

VERDANT HEALTH COMMISSION  
PUBLIC HOSPITAL DISTRICT NO. 2 OF SNOHOMISH COUNTY, WASHINGTON  
**BOARD OF COMMISSIONERS**  
Regular Meeting  
AGENDA  
June 29, 2022  
8:00 a.m. to 10:00 a.m.

The public can participate in person at the Verdant Community Wellness Center or join via Zoom by visiting <https://us02web.zoom.us/j/81877444580> Meeting ID: 818 7744 4580 or the call-in number is 253-215-8782.

|   | <u>ACTION</u> | <u>TIME</u> | <u>PAGE</u> |
|---|---------------|-------------|-------------|
| A. Call to Order  | ---           | 8:00        | ---         |
| B. Approval of Minutes  | Action        | 8:01        | 3           |
| 1. May 25, 2022 Board Meeting   |               |             |             |
| C. Public Comments (limit 3 minutes per speaker)  | Information   | 8:03        | ---         |
| D. Executive Session  | ---           | 8:06        | ---         |
| 1. To consider the legal risks of potential litigation  |               |             |             |
| E. Presentation: Mary Wright, Mathew Stopa, Dylan Peterson, Review of Moss Adams 2021 Audit Report    | Information   | 8:21        | 9           |
| F. Superintendent Report  |               |             | ---         |
| 1. Verdant Operations   | Information   | 8:31        |             |
| 2. Community Outreach Update  | Information   | 8:36        |             |
| a. Presentation: Kirk Mathis, Digital Marketing & Communications Manager of Verdant, Marketing Update |               |             |             |
| G. Executive Committee Report   |               | 8:46        |             |
| 1. Approval of Charity Care Policy  | Action        |             | 37          |
| 2. Approval of Updated 2022 Board Meeting Schedule  | Action        |             | 45          |
| H. Finance Committee Report   |               |             |             |
| 1. Review financial statements & cash activity  | Information   | 8:56        | 47          |
| 2. Authorization of payments of vouchers and payroll  | Action        | 9:04        | 55          |
| 3. Approval of LOI Extension with South County Fire to 8/30/22  | Action        | 9:05        | ---         |
| 4. Approval of updated Purchasing & Expenditure Policy  | Action        | 9:08        | 57          |
| 5. Approval of updated Credit Card Use Policy   | Action        | 9:13        | 60          |
| 6. Approval of updated Social Worker Case Management Policy   | Action        | 9:16        | 62          |
| 7. Approval to award architect contract to JPC Architects for Kruger Refresh Project                  | Action        | 9:21        | 65          |

|  |             |       |     |
|--|-------------|-------|-----|
| 8. Approval of duct work at Kruger Clinic                        | Action      | 9:26  | 66  |
| 9. Recommendation to hire JSH Properties for property management | Action      | 9:31  | 67  |
| I. Program Committee Report                                      |             |       | 68  |
| 1. Conflicts of Interest   | Information | 9:35  |     |
| 2. Grant Modification Requests                                   | Action      | 9:36  |     |
| 3. Q2 Funding Recommendations                                    | Action      | 9:40  |     |
| 4. Updated Year 2/3 budget guidance guidelines                   | Action      | 9:50  |     |
| 5. School-based Health Center update                             | Information | 9:52  |     |
| J. Public Comments (limit 3 minutes per speaker)                 | Information | 9:54  | --- |
| K. Commissioner Comments   | Information | 9:57  | --- |
| L. Adjournment   |             | 10:00 |     |

