



SOUND CITIES ASSOCIATION

38 Cities. A Million People. One Voice.

## SCA Finance Committee

April 30, 2024

11:30 AM

Virtual

From computer, tablet, or smartphone:

<https://us02web.zoom.us/j/85824599790?pwd=L0hGY1lCcXBzUWpHVjM1Rk5SYW1YUT09>

To dial in: 822 5179 3957 Meeting ID: 858 2459 9790 Password: 366584

- 1) Call to Order Armondo Pavone, Treasurer
- 2) Public Comment
- 3) Approval of Minutes of the March 26, 2024 meeting [Attachment 1](#)  
**Recommended Action:** *Approval of minutes of the March 26, 2024 SCA Finance Committee Meeting*
- 4) Review and approval of the March 2024 Financial Reports [Attachments 2-4](#)  
**Recommended Action:** *Recommendation of the March 2024 Financial Reports, consisting of the March 2024 Balance Sheet and March 2024 Profit & Loss Report to the SCA Board*
- 5) Update on Sponsors/RAMS/Partners [Attachment 5](#)
- 6) Financial Policies Discussion [Attachment 6](#)
- 7) Other Updates
- 8) For the good of the order
- 9) Adjourn



## **DRAFT SCA Finance Committee Minutes**

March 26, 2024

11:30 AM

**Virtual**

1. As SCA Treasurer Armondo Pavone was not yet present, SCA City Manager Representative Regan Bolli called the meeting to order at 11:42 AM. Present were Mary Lou Pauly, Amy Falcone, and Dana Ralph, and SCA staff Leah Willoughby and David Hoffman. Treasurer Armondo Pavone joined the meeting following item 3.

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

3. Bolli asked for any questions or concerns regarding the draft minutes of the February 27, 2024 SCA Finance Committee Meeting.

**Pauly moved, seconded by Ralph, to approve the minutes of the February 27, 2024 Finance Committee Meeting. There was no discussion. The motion passed.**

4. Treasurer Pavone summarized and asked for any questions or comments regarding the financial reports of February 2024.

**Ralph moved, seconded by Pauly, to recommend to the SCA Board of Directors approval of the February 2024 financial reports, consisting of the February 2024 Balance Sheet and February 2024 Profit & Loss Report. The motion passed unanimously.**

5. Treasurer Pavone noted sponsor invoices paid since the last meeting of the board, invoices sent since the last meeting of the committee, and sponsorship payments expected. Executive Director provided update on outstanding 2023 and 2024 sponsor invoices. The Finance Committee will recommend to the SCA Board of Directors write off as bad debt for invoice in the amount of \$6,000 for the year of 2023.

