HOUSING AUTHORITY OF KITTITAS COUNTY
REGULAR BOARD MEETING
Wednesday, November 19, 2025

A regular meeting of the Housing Authority of Kittitas County Board of Commissioners was held Wednesday, November 19, 2025, at 107 W 11th Ave, Ellensburg, WA 98926, held in person and by zoom conference call.

Commissioners Present:
Rob Perkins, Chairperson
John Little, Vice Chairperson
Nicalee Smith, Commissioner

Absent:
Carole Rhodes, Commissioner

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

Guests:
Chauntelle Kruger

OPEN REGULAR MEETING AND INTRODUCTIONS

Rob Perkins, Chairperson, called the meeting to order at 7:02 a.m.

COMMENTS FROM THE PUBLIC AND GUESTS

There were no comments from the public or guests.

SEPTEMBER 17, 2025 MEETING MINUTES

Commissioner Smith moved to approve the September 17, 2025 meeting minutes. Vice Chair Littel seconded. There being no additional comments or questions, the motion passed unanimously.

CONSENT AGENDA

The Commissioners reviewed the September 2025 Vouchers and Project and Activity Status Reports and found no voucher irregularities or other irregularities. The Commissioners reviewed the October 2025 Vouchers and Project and Activity Status Reports and found no voucher irregularities or other irregularities. There being no additional questions or comments, Commissioner Smith moved to approve the consent agenda, Vice Chair Littel seconded. There being no additional questions, the motion passed unanimously.

AUGUST 2025 AND SEPTEMBER 2025 FINANCIALS

Ellis noted the existence of a larger contractor expense in August in connection with third party contractor expenses for full exterior painting at Cherry Lane, but that the expense had been approved to be reimbursed out of reserves by CREA and had been submitted to Chase Bank with a reimbursement request that had been granted. Katie Haggin, Operations Supervisor, also noted that the change in the layout of the financial statement with operating versus non-operating expenses. Vicechair Littel moved to approve the August 2025 and September 2025 financials and Commissioner Rhodes seconded. There being no additional questions or comments, the motion passed unanimously.

RESOLUTIONS AND ACTION ITEMS

a. RESOLUTION 25-1009 – Resolution Adopting Operating Budget for the Housing Authority of Kittitas County for the 2026 Fiscal Year – January 1, 2026 through December 31, 2026 (Alder Terrace). Ellis outlined the proposed budget and highlighted specific areas where there was more significant change from the 2025 years' budget and explanation for the same. Ellis discussed the proposed rents for 2026 that would remain at the 2025 levels as the payment standards issued by Yakima Housing Authority would be the same for 2026 as they were for 2025, which had been communicated by YHA on a call the previous day. Ellis outlined the basis

for the administrative salary increase (merit increases and COLA increase of 2.8%), increases in postage due to certified mail requirements and increases in travel. Ellis and Haggin also explained the increase in maintenance salaries to compensate for an additional maintenance position to reduce third-party contractor costs, such as landscaping, as well as meeting additional maintenance demands for HAKC and its properties. Ellis outlined the remainder of budget changes in maintenance expenses as well as insurance. Board members discussed cost savings, the addition of the maintenance position as well as overall operating revenue versus operating expenses and questions regarding net loss and distributable cash flow. Chair Perkins inquired as to if there was any impact from the budget on management fees paid to HAKC. Ellis discussed the standards for establishing management fees, noting that she was not aware that there would be a direct connection between the budget and the approved rate for the management fees. fees. Commissioner Smith moved to approve the resolution. Vicechair Littel seconded. There being no further discussion, roll call was taken and the resolution passed unanimously.

b. RESOLUTION 25-1010 – Resolution Adopting Operating Budget for the Housing Authority of Kittitas County for the 2026 Fiscal Year – January 1, 2026 through December 31, 2026 (Kittitas RAD). Ellis outlined the proposed budget and changes. Haggin discussed the basis for the rent increases for Kittitas RAD in conjunction with the Operating Cost Adjustment Factor (OCAF). Ellis noted the expense increases and the basis for the same as well as the reductions and reiterated the increase in maintenance salary for the additional position with correlating reduction in contracted maintenance costs for landscaping. In connection with Chair Perkins' inquiry regarding management fees and cash flow, Haggin spoke to the net distributable cash flow for the partnerships and how cost savings can potentially come back to HAKC through the same and how management fees factor into receipt of the same by HAKC. Haggin will submit information relating to the cash flow model with the HAKC budget at the December meeting. Commissioner Smith moved to approve the resolution. Vicechair Littel seconded. Chair Perkins noted that if there were any proposed trainings for Board members that the information should be submitted to him so it could be incorporated into the upcoming HAKC budget discussions. There being no further discussion, roll call was taken and the resolution passed unanimously.