PUBLIC HOSPITAL DISTRICT NO. 2 OF SNOHOMISH COUNTY, WASHINGTON  
**VERDANT HEALTH COMMISSION**

**BOARD OF COMMISSIONERS**

**Regular Meeting**

**Hybrid: In-Person at Verdant Community Wellness Center and via Zoom**

**May 25, 2022**

**8:00 a.m.-10:00 a.m.**

|                               |  |
|-------------------------------|--|
| <b>Commissioners Present</b>  | Jim Distelhorst, MD, President<br>Karianna Wilson, Secretary<br>Deana Knutsen, Commissioner<br>Carolyn Brennan, Commissioner<br>Bob Knowles, Commissioner ( <i>excused from the meeting at 9:30am</i> )  |
| <b>Staff</b>                  | Dr. Lisa Edwards, Superintendent<br>Nancy Budd, MSW, Community Social Worker<br>Riene Simpson, CPA, Director of Finance<br>Zoe Reese, MPA, Director of Community Impact & Grantmaking<br>Kaysi Kelly, Executive Assistant/Office Manager<br>Maggie Konstanski, Grants Manager<br>Kirk Mathis, Digital Marketing & Communications Manager<br>Monika Star, Wellness Center Assistant |
| <b>Guests</b>                 | Cherry Cayabyab, KAYA Strategik<br>John Kim, PHPDA<br>Shannon Smith, Sound Pathways<br>Brittany Castro, Providence-Swedish Hospital<br>Tom Laing, LETI<br>LETI (group participants)<br>Joe Alonzo, Cocoon House<br>Carrie Johnson, Snohomish County Legal Services<br>Pa Ousman Joof   |
| <b>Call to Order</b>          | The regular meeting of the Board of Commissioners of Public Hospital District No. 2, Snohomish County, was called to order at 8:04 a.m. by President Distelhorst.  |
| <b>Approval of Minutes</b>    | <b><i>Motion was made by Commissioner Wilson, seconded by Commissioner Brennan and passed unanimously to approve</i></b> the minutes of the regular Board Meeting on, April 27, 2022 (E:39:22).  |
| <b>Public Comments</b>        | None.  |
| <b>Superintendent Report:</b> | Dr. Edwards expressed her gratitude to the Verdant staff who pulled together to plan and execute a successful grand re-opening event at the Verdant Community Wellness Center on   |

May 13<sup>th</sup>. She also provided thanks to Commissioner Distelhorst, Commissioner Brennan, and Commissioner Wilson who were able to attend the grand re-opening event.

She reported that we have been receiving very positive feedback from groups who use our facility space. Dr. Edwards has participated in meetings with community partners to apply for ARPA funding with the City of Lynnwood and Snohomish County. The Verdant team participated in the Edmonds School District's Health & Fitness Expo on Saturday, May 21<sup>st</sup> and they will also participate in C3 and LETI's BIPOC Health Fair on Saturday, May 28<sup>th</sup>.

The Community Perspectives Survey is well underway and thanks to the hard work of our grants team, Zoe Reese, and Maggie Konstanski, we have surpassed our goal of 300 responses and are now over 400 responses. The survey will remain open until May 31, 2022.

**Presentation:  
Cherry Cayabyab,  
KAYA Strategik –  
Verdant's DEI  
Priorities**

Ms. Cayabyab presented her final report of the Diversity, Equity, & Inclusion (DEI) consultation she provided for Verdant. Her process included interviews of 8 staff, 18 community partners, and 14 organizations to assess Verdant's DEI work. From that feedback, she was able to determine themes and create actionable recommendations for Verdant. Her process resulted in five key short-term DEI recommendations for 2022, some of which are already underway:

1. Outreach and Engagement – engage 6-8 Community Health Workers (CHW)
2. Community Relationships – host two facilities open house and Meet & Greet at VCWC
3. Grants and Resources – promote a Community Health Needs Assessment to gather data to inform program and operational planning
4. Operational Plan - create a 2023 operational plan with clear implementation goals and budget
5. Leadership – promote personal and professional growth, relationship, and team building

The estimated budget impact of these DEI recommendations ranges from \$37,000 to \$43,000. At the end of her report, Ms. Cayabyab included a few best practice case studies from several nonprofit organizations, as well as the interview questions she asked staff during her process.

**Commissioner  
Comments**

Commissioner Brennan spoke about the AWP/PHD/WSHA conference last week where there was a very powerful DEI speaker. She understands that Verdant staff is working full-time and exposed to this DEI work every day and that the Commissioners will need to include this in their strategic plan.

Commissioners Distelhorst and Knutsen attended the annual Step-Up conference which spoke about racial equity.