6. Executive Director David Hoffman summarized Member City Dues invoices paid and outstanding.

7. Following discussion, the committee directed SCA staff to file for an extension on the 2023 Form 990.

8. There were no other updates.

9. There were no items for the good of the order.

10. Treasurer Pavone adjourned the meeting at 12:01 PM.

**Sound Cities Association**  
**Balance Sheet**  
As of March 31, 2024

	<b>Total</b>
1110 HomeStreet Bank	65,654.70
1120 HomeStreet Bank - Money Market	1,094,872.38
1130 PayPal Bank	0.00
<b>Total Bank Accounts</b>	<b>\$ 1,160,527.08</b>
<b>Total Accounts Receivable</b>	<b>\$ 102,808.76</b>
1140 Investments - Time Value	315,274.48
1145 Accrued Interest Receivable	1,541.92
1499 Undeposited Funds	0.00
1550 Prepaid Expenses	0.00
Other Current Asset	0.00
<b>Total Other Current Assets</b>	<b>\$ 316,816.40</b>
<b>Total Current Assets</b>	<b>\$ 1,580,152.24</b>
1410 Furniture and Fixtures	31,060.23
1415 Computers	4,891.71
1420 Accumulated Depreciation	-35,951.94
<b>Total 1400 Fixed Assets</b>	<b>\$ 0.00</b>
<b>Total Fixed Assets</b>	<b>\$ 0.00</b>
Other Long-term Assets	0.00
<b>Total Other Assets</b>	<b>\$ 0.00</b>
<b>TOTAL ASSETS</b>	<b>\$ 1,580,152.24</b>
<b>Total Accounts Payable</b>	<b>\$ 738.96</b>
2200 HomeStreet Credit Card	569.55
<b>Total Credit Cards</b>	<b>\$ 569.55</b>
<b>2300 Accrued Payroll</b>	15,161.62
2110 Federal Withholding	0.00
2111 Direct Deposit Liabilities	0.00
Total 2140 Medicare	\$ 0.00
2150 SDI	0.00
2405 FUTA	346.08
2410 SUI	1,079.41
Total 2415 FIT, SS, Medicare - 941	\$ 6,521.73
2420 L&I	525.24
2425 WA Paid Family & Medical Leave	699.20
2426 WA Cares	505.34
2435 PERS Payable	6,747.94
2440 DCAP / FSA Payable	0.00
2445 DRS DCP Payable	-2,466.82
2450 Medical/Dental/Vision/Life Ins	528.15
2460 Accrued Vacation Pay	51,731.45
2470 w/held Supplemental Life	37.50
2499 Payroll Corrections	173.01
Car Allowance Payable	0.00
<b>Total 2400 Payroll Liabilities</b>	<b>\$ 66,428.23</b>
<b>Accrued Liabilities</b>	0.00
<b>Deferred Revenue</b>	0.00
<b>Total Other Current Liabilities</b>	<b>\$ 81,589.85</b>
<b>Total Current Liabilities</b>	<b>\$ 82,898.36</b>
<b>Total Liabilities</b>	<b>\$ 82,898.36</b>
3110 Equipment Purchase Reserve	15,000.00
3120 Operations Reserves	525,598.00
3130 Contractual Obligations Reserve	51,179.00
3140 Legal Reserves Fund	25,000.00
<b>Total 3100 Board Designated Reserves</b>	<b>\$ 616,777.00</b>
<b>3200 Board Designated Contra</b>	-616,777.00
<b>3300 Fund Balance (Prior Years)</b>	716,539.18
<b>3999 Opening Bal Equity</b>	0.00
<b>Net Income</b>	780,714.70
<b>Total Equity</b>	<b>\$ 1,497,253.88</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 1,580,152.24</b>

Accrual Basis LW



# Sound Cities Association

## A/R Aging Summary

As of April 25, 2024

	CURRENT	1 - 30	31 - 60	61 - 90	91 AND OVER	TOTAL
Amazon			6,000.00			\$6,000.00
Desimone Consulting Group	500.00					\$500.00
Green River College			500.00			\$500.00
King County Dept. of Assessments			500.00			\$500.00
King County Library Systems			500.00			\$500.00
Langton Spieth, LLC			500.00			\$500.00
Lumen	6,000.00					\$6,000.00
<b>TOTAL</b>	<b>\$6,500.00</b>	<b>\$0.00</b>	<b>\$8,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$14,500.00</b>

