



Meeting of the Finance Committee
 Wednesday, June 7, 2023, 9:00 – 10:30 AM

Physical Location: Quarters 2 Building, Pacific Tower, 1200 12th Ave S., Seattle, WA 98144

Virtual Location: <https://zoom.us> | Meeting ID: 848 4101 6507
<https://us02web.zoom.us/j/84841016507?pwd=RlpkZktXeUEyYTRrTkdOdS9ndWg3UT09>

Phone Option: +1 253 215 8782

Password: SUNSHINE (Numeric Password for Phone: 91406111)

MEMBERS PRESENT		NOT PRESENT	ALSO PRESENT	
Bob Cook (arrived 9:31am)	Doris Koo (until 9:52am)	Kara Zollner	Virgil Wade	Christina Bernard
Gloria Burton	Sue Taoka	AyeNay Abye	Mallory Fitzgerald	Gene Yoon (arrived 9:47am)
Diane Pietrowski			Whitney Regan	Denise Stiffarm
			Michael Finch (arrived 9:07am)	Andrew Prather (until 9:18am)
			Katya Newton (until 9:18am)	

Doris Koo called the meeting to order at 9:03 a.m. A quorum was present. The Committee and Staff started with introductions and welcomed public comment. Clark Nuber representatives (Andrew Prather and Katya Newton) introduced themselves.

Consent Calendar Minutes

The Finance Committee voted to approve the minutes from the April 5, 2023 and May 3, 2023 meetings. (Moved/2nd Doris Koo/Diane Pietrowski, 4 of 4 in favor)

2022 Independent Audit

Andrew Prather and Katya Newton from Clark Nuber presented on the 2022 Audit.

- The Audit year ending December 31, 2022 resulted in an unmodified opinion with no adjustments- a clean audit.
- The North Lot sale and new lease accounting entries under GASB 87 are correct. Clark Nuber made no changes to the entries.
- The Committee discussed the audit, reserve funds, leases, new lease accounting entries, and recording of the North Lot sale.
- The Associate Director will sign the Management Representation letter following this meeting.
- The Governing Council Treasurer and Associate Director will present the audit at the Governing Council meeting next week.

The Finance Committee voted to accept and forward the 2022 Independent Audit to the Governing Council for their consideration. (Moved/2nd Sue Taoka/Diane Pietrowski, 4 of 4 in favor)

Update on Program Committee & Grantmaking

The Associate Director updated the Finance Committee on Program Committee and grant activities.

- The University of Washington (UW) School of Public Health capstone student presented their final report and shared their recommendations with the Program Committee.
- 2023 Renewal grantees are currently submitting their revised exhibits.
- The Office Coordinator is in the process of scheduling 2023 New Major Grant contract meetings, which will take place this month.



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- The Associate Director reported on the ad hoc grants work group discussions: change the Letters of Intent (LOI) review panel format, decrease the number of Nimble Grant cycles to two from three, appoint larger review panels in case reviewers drop out, and look into multi-year grants.
 - A Committee member suggested Grants Staff look at Communities of Opportunity to see how they format multi-year grants.
 - PHPDA may reach out to past applicants, past grantees, and current grantees for feedback on multi-year grants.
- The next TA session is tomorrow, June 8 led by a former Health Equity Scholar. The session focuses on evaluation, including when to use different types of evaluation.

Financial Stewardship

Investment Update

The Associate Director reported on LGIP investments. The interest rate increased to over 5%. PHPDA is over our budgeted interest for the year.

April 2023 Financial Statements

The Associate Director reported on the April 2023 Financial Statements.

- Under Profit & Loss, Tower operating spending and income will be off throughout the year due to the elevator project. The costs for the project will come in at a various points during the year and PHPDA will receive reimbursements from the tenants.
- PHPDA ordered a new server so there is a larger expense under small equipment.

The Finance Committee voted to accept the April 2023 Financial Statements. (Moved/2nd Doris Koo/Gloria Burton, 5 of 5 in favor)

Insurance Renewal

The Associate Director updated the Committee on Insurance Renewal activities.

