



**Meeting of the Finance & Audit Committee**  
**Tuesday March 11, 2014**  
**4:00-5:25p.m.**  
 Quarters 2 Building, Beacon Hill Campus  
 1200 12<sup>th</sup> Ave South Seattle, WA

MEMBERS PRESENT			ALSO PRESENT
Nate Dreon	Kevin Fox	Jackie Wolfe	Jeff Natter
Bob Cook (phone from 4:27)	Rhonda Berry (from 4:55)	Tony McLean	Christina Bernard

Nate Dreon called the meeting to order at 4:07 p.m. A quorum was present. There was no public comment.

**Minutes**

The February 11, 2014 Finance & Audit Committee meeting minutes were approved (Moved/2<sup>nded</sup> by Fox/Wolfe. 3 of 4 in favor; Tony McLean abstained, as he was not present at that meeting).

**Financial Stewardship**

*Investment Update*

The Finance & Grants Manager updated the Committee on PHPDA’s investments and year-to-date interest income.

*January 2014 Financials*

The Committee reviewed and accepted the January 2014 financial statements (Moved/2<sup>nded</sup> Fox/McLean. 4 of 4 in favor).

*Renewal of PHPDA D&O Insurance Policy*

The Finance & Grants Manager discussed the renewal of the PHPDA’s Directors and Officers Insurance policy at the end of March. While the new premium is not yet known, the PHPDA’s broker expects an increase of 5% or less. The Committee voted to authorize the Executive Director, with the approval of the Treasurer, to renew the D&O policy (Moved/2<sup>nded</sup> Fox/Wolfe. 4 of 4 in favor).

*New Resolution for Local Government Investment Pool (Res 06-2014)*

The Finance & Grants manager summarized a new resolution required for continued participation in the Local Government Investment Pool (LGIP). The LGIP will add another investment option in the future and the resolution allows for investment in that fund, as well as the standard LGIP. A few other minor changes are also included in the resolution. The Finance Committee forwarded Resolution 06-2014 to the Governing Council for approval (Moved/2<sup>nded</sup> Wolfe/McLean. 4 of 4 in favor).

**Property Stewardship**

*Real Estate Committee Update*

The Real Estate committee updated the Finance Committee on their recent discussions, including processes and policies that may need to be developed related to the new Tower lease.

*Final 2013 PMC Tower Operating Cost Reimbursement*

The Finance & Grants Manager presented the calculations of the final 2013 Tower Operating and Quarters Insurance reimbursement costs for PMC. As PMC overpaid during the year, a credit will be issued to them on their next invoice. The Committee voted to accept the final 2013 PMC Tower Operating Cost calculation (Moved/2<sup>nded</sup> by Wolfe/McLean. 6 of 6 in favor).



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**Committee Governance**

*Revisions to Finance & Audit Committee Charter*

The Finance & Grants Manager summarized proposed revisions to the Finance Committee Charter. While the Finance Committee has allowed voting non-Governing Council committee members for several years, the Planning Committee is currently proposing to allow such members. In recent weeks, discussions between both Committee Chairs, the Governing Council Chair, the Governing Council Vice Chair, and staff worked to make the two Committee charters consistent on the treatment of non-Governing Council Committee members. The conclusion reached requires a change to the Finance Committee Charter. The limit on voting non-Governing Council Committee members will be changed from a maximum of one-third of the Committee to a requirement that at least half of the voting members at any Committee meeting are Governing Council members. The Planning Committee has already recommended the same language in their Charter. The Committee voted to forward the amended Finance Committee Charter to the Governing Council for approval (Moved/2<sup>nd</sup>, McLean/Berry, 6 of 6 in favor).

**Preliminary Risk Management Discussion**

The Committee had a preliminary discussion in preparation for creating a new risk management plan. They discussed several areas of potential risk, primarily related to real estate and property management, grantmaking and the activities of grantees, public meeting and information requirements, and internal controls. Discussions will continue in the coming months.

Kevin Fox then initiated a discussion on potential advocacy activities that could be undertaken by the Committee. The Committee discussed how they may do some work focused on advocacy surrounding finance-related health issues, either through direct advocacy or in combination with the PHPDA's grantmaking.

**Adjournment**

The meeting was adjourned at 5:31 p.m.

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

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