Commissioner Wilson would like to better analyze equity in the community before adopting the DEI report recommendations.

Commissioners are interested in having a study session prior to their strategic planning meeting to focus specifically on DEI work. In addition, the Board committees will also be discussing these DEI efforts at their upcoming committee meetings.

**Executive  
Committee Report**

President Distelhorst reported that the Executive Committee met on Wednesday, May 18, 2022 to review the agenda for the May 25, 2022 board meeting. No action was taken at this time.

**Finance  
Committee  
Report:**

The Finance Committee met on May 12 and May 24, 2022 to review warrants and financial reports for the May 25<sup>th</sup> board meeting.

**Review of  
Financial  
Statements**

Ms. Simpson reviewed the financial statement and cash activity for April 2022 and noted any transactions out of the ordinary from the warrants payment list (E:41:22). There were some 12/31/21 adjustments needed before the annual audit. These adjustments resulted in a favorable \$400,000 impact for the District. April included a couple surprise expenses, one of which was ~\$75k in security expenses that needed to be booked to one month. Other month-to-month variances will show in reporting. There are two vacancies at Kruger Clinic which result in a rental income loss.

Program expenses fell below the 80% goal (77%) due to "All Other Operating Expenses" not being included in the pie chart visual previously. This was an omission from Ms. Simpson's predecessor and will be corrected going forward. The grant payment cycles also make the program expense figure fluctuate – so falling below the 80% goal is not a permanent trend.

Commissioner Wilson commented that the work Ms. Simpson is doing to reconcile and cleanup the District's financial reporting is remarkable and greatly appreciated.

There is around \$1 million in urgent repairs needed for the Kruger Clinic which were not budgeted. This includes the roof repair which we are already planning for but also the replacement of 19 HVAC units from the 1980s. These HVAC units will be replaced in batches over the next 20 years. At the bottom of the Statement of Income -Actual v Budget report, Ms. Simpson requests that the minutes reflect a

clarification to her notes in the "Program Payments" table at the bottom. COVID and Superintendent's Discretionary funds are separate. Superintendent's Discretionary has a budget of \$100,000.

Commissioner Knutsen asked if we are moving forward with hiring a Treasurer and Fiscal Specialist since we are currently paying a lot of money for an accounting specialist consultant. Dr. Edwards answered that the Finance Committee is reviewing the accounting duties needed on a go-forward basis versus what is cleanup hours now as Ms. Simpson gets caught up on District financials. Commissioner Wilson said that in the past we have had an outside Treasurer, someone not in-house, and also an outside accounting firm to monitor processes. She is not comfortable hiring a new staff person until we know how much of Ms. Simpson's extra hours are dedicated to cleanup versus day-to-day duties.

**Authorization for payment of vouchers and payroll**

Authorization for payment of vouchers and payroll: Warrant references A-C for payment in April 2022 in the amount of \$293,169.86, were presented for approval. (E:42:22)

***Motion was made by Commissioner Wilson, seconded by Commissioner Knowles and passed unanimously to approve the April warrants.***

**Program Committee Report**

Ms. Reese, MPA, provided an overview of program activity and grantmaking for April 2022. (E:43:22)

**Conflict of Interest**

Commissioner Brennan has conflict with University of Washington.

**Grant Modification Requests**

Ms. Reese, MPA, presented one grant contract modification for Board approval.

| Agency                     | Program  | Current Grant terms             | Modification Request   | Committee Recommendation |
|----------------------------|--|---------------------------------|--|--------------------------|
| Evergreen Recovery Centers | Bidirectional Substance Use Disorder Treatment | 6/1/2021-9/30/2022<br>\$354,400 | Request reduction in number of individuals served/encounters due to delay in implementation of new EHR and impact of COVID on planned community outreach. All staff have been hired, work is in progress, and insurance companies are starting to reimburse- just less volume year 1 than planned. | Approve as requested.    |

***Motion was made by Commissioner Wilson, seconded by Commissioner Brennan and passed to approve the grant modification request for Evergreen Recovery Center. Commissioner Knowles was not present for the vote.***

**COVID-19 Grant Requests**

None.

