each respective Appointing Body shall notify the CEO of the names for that Appointing Body's selected members by 12 pm on May 1, 2026. For purposes of this Resolution, the Appointing Bodies shall consist of: 1) the King County Executive and King County Councilmembers (King County Appointing Body); 2) the Mayor of the City of Seattle and Seattle City Councilmembers (Seattle Appointing Body); 3) Members of the Sound Cities Association (Sound Cities Appointing Body); and 4) the three members with Lived Experience as contemplated in the Interlocal Agreement.

Members will be limited to the following representatives.

1. Committee Co-Chair, representing City of Seattle
2. Committee Co-Chair, representing King County
3. Committee member, representing City of Seattle
4. Committee member, representing King County
5. Committee member, representing Sound Cities
6. Committee member, Lived Experience Member

Section 3: Finance Committee Meetings and Powers. The Finance Committee shall meet at least quarterly.

KCRHA shall assign staff to coordinate, support, and advise the KCRHA Finance Committee.

At the request of the City of Seattle or King County Finance Committee members, City or County staff with expertise in financial stewardship may be consulted.

Meetings of the Finance Committee require the participation of a quorum of Committee members listed in Section 2 of this Resolution. For purposes of this Committee, quorum will constitute four of the six appointed members.

Section 5: Effective Date. This resolution shall take effect immediately upon passage.

[Results]

Yea: Aviva, Backus, Barón, Bracken, Fain, Foster, Hay, Jiang, Rinck, Wilson*, Zahilay

Nay: None

Abstain: None



x _____
Member Zahilay, Chair

ATTEST: x _____
Affiong Ibok, Clerk