HOUSING AUTHORITY OF KITTITAS COUNTY
REGULAR BOARD MEETING
Wednesday, September 15, 2021

A regular meeting of the Housing Authority of Kittitas County Board of Commissioner was held Wednesday, September 15, 2021, at 107 W 11th Ave, Ellensburg, WA 98926, held by zoom conference call.

Commissioners Present:
Nicalee Smith, Chairperson via Zoom
Carol Rhodes, Commissioner via Zoom
Rob Perkins, Vice Chairperson via Zoom
David Hull, Commissioner via Zoom

Absent:
John Little, Commissioner

Staff Present:
Jennifer Ellis, Executive Director
Katie Haggin, Operations Supervisor

Guests:
Amy Allred, CLA accounting

OPEN REGULAR MEETING AND INTRODUCTIONS

Chairperson Smith called the meeting to order at 7:03 a.m.

MINUTES

Commissioner Hull motioned to approve the August 18,2021 minutes of the regular meeting, seconded by Commissioner Rhodes. The motion passed unanimously.

CONSENT AGENDA

The Commissioners reviewed the August, 2021 Vouchers and August 2021 Project and Activity Status Reports and found no voucher irregularities or other irregularities. Commissioner Perkins moved to approve the consent agenda, Commissioner Hull seconded. Motion passed unanimously.

DECEMBER 2020, JANUARY – JULY 2021 FINAL FINANCIAL REPORTS

Amy Allred from CLA provided a summary as to the final financials for approval and outlined what changes had occurred with those financials from draft to final form. Allred noted that with the closing out of projects at the end of 2020 that they were specifically waiting to issue final financials until the audits were complete, which occurred in late April, 2021. The costs in Construction in Progress were roughly $10 million to $12 million. Once the final cost certifications for the tax credit properties were completed, those costs were captured into actual accounts and site improvements. Further, with the issuance of the 8609s and the cost certifications, a lot of expenses that needed to be accrued had not yet been received but they were certain enough for accrual. Some examples of those expense included audit costs (roughly $10,000) and expenses to WSHFC – which were costs to be paid and created a liability. There were also adjustments of interest and appreciation and once that information was formalized in the end of April, CLA had to go back through all previous months and re-adjust.

Chairperson Smith asked if there was any significant impact of COVID-19 on rent received from tenants. Katie Haggin noted that while there had been some delinquent rent that for the most part, HAKC had not been significantly impacted by COVID-19 with respect to rent received due to the additional rental assistance resources they had utilized. Staff has continued to work with tenant to make sure they were aware of resources available and communicate with them about regarding the status of the same. Haggin also noted that since the rent was income-based when folks experienced a loss of income they were able to submit a change of income form for rent to be adjusted accordingly. Chairperson Smith noted that with all of the projects ongoing there was a lot of financial information and complications to wade through and was hopeful that with the finals and adjustments having been made that future financials would be fairly streamlined moving forward. Chairperson Smith expressed appreciation for the work required to get the financials in final form.

Having no further discussion, Commissioner Hull moved to approve the December, 2020 and January through July, 2021 financial reports. Commissioner Rhodes seconded. The motion passed unanimously.

INFORMATION ITEMS

- Executive Director Report –

  Permanent Loan Conversion – Ellis noted that HAKC is working near daily with CHASE Bank to make sure they have the information required for conversion of the construction loans to permanent loans. Conversion is scheduled for the end of the month for Kittitas RAD and the beginning of October for Alder Terrace, which also coincides with the third and fourth equity installments from CREA. Currently the big push is to make sure that CHASE Bank has the information they need and to assure that the partnerships have met their requirements for conversion. HAKC is having weekly calls with CHASE, headed by Charlene of Brawner. If, for any reason HAKC is unable to meet the conversion dates, we will be discussing any possible extensions with CHASE and CREA, but the goal is to meet the deadlines for conversion on schedule.

  Placed in Service – Final 8609s were issued for Alder Terrace and have been incorporated into the Alder Terrace 2020 tax return prepared by our accountants at Novogradac. HAKC is awaiting the signed 8609s for Kittitas RAD from the Washington State Housing Finance Commission (WSHFC), which will then also be completed and incorporated into the Kittitas RAD tax return for filing. The deadline for submission of the 8609s is today so HAKC is anticipating having those completed, signed and forwarded to CREA today.

  Operations and Maintenance: Ellis noted that with COVID-19 increase in the community, the office remains open but closed to the public and that HAKC staff is trying to minimize in person contact while in the office. Additionally, work orders for maintenance are going back to the more urgent and priority work orders to reduce the time that maintenance staff will be in tenant units. Ellis is updating the action plan to reflect these changes.

  Haggin noted that there will be a budget revision coming back to the board for approval that was necessary after discussions with CHASE Bank to assure that the tax credit properties were meeting the appropriate and required debt service ratio. Ellis also noted that in discussions with CLA earlier in the year, there had been the discussion related to potential budget revisions and that HAKC would circle back around to CLA on those points to present a comprehensive budget revision. Haggin noted that it may need to be brought to the Board for approval via special meeting if necessary before the October board meeting.

  Wage Study Information – HAKC has received the initial request for information from the firm (Nelrod) selected to do the wage study and benefits comparison study. Commissioner Perkins asked how Nelrod would select entities by which to compare benefits and who would be considered. Ellis noted that HAKC would be providing the entities and then Nelrod would reach out with their letter and questionnaire to seek out the information requested. Ellis noted they had considering forwarding information for various local governmental, quasi governmental and municipal type entities in the area and that a representative from Nelrod had also given some guidance about reaching out to other housing authorities in neighboring communities as well. Ellis will forward that list to Commissioner Perkins in the event he has any additional suggestions.

  Website – Ellis noted that the HAKC website is up and running at hakittias.org and encouraged the Board to visit the same. Ellis stated that she had asked the security related questions posed by Commissioner Perkins and confirmed that the website is not directly tied to HAKC's server and thus did not increase any notable security risk for the agency. At this time, Ellis will be monitoring the updated information that needs to be provided for the website and NWMedia, who designed the website, will handle the hosting duties for the same. HAKC has discussed some additional features that it may want to add including photographs for "virtual tours" of units at the various complexes.

  Brawner presentation – The Brawner Team is planning to provide a final presentation for the Board on the tax credit properties at the October 20, 2021 board meeting. Brawner intends to

show the final financial picture for the projects as well as before and after related to construction and unit rehabs. Commissioner Perkins noted that it may be an appropriate time to include a Resolution of Appreciation to the Brawner team for all of their hard work and assistance throughout the process. Ellis stated that she could prepare the same for presentation at that meeting. Chairperson Smith inquired as to if we may be able to have the October board meeting in person in the conference room. Ellis noted that she and Chairperson Smith could discuss that possibility once closer in time to the meeting and that it would be a nice option, particularly if Brawner is presenting.

Chairperson Smith asked if there was any additional information or questions to address at the meeting. Having no further business Commissioner Hull moved to adjourn and Commissioner Perkins seconded. Motion passed. Chairperson Smith ADJOURNED the meeting at 7:43 a.m.

Next Meeting: October 20, 2021, 7 A.M. Regular Meeting
Minutes respectfully submitted by Jennifer Ellis, Executive Director

SEAL:

ATTEST

Jennifer Ellis, Secretary

Nicalee Smith, Chair