



**Meeting of the Finance & Audit Committee**  
**Tuesday October 9, 2012**  
**4:00-5:30 p.m.**  
 Quarters 2 Building, Beacon Hill Campus  
 1200 12<sup>th</sup> Ave South Seattle, WA

MEMBERS PRESENT		NOT PRESENT	ALSO PRESENT
Marite Butners	Theresa Rambosek	Jackie Wolfe	Rosemary Aragon
Kevin Fox	Nate Dreon (from 4:14)		Christina Bernard
Erica Floyd			Steve Wood (from 5:00)

Marite Butners called the meeting to order at 4:08 p.m. A quorum was present. There was no public comment.

**Minutes**

The September 11, 2012 Finance & Audit Committee meeting minutes were approved (Moved/2<sup>nded</sup> by Fox/Rambosek. 4 of 4 in favor).

**Financial Stewardship**

*August 2012 Financials*

The Committee reviewed and accepted the August 2012 financials (Moved/2<sup>nded</sup> by Rambosek/Fox. 4 of 4 in favor).

*Investment Update and Report on CD re-investment*

The Finance & Program Analyst updated the Committee on PHPDA's investments and year-to-date interest income, as well as two CDs that were renewed since the previous meeting.

*2012-2013 Cash flow projection*

The Committee reviewed the cash flow projection for 2012 and 2013, which outlines the projected monthly balances for the PHPDA checking and investment accounts.

*2013 Budget*

Chair Marite Butners presented the draft 2013 budget, noting a few income and expense items that have changed from 2012. The Committee discussed several items, primarily the budget for the Tower operating expenses and reimbursement. Funds are included for the Executive Director search process in 2013. The Planning Committees recommendations regarding programmatic funding were noted. The budget will be reviewed again in the coming months and the final version will be brought to the December Governing Council meeting for approval.

*2012-2017 Revenue and Expenditure Scenarios*

The Finance & Program Analyst presented updated revenue and spending projections covering 2012-2017.

**Tower**

*Update*

The Executive Director updated the Committee on information regarding the Tower.

The Committee discussed whether they should set up a line of credit for expenses that may arise in the future. They asked staff to communicate with the PHPDA's bank on the options and report their findings at the next Committee meeting.



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The Committee then reviewed the draft December 31, 2010, the certified December 31, 2011, and the certified June 30, 2012 financial statements provided by WRC.Com Tower LLC. They discussed several questions they had regarding the information, particularly regarding the fixed assets, as well as several options for having their questions answered and the value of determining the answers. They also discussed the need to receive a detailed fixed asset schedule to assist in answering their questions, as well as to outline the full list and value of the fixed assets that the PHPDA will receive in the termination of the lease. They also discussed having the PHPDA auditors review the financial statements and determine what other questions are relevant.

The Executive Director briefly discussed the proposed lease termination agreement with WRC.Com Tower LLC that will be addressed at the subsequent Governing Council meeting.

**Adjournment**

The meeting was adjourned at 5:26 p.m.

Minutes approved: \_\_\_\_\_

\_\_\_\_\_  
(Date)