**2024 Sponsorship Payment**

**Tracking** Highlighted have been invoiced and payment is not yet received.

Sponsorship Level	Sponsor/Entity	Invoiced Month	Amount Invoiced	Paid Month	Amount Paid
Partner	Amazon	February 2024	\$ 6,000.00		
Regional Associate Member	AWC	February 2024	\$ 500.00	February 2024	\$ 500.00
Event Sponsorship	Boeing	November 2023	\$ 12,500.00	December 2023	\$ 12,500.00
Partner	Comcast	April 2024	\$ 6,000.00	April 2024	\$ 6,000.00
Event Sponsorship	Comcast	April 2024	\$ 2,500.00	April 2024	\$ 2,500.00
Regional Associate Member	Desimone Consulting Group	March 2024	\$ 500.00		
Regional Associate Member	EMC Research	February 2024	\$ 500.00	March 2024	\$ 500.00
Regional Associate Member	Foster Garvey	March 2024	\$ 500.00	April 2024	\$ 500.00
Regional Associate Member	Green River College	February 2024	\$ 500.00		
Regional Associate Member	Jurassic Parliament			In-Kind	
Regional Associate Member	KC Dept of Assessments	February 2024	\$ 500.00		
Regional Associate Member	King County Library Systems	February 2024	\$ 500.00		
Regional Associate Member	Langton Spieth, LLC	February 2024	\$ 500.00		
Partner	Lumen	March 2024	\$ 6,000.00		
Partner	Marketing Solutions			In-Kind	
Partner	Microsoft	February 2024	\$ 6,000.00	February 2024	\$ 6,000.00
Partner	Port of Seattle	February 2024	\$ 6,000.00	February 2024	\$ 6,000.00
Regional Associate Member	PRR	March 2024	\$ 500.00	April 2024	\$ 500.00
Partner	Puget Sound Energy	February 2024	\$ 6,000.00	April 2024	\$ 6,000.00
Partner	Republic Services	February 2024	\$ 6,000.00	April 2024	\$ 6,000.00
Regional Associate Member	Seattle Building and Constr.	February 2024	\$ 500.00	February 2024	\$ 500.00
Partner	Sound Transit	February 2024	\$ 6,000.00	February 2024	\$ 6,000.00
Regional Associate Member	ValleyCom	February 2024	\$ 500.00	March 2024	\$ 500.00
Partner	Waste Management	February 2024	\$ 6,000.00	March 2025	\$ 6,000.00
<b>Totals</b>			<b>\$ 74,500.00</b>		<b>\$ 60,000.00</b>

**Paid 2023 Invoices**

Sponsorship Level	Sponsor/Entity	Invoiced Month	Amount Invoiced	Paid Month	Amount Paid	2024 invoice Due
Partner	Amazon	February 2023	\$ 6,000.00	September 2023	\$ 6,000.00	
Regional Associate Member	AWC	January 2023	\$ 500.00	February 2023	\$ 500.00	
Partner	Boeing	April 2023	\$ 6,000.00	June 2023	\$ 6,000.00	April 2024
Event Sponsor	Boeing	April 2023	\$ 2,500.00	June 2023	\$ 2,500.00	
Partner	Cedar Grove	February 2023	\$ 6,000.00	June 2023	\$ 6,000.00	
Partner	Comcast	March 2023	\$ 6,000.00	April 2023	\$ 6,000.00	
Event Sponsor	Comcast	March 2023	\$ 2,500.00	April 2023	\$ 2,500.00	
Regional Associate Member	Desimone Consulting Group	March 2023	\$ 500.00	April 2023	\$ 500.00	
Regional Associate Member	EMC Research	January 2023	\$ 500.00	February 2023	\$ 500.00	
Regional Associate Member	Foster Garvey	March 2023	\$ 500.00	March 2023	\$ 500.00	
Event Sponsorship	Foster Garvey	March 2023	\$ 2,500.00	March 2023	\$ 2,500.00	
Regional Associate Member	Google Fiber	September 2023	\$ 500.00	March 2024	\$ 500.00	September 2024
Event Sponsor	Google Fiber	September 2023	\$ 2,500.00	March 2024	\$ 2,500.00	
Regional Associate Member	Gordon Thomas Honeywell	May 2023	\$ 500.00	May 2023	\$ 500.00	May 2024
Event Sponsor	Gordon Thomas Honeywell	May 2023	\$ 2,500.00	May 2023	\$ 2,500.00	
Regional Associate Member	Green River College	January 2023	\$ 500.00	February 2023	\$ 500.00	
Regional Associate Member	KC Dept of Assessments	January 2023	\$ 500.00	February 2023	\$ 500.00	
Regional Associate Member	King County Elections	June 2023	\$ 500.00	July 2023	\$ 500.00	June 2024
Regional Associate Member	King County Library Systems	January 2023	\$ 500.00	January 2023	\$ 500.00	
Regional Associate Member	Langton Spieth, LLC	January 2023	\$ 500.00	January 2023	\$ 500.00	
Partner	Lumen	December 2022	\$ 6,000.00	January 2023	\$ 6,000.00	
Regional Associate Member	McDonald's	November 2023	\$ 500.00	December 2023	\$ 500.00	November 2024
Event Sponsor	McDonald's	November 2023	\$ 4,500.00	December 2023	\$ 4,500.00	
Partner	Microsoft	January 2023	\$ 6,000.00	April 2023	\$ 6,000.00	
Partner	Port of Seattle	January 2023	\$ 6,000.00	January 2023	\$ 6,000.00	
Regional Associate Member	PRR	March 2023	\$ 500.00	May 2023	\$ 500.00	
Partner	Puget Sound Energy	January 2023	\$ 6,000.00	April 2023	\$ 6,000.00	
Partner	Republic Services	January 2023	\$ 6,000.00	February 2023	\$ 6,000.00	
Regional Associate Member	Seattle Building and Constr.	January 2023	\$ 500.00	January 2023	\$ 500.00	
Partner	Seattle King County Realtors	September 2023	\$ 6,000.00	March 2024	\$ 6,000.00	September 2024
Partner	Seattle Metro Chamber	September 2023	\$ 6,000.00	April 2024	\$ 6,000.00	September 2024
Partner	Sound Transit	January 2023	\$ 6,000.00	November 2023	\$ 6,000.00	
Regional Associate Member	ValleyCom	January 2023	\$ 500.00	January 2023	\$ 500.00	
Partner	Waste Management	January 2023	\$ 6,000.00	February 2023	\$ 6,000.00	
Regional Associate Member	AT&T	February 2023	<del>\$ 500.00</del>		<del>bad debt</del>	
Regional Associate Member	Inslce Best	April 2023	<del>\$ 500.00</del>		<del>bad debt</del>	
Regional Associate Member	Michael Baker International	January 2023	<del>\$ 500.00</del>		<del>bad debt</del>	
Partner	Recology	September 2023	<del>\$ 6,000.00</del>		<del>bad debt</del>	
Regional Associate Member	Symetra	June 2023	<del>\$ 500.00</del>		<del>bad debt</del>	
<b>TOTALS</b>			<b>\$ 110,500.00</b>		<b>\$102,500.00</b>	

