



SOUND CITIES ASSOCIATION

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## SCA Finance Committee Minutes

February 22, 2022

9 AM

Virtual

1. Mary Lou Pauly, Deputy Treasurer called the meeting to order at 9:05 AM. Present via Zoom were members Carl Cole and Jim Ferrell, and SCA staff Deanna Dawson and Leah Willoughby. Absent were Treasurer Jeff Wagner and member Amy Ockerlander. Pauly noted that due to the Covid-19 pandemic and the Governor's proclamation, the SCA Finance Committee meeting is being conducted remotely.

2. Pauly inquired whether anyone from the public wished to give comment. Hearing none, she closed this portion of the agenda.

**3. Ferrell moved, seconded by Cole, to approve the minutes of the November 30, 2021 SCA Finance Committee Meeting. The motion passed unanimously.**

4. Dawson reviewed for the group the Finance Committee 2022 Meeting Schedule. After discussion:

**Ferrell moved, seconded by Cole, to approve the 2022 SCA Finance Committee Schedule with the following edits: remove July 26, 2022 occurrence and remove December 27, 2022 occurrence. The motion passed unanimously.**

5. Dawson reviewed for the group the financial reports of November 2021, December 2021, and January 2022, noting the following:

- Prepaid expenses in all months are subsequent month rent payment
- Outsourced printing expenses include SCA branded cards and envelopes
- Awards expenses in November and December 2021 include purchases associated with regional boards and committees certificates
- IT Equipment expense included three cell phones needed to replace three staff phones
- IT Software expenses in January 2022 include an annual payment for Zoom meetings; webinar payments will continue to be paid monthly.
- New printer lease commenced in December 2021
- Vacation accruals were updated in in January 2022

**Ferrell moved, seconded by Cole, to recommend to the full board approval of the November 2021 financial reports, consisting of the November 2021 Balance Sheet and November 2021 Profit & Loss Report; the December 2021 financial reports, consisting of the December 2021**

**Balance Sheet and the December 2021 Profit & Loss Report; and the January 2022 financial reports consisting of the January 2022 Balance Sheet and the January 2022 Profit & Loss Report. The motion passed unanimously.**

6. Dawson reviewed the 2022 levels for the reserve accounts, as required by the SCA Board Policies, noting an increase from 2021 for the Operations Reserve and a decrease in the Contractual Obligations reserves. Both the Legal Reserve and the Equipment Reserve remained level.

Dawson also noted that, per board policy, SCA is required to maintain sufficient funds to pay all liabilities, including accrued vacation. SCA is current on this requirement.

**Ferrell moved, seconded by Cole, to recommend to the full board the approval of the 2022 Reserve Levels. The motion passed unanimously.**

7. 2022 Vacation Leave Balance

This item was discussed earlier in the agenda during item 5.

8. Dawson summarized for the group three Regional Associate Membership invoices written off as bad debt for 2021. The invoices totaled \$1500. The bad debts did not affect SCA being on budget for sponsorship income for 2021.

9. Dawson updated the group on sponsorships, noting sponsors invoiced and payments received since the last meeting of the committee, and possible future sponsorships. SCA is on track to be on budget for sponsorship income for 2022.

Pauly suggested considering appreciation for sponsors within future events. Dawson encouraged members to reach out to sponsors and to send thank you notes to sponsors. SCA will supply branded cards and envelopes.

Dawson briefly reported on possible upcoming sponsor events and encouraged members to attend.

10. Dawson updated the group on 2022 member city dues, noting payments received and outstanding invoices. SCA is on track to be on budget for membership income for 2022.

Discussion regarding potential updates to the population cap on member city dues assessments will be brought back for discussion at later meetings.

11. Credit Card Payments Discussion

The topic of where credit card points balance should be noted was discussed briefly under number 5 above. At a future meeting, staff will bring back the topic of whether the Board should adopt a policy regarding use of credit cards to pay dues.

12. Group was asked to continue direction on how to use income in that is in excess of what was budgeted at year ends. Dawson reviewed 2021 revenue, bank balances, and required

reserves. Dawson suggested spend on additional admin help for the organization, as well as costs associated with equity and inclusion work. This topic will be brought back for discussion at future meetings of the committee and of the full board.

13. Dawson asked members to continue considering the possibility of a city staff from a committee member city for support in reviewing of SCA's monthly financial reports. Cole volunteered staff from SeaTac. Staff will follow up.

14. As discussed in 2021 meetings of the finance committee, Dawson reviewed SCA investment policies. Members were asked to consider how much, if any, of money currently in reserves and in excess of expenditures and reserves, should be invested by a higher-yielding method than current savings accounts. This topic will be brought back for discussion at the next meeting of the finance committee.

16. Carl Cole noted a minor spelling typo of "September" in the sponsorship tracking sheet, which will be corrected by staff. There were no items for the good of the order.

17. Pauly adjourned the meeting at 10:02 AM.