**Superintendent's  
Discretionary**

Ms. Reese, MPA, presented two ideas in progress for Board approval. The Edmonds School District program for the SBHC site design is part of an \$11MM request going through the county. This \$5,000 in funding is just to get the site started with its utility hookup.

| Agency                                   | Program                                | Contract Duration | Amount   | Committee Recommendation |
|--|--|-------------------|----------|--------------------------|
| Community Foundation of Snohomish County | Applicant Coaching and Support         | 6/1/22-12/31/22   | \$25,000 | Approve                  |
| Edmonds School District                  | Meadowdale Highschool SBHC Site Design | 5/1/22-8/31/22    | \$5,000  | Approve                  |
|  |  | Total             | \$30,000 |                          |

Community Foundation of Snohomish County:

***Motion was made by Commissioner Knutsen, seconded by Commissioner Wilson and passed to approve. Commissioner Knowles was not present for the vote.***

Edmonds School District:

***Motion was made by Commissioner Knutsen, seconded by Commissioner Brennan and passed to approve. Commissioner Knowles was not present for the vote.***

Ms. Reese, MPA, presented a table showing grant applications submitted for Q2. She explained the Q2 submitted applications will be presented at the June 29<sup>th</sup> Board meeting, for a funding start date of 7/1/22.

Referring to the last column in the table for "Amount requested adjusted to new caps," Commissioner Knutsen pointed out that the Board is moving in the opposite direction of what the community requested to not limit as much the amount of basic operating expenses Verdant would cover with its grantmaking. This was a point that was brought up in KAYA Strategik's DEI analysis in their interview of community members.

**Grant Contract  
Start Date  
Standardization**

Ms. Reese, MPA, provided some background on historical grant terms and requested from the Board to approve 13 or 14-month grant periods for four organizations, to sync them up to the current quarterly grant start dates.

Commissioner Wilson agreed this is a good step to streamline the grantmaking process.

Commissioner Brennan asked if there are any organizations that don't spend all the money they receive from Verdant. Ms. Reese, MPA, explained that yes, a few organizations don't spend all their funds, but she works closely with them to submit no-cost extensions to give them more time to spend the money.

***Motion was made by Commissioner Knutsen, seconded by Commissioner Wilson and passed to approve the grant contract start date standardization proposal. Commissioner Knowles was not present for the vote.***

**Other Items:  
Community  
Perspectives  
Survey**

Ms. Konstanski provided a recap of the goal of our Community Perspectives Survey to support our strategies, programs, and operational priorities. In addition to the survey, Verdant also had a few ranking activities at various community events so there have been 450 touchpoints to gather this data. We are utilizing data from about 15 different community health needs data reports to determine the needs. We will identify and code responses utilizing three Verdant staff members and three non-Verdant community members. Once coding is complete, we will share the initial data with our community partners to ask if there was anything we missed. From there, we can re-review and re-code the survey with a new perspective. Ms. Konstanski will share the written steps for our survey process with all Commissioners.

Commissioner Wilson commented that Verdant's priorities right now have an expanded scope due to COVID, like focusing on housing, food security, but she would like to get back to advocacy efforts, so we can support these organizations at a higher level and weigh in on policy on behalf of these organizations who need our support.

**Commissioner  
Comments**

President Distelhorst spoke about how great it was to meet in person again and appreciates the staff's hard work. Commissioner Knutsen reiterated the well-done for the Verdant staff.

**Adjournment**

The meeting was adjourned at 10:00 a.m. by President Distelhorst.