April 30, 2024 SCA Finance Committee Meeting

Updated 4/23/2024

Attachment 5: Sponsorship Update

## 200 FINANCE

### 201 FINANCIAL POLICIES

- 201.1 The opening/closing of bank accounts requires board approval. (7-28-2005)
- 201.2 Individual written contractual financial commitments for future services, materials, and benefits in excess of \$10,000 require Board approval and two authorized signatures. (7-28-2005)
- 201.3 Unbudgeted expenditures which may cause SCA to exceed its proposed budget shall require the approval of the SCA Board. (7-28-2005)
- 201.4 Member Cities should be billed during the month of December for the following year's dues. Dues should be payable within 60 days. (3/15/95)
- 201.5 Reserve policies
- a) The association should maintain an Operations Reserve equal to half the annual budget. (3/15/95, 4/15/09, 3/20/2019)
  - b) The association should maintain an Equipment Replacement reserve of a minimum of \$15,000 to fund unbudgeted capital expenditures. (Board 9/27/2006, 3/21/2012, 3/20/2019)
  - c) The association should maintain a Contract Liability Reserve to fund the liabilities of all SCA contracts. (Board 9/27/2006, 3/20/2019)
  - d) The association should maintain a Legal Reserve of \$25,000.
  - e) The association should maintain sufficient funds to pay all liabilities, including accrued vacation and other employment liabilities. (3/20/2019)
  - f) The association may apply unallocated operating reserves to the budget for the following year. (4-15-09, Board 10/20/10)
- 201.6 The SCA should not operate with any deficit financing. (3-15-95)
- 201.7 Equipment Depreciation – Equipment with a combined value (purchase and installation costs) of more than \$2000 will be depreciated annually. (Board December 8, 2008)
- 201.10 The Executive Director has the authority to write off uncollectible debts in amounts up to and including \$1,000. Any debts larger than \$1,000 must be authorized for write off by the Board of Directors. All debts written off must be reviewed by the Finance Committee, and reported to the Board of Directors. A debt shall not be deemed "uncollectable" until it is overdue by a minimum of 120 days.
- (Board 4/15/2009, 3/21/2012)

