HOUSING AUTHORITY OF KITTITAS COUNTY
REGULAR BOARD MEETING
Thursday, June 20, 2024

A regular meeting of the Housing Authority of Kittitas County Board of Commissioners was held Thursday, June 20, 2024, at 107 W 11th Ave, Ellensburg, WA 98926, held in person and by zoom conference call.

Commissioners Present:
Nicalee Smith, Chairperson
Rob Perkins, Vice Chairperson
Carole Rhodes, Commissioner

Absent:
John Littel, Commissioner (excused)

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

Guests:
Lily Frey, City of Ellensburg, Housing and Grants administrator

OPEN REGULAR MEETING AND INTRODUCTIONS

Chairperson Smith called the meeting to order at 7:00 a.m.

COMMENTS FROM THE PUBLIC AND GUESTS

There were no comments from the public or guests.

MINUTES

Vice Chair Perkins moved to approve the May 15, 2024 minutes of the regular meeting, seconded by Commissioner Rhodes. The motion passed unanimously.

CONSENT AGENDA

The Commissioners reviewed the May 2024 Vouchers and Project and Activity Status Reports and found no voucher irregularities or other irregularities. Commissioner Rhodes moved to approve the consent agenda, Vice Chair Perkins seconded. Commissioner Rhodes asked for clarification on the reports regarding units awaiting payment from Yakima Housing Authority versus Section 8. Haggin explained the delay in receipt of some HAP payments from YHA due to time to process new move ins and some residual delay due to the software update. Haggin also clarified that YHA and Section 8 were one in the same and that she had inadvertently labeled them differently in the reports. There being no additional questions, the motion passed unanimously.

DECEMBER 2023 and JANUARY 2024 FINAL FINANCIAL REPORTS

Ellis outlined the February and March 2024 financials, noting some significant expenses noted and variances from the budget due to larger, non-recurring expenses as well as lower maintenance salary amounts due to a former staff member resigning in March and the reduction of the Maintenance Supervisor position to Maintenance Repairer. Commissioner Rhodes moved to approve the February and March financials. Vice Chair Perkins seconded. There being no additional questions or discussion, the motion passed unanimously.

INFORMATION ITEMS

- Executive Director Report –

  Operations and Maintenance Update

  Haggin provided an update as to the submission of WBARS for the Washington State Housing

Finance Commission. WBARS submissions are done in January regarding new tenants and move ins and in June for financials.

Audits
HAKC's 2023 agency audit is currently underway. Information has been submitted to the auditor, Novogradac, and HAKC is working to provide the information needed so that they can move forward and complete the audit.

The State Auditor's Office submitted their CPA Review Close Out letter to HAKC for HAKC's 2022 agency audit, confirming that they had no concerns with the audit documentation and related reports and accepted the agency's audit from 2022 as meeting the requirements under state law.

AWHA quarterly conference
Ellis noted that she was able to virtually attend a portion of the AWHA quarterly conference that was held in Wenatchee, primarily learning about state and federal legislative updates.

After the quarterly meeting, an email was circulated about the formation of a development affinity group amongst housing authority development staff to discuss development activities and share ideas and information. Ellis had sent an email requesting to also be a part of the group for future development discussions.

Wage Study
Two proposals were received in response to the RFP for the wage study. Ellis noted that there was significant disparity between the two proposals in terms of cost and that the benefits analysis portion was the largest expense in the proposals. Vice Chair Perkins stated that while the benefits' portion might be the most expensive component, he felt it was an important component to have analyzed given that it was such a significant part of the compensation of employment with HAKC. He also wanted to assure that HAKC was still in alignment with what is being offered. He asked if HAKC could inquire if the benefits analysis could be limited to medical/dental as opposed to a full evaluation. Ellis stated that she would inquire as to whether or not the benefits portion could be broken down further as to cost.
The Board discussed how the wage study was handled previously in terms of the creation of the subcommittee and how the subcommittee assisted in contacting comparable local agencies. Once a proposal is selected, Ellis will bring back the issue for the Board to determine if a subcommittee is necessary.

Communication with Greg Williamson at DCYF
Ellis had reached out to Greg Williamson of DCYF after he introduced himself to the office as he works with the Foster Youth to Independence (FYI) and Family Unification Program (FUP) vouchers. He responded that he would be communicating with other individuals to schedule a meeting to discuss the programs and also sent over a template Memorandum of Understanding (MOU) as well as reaching out to the contact individual at Catholic Charities. Ellis will pursue additional communication about the programs.

Management Fees
HAKC discussed the increase of management fees for the Kittitas RAD and Alder Terrace properties with Ben, the asset management at CREA. CREA's main focus is assuring that the maintenance fees are supported by Operations and that the fees are within an acceptable range of 5% to 12%. He noted that management fees can be revisited at any time and that they will still look at the Debt Coverage Ratio. HAKC elected to accept the proposal from CREA as to the increase in Kittitas RAD from 5.45% to 8.5% and an increase at Alder Terrace from 6.69% to 7.1%. CREA provided a timeline for review of the proposed increase and will also review the 2023 partnership audits.

A/C Units
Haggin discussed the current status of the a/c units serving the portfolio and cost concerns regarding the significant and frequent repairs to the systems. Haggin noted that one of the systems had to be completed replaced as the a/c units that were installed through construction

are no longer in production. Ellis discussed the annual costs that have been experienced since 2021 and noted that she will forward the updated spreadsheet of costs to the Board for further discussion. Haggin proposed that when units are vacated with a problematic a/c, that it not be replaced, noting that while a tenant is occupying the unit, the a/c units must be operable.

Crestview purchase

Commissioner Rhodes inquired about the Crestview purchase. Ellis noted that it had occurred at the end of May with Crestview Terrace Community Partners LP and that it appeared that the tax credits were awarded to assure it's continuance as a tax credit property. Ellis noted that there had been some communication from Crestview's consultant initially regarding the tax credit application process and their temporary relocation plan. HAKC had also fielded calls from tenants at Crestview concerning increased rent and the status of the closing.

Haggin noted that information regarding increase of rent was physically displayed at the property and that it appeared Section 8 was being administered through a housing authority out of the county as the rental amounts did not appear to comport with what is allowed in Kittitas County. It was discussed that hopefully more communication about the status of the project would be forthcoming and that they would have success in their remodeling of the premises.

There being no additional comments or questions from the Board, Chairperson Smith stated that the next meeting would be on July 17, 2024. Vice Chair Perkins moved to adjourn the meeting with Commissioner Rhodes seconding. Motion passed. Chairperson Smith ADJOURNED the meeting at 8:06 a.m.

Next Meeting: August 21, 2024, 7 A.M. Regular Meeting
Minutes respectfully submitted by Jennifer Ellis, Executive Director

SEAL:

Nicalee Smith, Chair

ATTEST

Jennifer Ellis, Secretary