**ATTEST BY:**

\_\_\_\_\_  
President

\_\_\_\_\_  
Secretary





REPORTS OF INDEPENDENT AUDITORS  
AND FINANCIAL STATEMENTS

**PUBLIC HOSPITAL DISTRICT NO. 2,  
SNOHOMISH COUNTY, WASHINGTON  
DBA VERDANT HEALTH COMMISSION**

December 31, 2021 and 2020



MOSSADAMS

## Table of Contents

---

|  | PAGE  |
|--|-------|
| <b>Report of Independent Auditors</b>  | 1–3   |
| <b>Management’s Discussion and Analysis</b>  | 4–10  |
| <b>Financial Statements</b>  |       |
| Statements of net position   | 11    |
| Statements of revenues, expenses, and changes in net position  | 12    |
| Statements of cash flows   | 13–14 |
| Notes to financial statements  | 15–21 |
| <b>Report of Independent Auditors on Internal Control over Financial Reporting and<br/>on Compliance and Other Matters Based on an Audit of Financial Statements<br/>Performed in Accordance with <i>Government Auditing Standards</i></b> | 22–23 |

## **Report of Independent Auditors**

The Board of Commissioners  
Public Hospital District No. 2, Snohomish County, Washington  
dba Verdant Health Commission

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the financial statements of Public Hospital District No. 2, Snohomish County, Washington dba Verdant Health Commission as of and for the years ended December 31, 2021 and 2020, and the related notes to the financial statements, which collectively comprise Public Hospital District No. 2, Snohomish County, Washington dba Verdant Health Commission's financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Public Hospital District No. 2, Snohomish County, Washington dba Verdant Health Commission as of December 31, 2021 and 2020, and the changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards (Government Auditing Standards), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Public Hospital District No. 2, Snohomish County, Washington dba Verdant Health Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Public Hospital District No. 2, Snohomish County, Washington dba Verdant Health Commission's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Public Hospital District No. 2, Snohomish County, Washington dba Verdant Health Commission's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Public Hospital District No. 2, Snohomish County, Washington dba Verdant Health Commission's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 10 be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 13, 2022, on our consideration of Public Hospital District No. 2, Snohomish County, Washington dba Verdant Health Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Public Hospital District No. 2, Snohomish County, Washington dba Verdant Health Commission's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Public Hospital District No. 2, Snohomish County, Washington dba Verdant Health Commission's internal control over financial reporting and compliance.

*Morse Adams LLP*

Everett, Washington  
June 13, 2022

# **Public Hospital District No. 2, Snohomish County, Washington dba Verdant Health Commission Management's Discussion and Analysis**

---

The following discussion and analysis for Public Hospital District No. 2, Snohomish County, Washington dba Verdant Health Commission (the District) provides an overview of the District's financial activities for the years ended December 31, 2021 and 2020. Please read it in conjunction with the District's financial statements, which follow this analysis.

## **Using These Financial Statements**

The District's financial statements consist of three statements: a statement of net position; a statement of revenues, expenses, and changes in net position; and a statement of cash flows. These financial statements and related notes provide information about the financial activities of the District.

## **The Statement of Net Position and Statement of Revenues, Expenses, and Changes in Net Position**

These two statements include all restricted and unrestricted assets and all liabilities using the accrual basis of accounting. All the current year's revenues and expenses are taken into account when the underlying transactions occur, regardless of when cash is received or paid. These statements report the District's net position and the changes therein. When assessing the overall health of the District, other nonfinancial factors also need to be considered, such as changes in programs offered, measures of the quality of service offered, and local economic factors.

## **The Statement of Cash Flows**

This statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, and capital and noncapital financing activities. It provides information about sources and uses of cash and the change in cash balances during the reporting periods.

## **The Transition of Operations, Effective September 1, 2010**

Until September 1, 2010, Public Hospital District No. 2, Snohomish County, Washington, owned and operated Stevens Hospital. Through a lease and operating agreement, on September 1, 2010, Swedish Health Services (SHS), a nonprofit corporation, assumed operation of the hospital and renamed it Swedish Edmonds. This transition significantly changed the role of the District. The District retained ownership of the hospital but no longer manages its operations and, instead, is a landlord to SHS. As of December 31, 2021, SHS had paid \$95.5 million in total lease payments to the District for the use of hospital real property and personal assets owned by the District.

