



Meeting of the Finance & Audit Committee
Tuesday September 8, 2015
4:00-5:25p.m.
 Quarters 2 Building, Beacon Hill Campus
 1200 12th Ave South Seattle, WA

MEMBERS PRESENT		NOT PRESENT	ALSO PRESENT	
Rhonda Berry (at 4:20)	Tony McLean (at 4:24)	Bob Cook	Jeff Natter	Mike Heinisch (at 4:37)
Nate Dreon	Doris Koo (at 4:26)		Christina Bernard	Judy Tobin (at 5:20)
Paul Feldman			Rikka Dayao	

Nate Dreon called the meeting to order at 4:10 p.m. A quorum was not present. There was no public comment.

Financial Stewardship

Investment Update

The Committee reviewed the PHPDA’s current investments and year-to-date interest income.

Review of RCWs related to investments

The Finance & Grants Manager presented to the Committee the RCWs Related to Investments and noted that per the PHPDA’s Investment Policy, the Finance Committee reviews the RCWs governing PHPDA’s investments on an annual basis. She advised that there have been no changes to the policy or the relevant RCWs.

Update on research into Program-related loans and other options

The Executive Director provided an update on research into Program-related loans (PRL) and other options. At this time, there are no recent updates on the progress of research and PRL; however; he will be having a meeting with the Executive Director of Building Changes for further discussion on their experience with PRL and other options. The Executive Director will have an update after the meeting which is happening this week.

After the arrival of Rhonda Berry, a quorum was present for the remainder of the meeting.

Minutes

The August 11, 2015 Finance & Audit Committee meeting minutes were approved (Moved/2^{nded} by Feldman/Berry, 4 of 4 in favor).

Financial Stewardship

July 2015 Financials

The Committee reviewed and accepted the July 2015 financial statements (Moved/2^{nded} by Berry/Feldman, 5 of 5 in favor).

Resolution on CD investments (Res. 10-2015)

The Finance & Grants Manager discussed with the Committee the annual authorization needed per Res. 10-2015 to reinvest some or all of those CDs that mature prior to September 2016 at current or other banking institutions. It is a renewal of the Resolution presented in 2014 and prior years.

The Finance Committee forwarded the renewal of CD investments to the Governing Council for vote (Moved/2^{nded} by Koo/Feldman, 5 of 5 in favor).



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Account(s) for Pacific Tower and Property Reserve Fund

The Finance & Grants Manager consulted with PHPDA's legal counsel regarding the Pacific Tower and Property Reserve Fund and the designation of last month's authorized \$5 million amount.

The Finance Committee voted that the \$6,124,156 currently designated as Pacific Tower and Property Reserve Fund be dispersed among current and future authorized PHPDA bank and investment accounts and not in segregated account(s). The fund will continue to be monitored and designated in the net assets section of PHPDA financial statements. (Moved/2nded by Feldman/McLean, 5 of 5 in favor).

Grant Management

2014 Major Grant Final Financial Reports

The Finance & Grants Manager reported that all unexpended funds from grantees have been sent back to the PHPDA and that even with unused money, the grantees stayed fairly close to projected budget expenditures. The Treasurer noted that overall the final financial reports were positive and the Executive Director added that the PHPDA is very happy with the first year of Major Grants. Within the next month the Finance & Grants Manager and Grants Coordinator will be auditing four grantees and their programs.

Unexpended Grant Funds

The Finance & Grants Manager brought up for discussion the use(s) of unexpended grant funds in future years. In regards to this granting year, the unexpended funds will essentially balance out overbudget spending in the last cycle of Nimble grants. The overall granting expense will be on budget. Several ideas of what to do with the funds were brought up, but ultimately the Committee discussed that it would be fitting to decide on what to do with future unexpended funds on a case by case basis depending on, for example, what might be needed to maintain/grow reserve funds or what funding areas/goals are unmet, etc.

Grantmaking

2016 proposal review panels

The Finance & Grants Manager reviewed the upcoming year's grants calendar with the Committee to provide an idea of which review panels they would like to participate in. She requested that they forward their top two choices for participation by early October before the first cycle of 2016 Nimble Funds is due in November.

Personnel

Executive Director Salary Review process

The Finance & Grants Manager advised the Committee that Executive Director Salary Review process should be performed every three to five years, with the PHPDA's last one being in 2011. Previously, a firm was hired to research and determine the salary range of the Executive Director. It was suggested that this time around the review process could look into the total compensation with benefits like PTO, retirement contribution, medical and dental benefits, etc. to provide more of a comparison to other non-profits. Board members and staff will look back at the 2011 Executive Director Salary Review and perform further research to see what would be the best process for this upcoming review.



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Adjournment

The meeting was adjourned at 5:24 p.m.

Minutes approved: _____

(Date)