



SOUND CITIES ASSOCIATION

## AGENDA

### SCA Executive Committee

**Billy Baroo's, 13500 Interurban Ave South Tukwila, WA 98168**

**October 11, 2018, noon – 1:30 PM**

1. Welcome
2. Executive Session to discuss a personnel matter
3. Potential Action:
  - 2018 SCA Executive Director Performance Review and 2019 Salary
  - 2019 SCA Budget [Attachments](#)
  - SCA audit
4. Discussion:
  - SCA staffing update
  - 2019 Board leadership
  - Event(s) debrief
  - Upcoming RLC
  - SCA Partners and Sponsors
  - Annual Meeting
  - Regional Equity and Inclusion Conference
  - Homelessness and affordable housing
    - Update on homelessness governance including LA trip
    - AHTF
    - 10/12 meeting
  - Inquest process
  - Census
  - Parks levy
  - 2018 accomplishments
  - Other?
5. Adjourn



SOUND CITIES ASSOCIATION

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## DRAFT SCA Finance Committee Minutes

October 8, 2018, 1:00 PM

SCA Offices, Conference Room, 6300 Southcenter Blvd #206, Tukwila WA 98188

Via conference call - Dial-in Number: (712) 775-7031, Meeting ID: 363-409 #

1. Treasurer Dana Ralph called the meeting to order at 1 PM. Present in the meeting were members Ralph, Nancy Backus, Leanne Guier, and Hank Margeson, and staff Deanna Dawson. Present on the phone was Kirkland staff Tracey Dunlap. Absent was member Debbie Tarry.
2. Treasurer Ralph asked if any member of the public wished to provide comment. Seeing none, she closed the Public Comment portion of the agenda.
3. Backus moved, seconded by Guier, to approve the minutes of the September 10, 2018 Meeting. [Attachment 1](#) There was no further discussion. The motion passed unanimously.
4. Treasurer Ralph asked Dawson to provide an overview of the January-August 2018 Financial Reports. [Attachment 2](#) Dawson noted that the issues with Quickbooks and former payroll processing service had been resolved, and that the reports for the year should now be accurate.

On the revenue side, Dawson noted that sponsorships were coming in much higher than budgeted for 2018. Interest was low, due to some funds being kept in a non-interest bearing account. Consolidating accounts (see below) will help bring in additional interest moving forward.

On the expense side, Dawson noted that there was an unbudgeted expense for accrued leave payout, which the Board had authorized coming from the designated employment reserve fund. Phone expenses were higher than anticipated due to purchase of a new phone for a staff member. Dawson noted that some credit card fees had been incurred in 2018, and that staff would ensure these charges are not incurred in the future. Event expenses are coming in higher than anticipated. The committee discussed the possibility of looking at event fees in the future. Consulting fees are running higher than anticipated due to a consultant filling in while new staff is being hired. That will be offset by salaries and benefits.

A portion of the accounting fees were due to expenses incurred for audit. Staff is checking on whether that charge could be applied to the compilation that the board had decided to pursue for this year. If not, Dawson would recommend rethinking the decision to conduct a compilation (versus audit) in 2018 for 2017. She will update the committee and board.

Margeson moved, seconded by Backus, to approve the financial reports for January-August 2018. There was no further discussion. The motion passed unanimously.

5. Treasurer Ralph and Dawson gave an overview of the 2019 Budget. [Attachment 3](#)

The proposed 2019 budget is just over 5% larger than the 2018 budget. Staff expenses continue to make up over 80% of the budget.

On revenue, we are projecting a total revenue increase of roughly 5%. City dues will increase by about 4% due to population growth and inflation (CPI-W, capped at 3%). Sponsorships are projected to grow by nearly 15% in the budget. (2018 revenue is coming in at around a 25% increase over what was budgeted for 2018. We are budgeting conservatively on our projections for 2019. Event registration fees are projected to grow by roughly 5%. Interest expected to increase by around 25%, due to switching all our accounts to HomeStreet.

On expenses, we are projecting our total expenses to grow by just over 5%. Staff expenses projected to increase by 4.5%. SCA rent will increase by approximately 3%, plus a new lease tax of nearly 13% added. The total increase in rent, including the added tax, is 17%. This is partly offset by Tukwila agreeing to roll our IT service into our lease. The total increase to the combined lease and IT service budget is 7% for 2019. Event expenses are projected to increase, as our actual expenses year to date are coming in higher than budget.

Ralph and Dawson noted that the proposed budget includes \$9,000 for consultants and temp staff, which includes a proposed \$7,500 to retain someone to monitor legislative items for 2019, as discussed at PIC and the Legislative Committee. The committee discussed this expenditure at length. Dunlap and Backus agreed to confer with their city legislative teams, and to see what rate they would charge for such a service.

Other line items on expenses are being adjusted to be in line with our actual expenses in 2018, and some anticipated increases for next year.

Backus moved, seconded by Margeson, to recommend approval of proposed 2019 budget to SCA Executive Committee and SCA Board of Directors. There was no further discussion. The motion passed unanimously.

6. Dawson gave an update on SCA staffing, noting that Senior Policy Analyst Christa Valles would be starting Thursday.
7. Dawson gave an update on bank account consolidation. [Attachment 5](#) Margeson moved, seconded by Guier, to approve the staff recommendation to consolidate bank accounts at HomeStreet Bank. There was no further discussion. The motion passed unanimously.
8. As noted above, Dawson gave an update on moving forward with audit. She will follow up with committee members and Board.

