

**KITTITAS COUNTY
FINANCE STUDY SESSION MINUTES
BOCC CONFERENCE ROOM, 205 WEST 5TH ROOM 108 - ELLENSBURG
Regular Meeting**

THURSDAY	1:30 PM	February 19, 2026
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Board members present: Cory Wright Chairman, Brett Wachsmith Commissioner

Staff: Bryan Elliott Auditor, Zack DeHaven, Andrew Yoder, Patti Stacey, Chad Bala, Josh Fredrickson, Reid Burbank, Amy Cziske Treasurer, Lisa Murray, Mandy Buchholz

Others: Pat Kelleher

1. Call to Order

2. Citizen Comments (1 min. time limit) None

3. Review of Rodeo Grandstands Change Orders (Discussion / Decision)

During the meeting, Ms. Stacey provided an update on the Rodeo Grandstands project, noting that change orders for 7R2 and 22 are still pending. The 7R change order decreased from \$900,000 to \$678,000, and additional arena safety steps are estimated at approximately \$4,000. Change Order #16 covers overtime and additional work beyond the original concrete and door scope. Steel will be delivered to the site 3/16.

The BOCC requested formal documentation for all pending change orders.

4. Community Development Services Update (Discussion)

Mr. DeHaven provided an update on the CDS Fund, reporting that permit fees have decreased while staff costs have increased, resulting in a reduction in fund balance. The Director's salary will be partially shared with the General Fund (15%) due to split supervision. This was past practice and will be reinstated. The director has also secured a \$250,000 grant that can be used for staff salaries. Discussion focused on fund allocations and sustainability.

The BOCC acknowledged the update; no formal action was taken, but the direction and changes will be reflected in a future budget amendment.

4. REET II Current Assignment and Potential Alternatives to Address current Needs (Discussion / Decision)

Mr. DeHaven reviewed the REET II staff report, providing historical context, current uses, and trends in the REET fund. Chairman Wright requested further exploration of Operations & Maintenance (O&M) uses for 2027, and a Parks & Recreation projects deep dive will be added to a future study session.

APPROVED
3/3/26

The BOCC acknowledged the report, noting that a budget amendment will formalize the direction for REET II usage.

5. Unemployment Fund Update and Reinstatement of Employer side Deduction (Discussion)

Mr. Yoder provided a historical overview of the unemployment fund and noted that missed payments identified during the 2024 Accountability Audit total \$53,000. These payments can be absorbed by the existing fund balance.

The BOCC directed Finance to reinstitute the 0.1% employer side deduction, this will be formalized with a resolution at an upcoming agenda.

6. Strategic Priorities for 2027 Budget Development Process (Discussion):

Item was moved to last on the agenda. Auditor Elliott briefed the BOCC on the proposed timeline for the 2027 budget process, and the Board confirmed its continued support of the schedule. Discussion focused on optimizing the meeting calendar and setting clear expectations for family meetings. The Board indicated a preference for establishing a defined review period followed by a designated decision day, rather than spreading decisions across multiple meetings leading to confusion.

The BOCC expressed support for utilizing the Pro Forma calculation methodology and favored placing a cap on total budgeted expenditures to achieve a cumulative zero-deficit budget aligned with projected revenues. A zero-deficit budget was considered for 2026 but shelved due to the magnitude of the cuts required. The board would like to see this executed for the 2027 budget year.

Auditor Elliott shared his preference to formalize interdepartmental agreements to help ensure continuity of service levels beyond his tenure as Auditor.

Chairman Wright introduced the WASAC survey and the possibility of presenting the results at this year's budget retreat. Auditor Elliott and Mr. DeHaven expressed strong support for sharing the findings with broader county leadership during that session.

Auditor Elliott provided a brief review of the prior year's budget priorities. During the discussion, Commissioner Wachsmith expressed interest in developing Fund Balance policies for funds beyond the General Fund, noting the potential value for committee funds particularly.

Auditor Elliott also proposed forming a capital facilities work group. This group would help establish a direction for this effort and clear some of the exploration hurdles before engaging with outside planning groups. This would minimize costs and also ensure that direction was well informed prior to the outlay of funds. The BOCC expressed interest and directed staff to move the initiative forward.

Finally, Auditor Elliott emphasized the importance of preparing in advance for the 2028 labor negotiations. Noting that what happens with exempt employees and elected officials will set the stage.

Chairman Wright and Commissioner Wachsmith selected a few priorities but did not want to finalize the list until Commissioner Osiadacz had an opportunity to weigh in. The priorities identified were a zero-deficit General Fund Budget and a plan to divest from the Morris Sorenson and Permit Center buildings, including the formation of the aforementioned work group.

7. Approval of Signature on Agreement - CPA (Discussion / Decision)

Mr. DeHaven presented the engagement letter for the continuation of an agreement for services with the existing CPA, with Auditor Elliot highlighting her successful track record, including three timely audits with \$0 in costs questioned.

Commissioner Wachsmith moved to approve the Budget and Finance Director's Signature on the contract, Chairman Wright seconded, and the BOCC approved.

8. Signature on Upper County Senior Center Contract 2026 (Discussion / Decision)

The Upper County Senior Center contract was reviewed for a second time, with minor contractor-requested changes.

Commissioner Wachsmith moved to approve, Chairman Wright seconded, and the BOCC approved the contract.

9. Penny Shortage (Discussion)

Treasurer Cziske provided guidance to County departments on accepting only exact change for transactions and will issue a press release to communicate the policy to the public.

10. Resolution Authorizing BOCC Closure Feb 25-27 (Discussion / Decision)

Commissioner Wachsmith moved to approve, and Chairman Wright seconded, and the BOCC approved.

11. Other Business - None

12. Concluded

OTHER BUSINESS

Meeting adjourned at 2:35 PM

 BFO 2/20/26

Zack DeHaven

**KITTITAS COUNTY COMMISSIONERS
KITTITAS COUNTY, WASHINGTON**



Cory Wright, Chairman