- All premiums were paid in full and insurance policies have been renewed. Renewal date is annually June 1.
- The Associate Director spoke to our insurance broker about nonprofit insurance pools. As a public entity, it is unlikely that the PHPDA is eligible.
- There was a large increase for earthquake insurance. The cost does fluctuate year over year and is dependent on the market.
- The amount PHPDA budgeted for insurance reimbursement from tenants is close to the final amount.
- The vacant Quarters Buildings and North Lot sale do not impact the insurance costs. Additionally, the new housing on the North Lot will not affect PHPDA's liability insurance.

Risk Management



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Updating Risk Management Plan

The Associate Director provided an update on PHPDA's Risk Management Plan.

- She added current mitigation to the Risk Management Plan and asked Staff to review it.
- The Associate Director will send the compiled average scores with current mitigation to both Committees for review prior to their meetings in July. During the July Committee meetings, Committee members will discuss potential additional mitigation if needed.
 - The Governing Council will adopt the Risk Management Plan once the mitigation is finalized, which will likely be in July or August.

Real Estate

North Lot Update

The Real Estate Consultant Michael Finch and Communications Manager provided an update on the North Lot.

- North Lot construction is progressing well.
- The Real Estate Consultant provided an update on the Pacific Tower water pumps and filtration system upgrades. JLL has executed a contract with the contractors, but the contractors are waiting for some parts before they start.
 - PHPDA Legal Counsel created a simple agreement with SCIDpda for their portion of the project costs.
 - The upgrades are expected to be completed by end of August
- The Communications Manager met with SCIDpda to discuss signage on campus. SCIDpda is hiring a consultant to help with North Lot signage and SCIDpda will cover all costs. During the consultation process, SCIDpda would like PHPDA's feedback on design. PHPDA will share the signage design throughout the rest of the campus and cover the cost of those upgrades.
 - PHPDA will possibly include signage upgrades in the upcoming 2024 budget.

Update on Quarters Buildings

The Real Estate Consultant Michael Finch and Executive Director reported on the Quarters Buildings.

- The Quarters Access Agreement will likely be extended for two more years for July 1, 2023- June 30, 2025. Department of Commerce may pay the full amount upfront, which could be about \$400,000 per year, total of \$800,000.
- PHPDA's Real Estate Consultant plans to continue marketing the Quarters during the next access agreement term.
- The Committee discussed a possible amendment to the current Tower lease with Commerce to include a long-term Quarters lease.
- A small ad hoc group consisting of Governing Council members met yesterday to discuss Quarters programming community outreach strategies. The group identified key stakeholders and community members the Executive Director will meet with to introduce himself and share Campus updates. A Council member may join some of the meetings.
 - We want to bring awareness to the community on potential Quarters programming.



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Adjournment

The meeting adjourned at 9:53 a.m.

A handwritten signature in blue ink that reads 'Robert D. Cook'.

Minutes Approved: _____

7/5/2023
(Date)

From: [Whitney Regan](#)
To: [Bob Cook](#)
Subject: RE: PHPDA FC Chair Signature Requested
Date: Thursday, July 6, 2023 8:36:00 AM
Attachments: [image003.png](#)
[image004.png](#)

Thank you, Bob! I will add your digital signature to the minutes.



[2022 Annual Report](#)

Whitney Regan (she/her) | **Office Coordinator**
206.432.3027 | w.regan@phpda.org | www.phpda.org

Pacific Hospital Preservation & Development Authority
[1200 12th Ave S](#), Quarters 2, Seattle, WA 98144



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From: Bob Cook <bob.cook@outlook.com>
Sent: Wednesday, July 5, 2023 6:03 PM
To: Whitney Regan <w.regan@phpda.org>
Subject: Re: PHPDA FC Chair Signature Requested

CAUTION: This email originated outside the organization. Please don't click links, open attachments, or reply with confidential details unless you are certain you know the sender and are expecting the content. **NEVER PROVIDE CREDENTIALS** via email!

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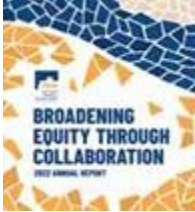
From: Whitney Regan <w.regan@phpda.org>
Sent: Wednesday, July 5, 2023 4:15:45 PM
To: Bob Cook <Bob.cook@outlook.com>
Subject: PHPDA FC Chair Signature Requested

Hi Bob,

Please see attached for the Finance Committee's 6/7 minutes which were approved at the meeting today 7/5.

With your permission, I can add your digital signature to the meeting minutes.

Thank you!



[2022 Annual Report](#)

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