



**Meeting of the PHPDA Finance & Audit Committee
Wednesday, August 7, 2024
9:00 a.m. – 10:30 a.m.**

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

Virtual Location: <https://zoom.us> | Meeting ID: 811 3094 3549
<https://us02web.zoom.us/j/81130943549?pwd=cZnbARraNtTy|pkjI1wAcpb4DoiaoV.1>

Phone Option: +1 253 215 8782

Password: 320878

MEMBERS PRESENT		NOT PRESENT	ALSO PRESENT	
Bob Cook	Sue Taoka		Virgil Wade	Christina Bernard
Nicholas Ramirez	Paul Feldman		Michael Finch (until 9:30am)	Brenda Hernandez
Doris Koo	Diane Pietrowski (until 10am)		Denise Stiffarm	
Aye Nay Abye				

Bob Cook called the meeting to order at 9:03 a.m. A quorum was present. There was no public comment.

Consent Calendar Minutes

The Finance Committee voted to approve the minutes from the June 5, 2024 meeting. Motion to accept the minutes. (Moved/2nded Diane Pietrowski/Sue Taoka, 7 of 7 in favor)

Financial Stewardship

May & June (Q2) 2024 Financial Statements

The Finance & Program Director reported on the May and June/Q2 2024 Financial Statements.

- A couple of out of the ordinary items: PTO was updated when a past staff member departed, resulting in a higher accrual, and there was a higher checking balance because grant checks were paid in July.
- A Council member mentioned that the reserve balance is increasing. The Committee discussed the possibility of reallocating these funds to grants.
- PHPDA received the Quarters Access Agreement payment from Commerce in July.

The Finance Committee voted to accept the May financial statements and accept and forward the June/Q2 2024 Financial Statements to the Governing Council for approval. (Moved/2nded Paul Feldman/Diane Pietrowski, 7 of 7 in favor.)

Personnel

Q2 Employee Handbook Updates

The Governing Council Chair reviewed the proposed changes to the PHPDA Employee Handbook.

- She suggested the Committee consider how to provide employees with coverage outside of Washington State, as a current employee has a dependent attending college out of state that cannot access regular care through the current Kaiser HMO plan. That employee has moved to their spouse’s plan but has some costs for premiums for that plan. She emphasized the need to include appropriate language in the employee handbook to address outside coverage and potentially reimburse the employee. A Committee member mentioned that a similar issue had arisen with a past PHPDA Executive Director. Previously, instead of reimbursement, there was an increase in salary negotiated at hiring, but another Committee member expressed concern that pursuing this approach might violate a regulations regarding salary and benefits.



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- The Committee reached a consensus not to act at this meeting and recommended consulting a benefits attorney before bringing a recommendation to the Governing Council. The Council Chair also suggested exploring alternative health insurance options. Additionally, a Committee member suggested switching to Kaiser PPO. Staff can pursue these options when the plan is up for renewal at the end of the year.
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- The Committee discussed PHPDA's Paid Time Off (PTO). A Council member suggested PHPDA holidays align with the City of Seattle's recognized holidays. The Committee's recommendation is to follow the city's schedule. Staff cannot make that change until it's approved by the Governing Council.

The Finance Committee did not take action on the proposed changes to the Employee Handbook at this time.

Property Management

Review of Q2 2024 Tower Operating Expenses

- The Finance & Program Director stated there is a chance Tower expenses may slightly go over budget, as some costs are currently coming in higher than projected. Energy was more costly this year than it has been in the past.
- The Council Chair stated there should be a lower operating cost because the Quarters are vacant. The Finance & Program Director clarified that much of it is due to insurance, grounds maintenance, and cleaning. PHPDA Real Estate Advisor also stated it is often just as costly to maintain empty buildings the same way as if they were occupied.

Committee Governance

Finance Committee 2024 Workplan

The Finance Committee Chair led a discussion of the 2024 Finance Committee workplan.

- The Governing Council is still working on retreat activities.
- There are no major changes to the 2024 budget and Finance Committee continues to review the budget when necessary.
- PHPDA completed the 2023 independent audit and had no findings
- PHPDA has not updated the Risk Management Plan since last year but will likely not make changes this year.
- The Governing Council will likely start discussing the next Strategic Plan soon. The current one goes through 2026. The Committee discussed a mid-year review of PHPDA's reserve account. The Council may include a review at their next retreat meeting or discuss a review at a later date.

Property and Real Estate

Operating Policies



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The Executive Director and PHPDA Legal Counsel discuss Operating Policies 01-2024 Confidential Information and 02-2024 Environmental Review Policy.

01-2024 Confidential Information

- PHPDA Legal Counsel shared that this policy was driven by the Consultant Agreement with the Department of Commerce. PHPDA is required to have a confidentiality policy.

02-2024 Environmental Review Policy

- As a public agency, PHPDA is required to prepare this policy if any activities may require environmental review, which will be the case for the potential change in use of the Quarters buildings. If the Council were to approve the policy next week, the CEPA timeline is estimated to be finalized and ready in October with a closing comment period also in October.
 - Staff will likely suggest these implementations at the next the Council meeting.

(Moved/2nded Foris Koo /Bob Cook, 7 of 7 in favor)


Update on RFQ Process

The Executive Director provided an update on the RFQ process.

- PHPDA held its second site walk on Friday, August 2nd. The second tour had several organizations in attendance.
- No official questions have been submitted yet, they are due on Friday, August 9th.
- Next Friday, August 16th, the RFQ Committee will need to prepare the release of PHPDA’s official Q&A responses.
- PHPDA adjusted several RFQ deadlines to accommodate a second site tour. The rest of the timeline will remain the same.
- Representative Frank Chopp shared his support at both tours. PHPDA is open to multiple organizations collaborating on this project. SCIDPA is also available to provide project management support, if needed, pending a contract with the chosen agency.

Adjournment

The meeting adjourned at 10:05 a.m.

Minutes approved:  2/20/2025
(Date)