9. Dawson noted that staff were drafting an agreement with SCA's bookkeeper.
10. Ralph noted she would be absent from the October SCA Board meeting. Margeson agreed to give a report to the Board of Directors at the October Meeting.
11. The committee agreed that the next meeting would be on December 10, unless any items came up requiring a meeting before that time.
12. Ralph inquired as to whether any members had items for the good of the order. Dawson noted that Dunlap had informed her that she would likely not continue as staff support to the committee in 2019, due to other obligations, and the inclusion of a city manager member on the committee. The committee agreed to look at the issue of staff support when committee memberships are finalized for 2019.
13. The meeting adjourned at 2:10 PM.



**2019 DRAFT BUDGET**

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**Income:**

City Membership Dues:	\$	689,597	
Regional Associate Membership Dues & Event Sponsorships:	\$	64,000	
Event Registration Fees:	\$	28,530	
Interest Income:	\$	3,900	
<b>Total Income:</b>			<b>\$ 786,027</b>

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**Expenses:**

<b>Staff:</b>			<b>\$ 678,943</b>
Salaries:		\$ 508,950	
Taxes:		\$ 40,929	
	SUTA+FUTA	\$ 517	
	FICA/Medicare	\$ 39,394	
	L&I	\$ 1,018	
Staff Benefits:		\$ 129,064	
	PERS Contributions:	\$ 64,637	
	Medical/Dental/Vision/Life Insurance:	\$ 50,927	
	Professional Development:	\$ 2,500	
	Travel Reimbursement/Car Allowance:	\$ 11,000	
<b>Office/Overhead:</b>			<b>\$ 48,989</b>
Rent:		\$ 28,005	
Office Insurance:		\$ 604	
Printing/Publications:		\$ 5,500	
	Copier/Printer Lease & Maintenance:	\$ 5,000	
	Outside Printing/Publications:	\$ 500	
IT:		\$ 2,900	
	Internet:	\$ 1,200	
	Website Design/Hosting:	\$ 1,200	
	IT Staff Support:	\$ -	
	IT Equipment:	\$ 500	
Phones:		\$ 3,330	
Credit Card, Banking, and Other Fees:		\$ 150	
Accounting & Payroll Processing Fees:		\$ 4,500	
Legal:		\$ 1,500	
Office Supplies/Miscellaneous:		\$ 2,500	
<b>Event Expenses:</b>			<b>\$ 25,300</b>
Food/Beverages:	\$	23,200	
Event Payment Processing Fees:	\$	900	
Other Meeting Expenses:	\$	1,200	
<b>Board/Organizational Development:</b>			<b>\$ 22,774</b>
Directors & Officers Insurance:	\$	1,774	
Awards/Recognition:	\$	2,000	
Retreats/Meetings/Conferences/Dues/Events:	\$	10,000	
Consultants & Temporary Staff:	\$	9,000	
<b>Contingency Fund:</b>			<b>\$ 10,000</b>
<b>Total Expenses:</b>			<b>\$ 786,006</b>

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<b>Total Income:</b>	\$	<b>786,027</b>	
<b>Total Expense:</b>	\$	<b>786,006</b>	
	\$	21	

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## 2018 Budget

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### Income:

City Membership Dues:	\$	661,579	
Regional Associate Membership Dues & Event Sponsorships:	\$	56,000	
Event Registration Fees:	\$	27,000.00	
Interest Income:	\$	2,900.00	
<b>Total Income:</b>			<b>\$ 747,479</b>

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### Expenses:

<b>Staff:</b>			<b>\$ 648,697</b>
Salaries:		\$ 481,500	
Taxes:		\$ 36,237	
	Unemployment:	\$ 430	
	Social Security:	\$ 27,509	
	Medicare:	\$ 6,982	
	L & I:	\$ 1,315	
Staff Benefits:			\$ 130,960
	PERS Contributions:	\$ 61,151	
	Medical/Dental/Vision/Life Insurance:	\$ 53,809	
	Professional Development:	\$ 4,000	
	Travel Reimbursement/Car Allowance:	\$ 12,000	
<b>Office/Overhead:</b>			<b>\$ 47,539</b>
Rent:		\$ 24,089	
Office Insurance:		\$ 500	
Printing/Publications:		\$ 5,500	
	Copier/Printer Lease & Maintenance:	\$ 5,000	
	Outside Printing/Publications:	\$ 500	
IT:			\$ 5,300
	Internet:	\$ 1,200	
	Website Design/Hosting:	\$ 1,600	
	IT Staff Support:	\$ 2,000	
	IT Equipment:	\$ 500	
Phones:		\$ 4,000	
Credit Card, Banking, and Other Fees:		\$ 150	
Accounting & Payroll Processing Fees:		\$ 4,000	
Legal:		\$ 1,500	
Office Supplies/Miscellaneous:		\$ 2,500	
<b>Event Expenses:</b>			<b>\$ 21,000</b>
Food/Beverages:	\$	18,700	
Event Payment Processing Fees:	\$	1,200	
Other Meeting Expenses:	\$	1,100	
<b>Board/Organizational Development:</b>			<b>\$ 19,950</b>
Directors & Officers Insurance:	\$	1,950	
Awards/Recognition:	\$	1,000	
Retreats/Meetings/Conferences/Dues/Events:	\$	7,000	
Consultants & Temporary Staff:	\$	10,000	
<b>Contingency Fund:</b>			<b>\$ 10,000</b>
<b>Total Expenses:</b>			<b>\$ 747,186</b>
<b>Total Income:</b>	\$	<b>747,479</b>	
<b>Total Expense:</b>	\$	<b>747,186</b>	
	\$	294	

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