



**Meeting of the Finance & Audit Committee**  
**Tuesday December 11, 2012**  
**4:00-4:55 p.m.**  
 Quarters 2 Building, Beacon Hill Campus  
 1200 12<sup>th</sup> Ave South Seattle, WA

MEMBERS PRESENT		ON PHONE	NOT PRESENT	ALSO PRESENT
Kevin Fox	Theresa Rambosek (on phone until 4:18, then present)	Jackie Wolfe	Nate Dreon	Rosemary Aragon
Erica Floyd (from 4:15)		Marite Butners (from 4:30)		Christina Bernard

Kevin Fox called the meeting to order at 4:05 p.m. A quorum was not present until 4:18. There was no public comment.

As there was no quorum at the beginning of the meeting, the Committee members present first reviewed the informational items from the agenda that did not require action.

**Financial Stewardship**

*2010-2011 State Audit Report*

The Finance & Program Analyst reviewed the report from the 2010-2011 State Audit. The PHPDA had a clean audit with no findings. There were two exit items and a few minor verbal items the auditor discussed with staff. Staff will address each of the items in the coming months.

The Committee then discussed a report on PDAs released by the State Auditor’s office, covering recommendations for oversight of PDAs. The Executive Director reported that she will be meeting next week with Gerry Johnson and several other PDA EDs to discuss the report.

**Property Stewardship**

*Property Insurance Update*

The Executive Director reported that after discussions with broker Kibble & Prentice, several policies and coverages had been added to the PHPDA insurance plans. Committee members asked a few questions, which the Executive Director will discuss with the PHPDA Kibble & Prentice representative.

**Minutes**

The November 13, 2012 Finance & Audit Committee meeting minutes were approved (Moved/2<sup>nded</sup> by Floyd/Rambosek. 4 of 4 in favor).

*Investment Update & CD renewal*

The Finance & Program Analyst updated the Committee on PHPDA’s investments and year-to-date interest income. The Committee authorized the Executive Director, with the advice and approval of the Treasurer, to re-invest the funds currently held the Sound Community Bank CD, which matures in January (Moved/2<sup>nded</sup> by Rambosek/Floyd. 4 of 4 in favor).

The Committee also asked the staff to review the changes to the FDIC insurance limit occurring on January 1, 2013 and take any required immediate actions. Staff will be prepared to discuss the changes and any necessary or recommended PHPDA actions at the January Finance Committee meeting.



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*October 2012 Financials*

The Committee reviewed and accepted the October 2012 financials (Moved/2<sup>nd</sup>ed by Rambosek/Floyd. 5 of 5 in favor). The Committee asked to review a more detailed report on the Tower Operating expenses every few months. This review will likely begin in February 2013.

*Time Study of PHPDA staff*

The Finance & Program Analyst presented the results of a PHPDA staff time study conducted over six weeks in October and November. The percentages calculated from the time study are used to allocate some administrative expenses, salaries and benefits to PHPDA programs. The new allocation percentages will be applied beginning with January 2013 expenses. The committee voted to approve the allocation (Moved/2<sup>nd</sup>ed by Rambosek/Floyd. 5 of 5 in favor).

*2013 PHPDA-PMC Interpreter Services Contract (Resolution 20-2012)*

The Committee voted to forward Resolution 20-2012, which will renew the contract between PHPDA and PMC for interpreter services for Medicaid patients, to the Governing Council for approval (Moved/2<sup>nd</sup>ed by Rambosek/Floyd. 5 of 5 in favor).

**2013 PHPDA Budget (Resolution 19-2012)**

The Committee reviewed the proposed 2013 PHPDA budget. The Executive Director pointed out a few items that had changed since the last time the Committee reviewed a draft, including changes to the Tower operating costs and reimbursement based on an updated budget from the PHPDA property manager. The Committee forwarded Resolution 19-2012, adopting the 2013 operating budget, to the Governing Council for approval (Moved/2<sup>nd</sup>ed by Rambosek/Floyd. 5 of 5 in favor).

**Property Stewardship**

*N Lot Annual CPI adjustment*

The Executive Director discussed the annual adjustment to the N Lot rent, based on CPI and the Class A office rents in Seattle. The Committee accepted the calculation of the rent increase (Moved/2<sup>nd</sup>ed by Floyd/Rambosek. 5 of 5 in favor).

**Adjournment**

The meeting was adjourned at 4:54 p.m.

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

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