### 202 AUTHORIZED SIGNATURES

- 202.1 The Executive Director shall be the authorized person named in the account resolution between any banks and SCA and they, on behalf of SCA, may:
- a) Open, close and deposit funds into any checking, savings, or time deposit account, or any certificate of deposit (3-28-2007)
  - b) Obligate the Corporation to contracts and other agreements with the bank



- c) Deposit to the Corporation's account (and provide any endorsements for that purpose) any negotiable item payable to the Corporation
- d) Sign any check or draft
- e) Withdraw funds from any checking, savings, or time deposit account, or any certificate of deposit
- f) Designate another staff member as signer when Executive Director is unavailable or incapacitated. (7-28-2005)

202.2 The Board President, Vice President, and Treasurer shall be named persons in the account resolution between any bank and SCA and they, on behalf of SCA

- a) Open, close and deposit funds into any checking, savings, or time deposit account, or any certificate of deposit
- b) b) Obligate the Corporation to contracts and other agreements with the bank.
- c) c) Deposit to the Corporation's account (and provide any endorsements for that purpose) any negotiable item payable to the Corporation
- d) Sign any check or draft, when check requires two signatures, or when Executive Director is not able to sign
- e) Withdraw funds from any checking, savings, or time deposit account, or any certificate of deposit, if Executive Director is unavailable or incapacitated. (10-18-2023)

202.3 SCA checks of \$20,000 or more require two signatures. (7-28-2005, 10-18-2023)

### **203 ACCOUNTING SYSTEM**

203.1 SCA shall maintain an accounting system according to Generally Accepted Accounting Principles. (7-28-2005, 10-18-2023)

### **204 TAX REPORT**

SCA shall file its Form 990 tax report with the IRS under its 501 (c)(4) designation. The Form 990 shall be reviewed and approved by the Finance Committee and Board prior to filing. (7-28-2005, 8-21-2013)

### **205 CREDIT CARDS**

SCA shall establish a bank credit card in SCA's name with a combined limit of \$20,000. The Executive Director shall determine the authorized holders and respective credit limits.

(7-28-2005, 4-20-2011, 3/21/2012, 4/17/2013, 4/15/2015)

### **206 AUDIT**

The books and records of SCA shall be audited at least every three years by a CPA approved by the SCA Board of Directors and upon the exit of the Executive Director. (10/22/2008)

### **207 INVESTMENTS**

207.1 Investment Policies

- a) Funds not covering current expenses should be maintained in low risk, liquid, interest bearing accounts. (3-15-95)

b) Investment of funds in excess of current expenses may be invested in a specific investment plan that is AA rated or better or the equivalent risk for unrated investments, and approved by the SCA Board. (3-15-95)

c) Consistent with the Uniform Prudent Investor Act, investments must be chosen based on their suitability for SCA. Consideration should be given to the following:

- financial condition;
- current investment portfolio;
- need for income;
- investment objective; and risk tolerance and diversification

d) At least annually, the Board of Directors shall review investments for consistency with the SCA Investment Policies. (6-9-2011)

## **208 BUDGET POLICY**

### 208.1 Budget Adoption Procedure

1. The executive director shall submit an annual budget to the Finance Committee for the coming fiscal year. (Bylaws 11-17-2004)
2. The Finance Committee shall annually submit a budget to the Board of Directors. (Bylaws 11-17-2004)
3. Dues are assessed annually as determined by the membership adoption of the Association budget. (Bylaws 11-17-2004)

### 208.2 Budget Adherence

All expenditures shall be made in accordance with the annual budget adopted or as amended by the Board. (Bylaws 11-17-2004)