INFORMATION ITEMS

- Chairperson Report – Chairperson Perkins discussed the strategic plan discussion from October 15 with staff and changes and modifications that had been discussed at that time. Chair Perkins formalized the changes from the discussion in a new spreadsheet. The Board discussed what Board action, if any, was necessary with modifications or changes to the plan. Ellis referred back to the resolution language regarding the fluidity of the plan. Chairperson Perkins expressed his desire to make sure all Board Members were aware of any changes and on the same page about the same and how to achieve that through board action. The Board discussed and agreed that changes could be made to the plan and if there were subsequent objections or discussion, the same could take place at a subsequent board meeting. The Board directed that Ellis transmit the plan and the outlined changes to staff.

- Executive Director Report –

  Operations and Maintenance Update

  Ellis updated the Board on the Maintenance Lead position being filled by Guy McFadden who brings to HAKC a wealth of knowledge in maintenance and rehabilitation work. McFadden has already completed some significant work for HAKC that has been a significant benefit and is helping train and expand the skills of existing maintenance workers. Haggin noted that he has good rapport with the maintenance team.

  There is alarm panel replacement work being done at the senior site in Kittitas- which is a larger scale replacement of an older system that has been handled through Inland Alarm. This work will also be submitted for approval of payment out of reserves.

  Insurance
  Ellis discussed the increase HAKC will be experiencing (17% increase) for its medical insurance plans offered through WCIF. The 17% increase reflects the 4% discount HAKC received for its participation in the wellness program. Haggin noted the increase of the employer contribution was

built into the budget figures at 15%. A separate resolution will be presented to the Board regarding the increase in contribution.

Audits
HAKC's agency audit for 2024 has been finalized. The audit has been sent to the State Auditor's Office (SAO) for its review. An exit interview with Novogradac and the Board for the 2024 audit will be scheduled, likely at the December Board meeting. Representatives from SAO will also attend that exit interview.

SAO will also be conducting the accountability audit for HAKC for 2022, 2023 and 2024 and doing site work for the audit at HAKC. The last accountability audit conducted by SAO was done at the end of 2022/early 2023 for the years 2020 and 2021.

2025 Partnership audits for Alder Terrace and Kittitas RAD are underway with preliminary items being submitted to Novogradac who is preparing the same.

HARRP
Property insurance premiums will decrease by at least 3.2% from last year's rate without changes in coverage limits for the partnerships. The decrease is also reflected in the 2026 budget.

Pine Terrace
There is a new regional property manager for Pine Terrace, Matthew Stibbs, from AdWest. Ellis had a call with Stibbs and the on-site manager last week. There are additional repairs for the roof dormers that will need to be done and Ellis had discussions with Stibbs and the on-site manager regarding the public works requirements for the projects.

AWHA
Ellis remotely attended the first day of the AWHA quarterly conference, which included good topics and discussion, particularly related to changes in State laws affecting housing authorities and their operations.

Discussion with Yakima Housing Authority
Ellis and Haggin had a brief call with Lower Krueger of Yakima Housing Authority (YHA) regarding the HAP outstanding as well as questions connected to rent changes at Alder Terrace. HAKC was able to get additional information regarding payment standards for 2026 that affect rents at Alder Terrace. HAKC raised concerns regarding the outstanding HAP that, as of the end of October, was $16,000.00. YHA stated that there had been issues with HAKC timeliness but did not give specifics. The information will be discussed at a subsequent call between Ellis and Krueger and Ellis will be submitting the information to YHA to confirm HAKC's timeliness in transmitting that information as well as setting up recurring quarterly calls to stay on top of any issues with HAP administration or communication barriers.

- Commissioner Report – There were no commissioner reports.

There being no more formal business to conduct or discussion, comments or questions, Commissioner Smith moved to adjourn the meeting. Vice Chair Littel seconded. Motion passed. Chairperson Perkins ADJOURNED the meeting at 8:06 a.m.

Next Meeting: December 17, 2025, 7 A.M. Regular Meeting
Minutes respectfully submitted by Jennifer Ellis, Executive Director

SEAL:

Rob Perkins, Chair

ATTEST

Jennifer Ellis, Secretary