## **Public Hospital District No. 2, Snohomish County, Washington dba Verdant Health Commission Management's Discussion and Analysis**

---

### **The Transition of Operations, Effective September 1, 2010 (continued)**

The negotiated agreement terms for use of the hospital by SHS are for 30 years, with options to renew, wherein the District will receive monthly lease payments that increase 3.0% per year for the first 15 years, after which time the monthly payments will be level for the remainder of the agreement. Additionally, SHS agreed to invest a minimum of \$90.0 million into hospital capital improvements over the course of the first 10 years, with no less than \$6.0 million per year in each of those 10 years. If SHS fails to meet the capital requirement for three consecutive years, this would constitute a breach of the lease and operating agreement. In 2018 and 2019, SHS neglected to meet its annual \$6.0 million requirements by \$1.9 million, and \$1 million, respectively. In 2020, SHS met the capital requirement with capital improvements of \$6.2 million. In 2021, \$11.6 million in capital improvements including CT and mammography equipment, surgery center flooring, behavioral health expansion, autoclave replacements, MRI space build out and generator replacement were identified. \$4 million in capital expenditures are forecasted for 2022.

The capital investment commitment included the installation of the Epic electronic medical record system. Additional capital investment by SHS may be committed each year based on 25% of the defined profitability of the facility. In addition, SHS committed to a major expansion project of at least \$60 million, provided there was adequate return on investment, demand criteria were met, and the SHS board of trustees approved such a project. An expansion of the Emergency Department was completed in 2016 that met the major expansion project criteria above. The District and SHS formed a strategic collaboration committee to provide oversight for the lease and strategic planning activities for the facility.

The District will maintain investments sufficient to take back the operation of the hospital in the event of default by SHS or some other extraordinary event. This transition significantly impacted many of the statement of net position accounts for the year ending December 31, 2010, and along with the long-term agreement with SHS, significantly improves the short- and long-term financial viability of the District.

### **The Verdant Health Commission**

As of September 1, 2010, the District began doing business as South Snohomish County Commission for Health (SSCCFH). The SSCCFH name was changed in 2011 to the Verdant Health Commission (Verdant) by a vote of the commissioners of the District. Verdant is governed by a board of five commissioners elected at large. The mission of Verdant is to improve the health and well-being of the community. This mission will be completed by contracting for services with local organizations, businesses, and government agencies, and the establishment of Verdant-operated initiatives. Long-term financial stability will be established by investing available revenues received from SHS and others, as well as ongoing tax levy revenues, into allowable government funds, thus building adequate reserves in the years to come.

## **Public Hospital District No. 2, Snohomish County, Washington dba Verdant Health Commission Management's Discussion and Analysis**

---

### **The Verdant Health Commission (continued)**

Verdant began accepting funding proposals in June 2011 in four health priority areas: Education and Empowerment, Prevention, Access to Healthcare Services, and Policy and Advocacy. Funds are available for one-time uses like events and short-term needs in the community, as well as for ongoing health and wellness programs. Verdant paid out approximately \$11.6 million in total program expenditures and grants during 2021, of which \$11.3 million related to community program investments, including \$3.2 million on the Building Health Communities Initiative. Each program is managed through a cooperative agreement with partners and is being monitored for performance and compliance by Verdant staff. Verdant also spent \$0.3 million on internal programs at the Verdant Community Wellness Center (VCWC) in 2021.

Aligned with industry best practice, Verdant implemented an electronic grants management software in 2021 which supports the entire life cycle of the grantmaking process from the initial application through award, payment administration and contract maintenance. Verdant accepts proposals for emergency COVID-19 requests on an ongoing basis for emerging community health needs resulting from the prolonged impacts of the pandemic on all aspects of the social determinants of health. Verdant also accepts applications for traditional multi-year application through four quarterly cycles. Proposals are scored within the grants management software by staff and Commissioners serving on the Program Committee, and the Board approves all awarded funding.

Verdant completed a comprehensive needs assessment in 2013 to better understand the health and wellness issues impacting residents of South Snohomish County. This assessment was formally updated in 2016. Frequent community outreach, partner communication and collaboration inform the Commission during the interim. A full reassessment is planned for 2022.

Verdant continues to fund projects focused on improving the health and wellbeing of residents, with focus on the priority areas of access to healthcare, dental care, behavioral health, childhood obesity, supporting seniors, and education and prevention. In 2020, Verdant Commissioners also added housing and food security as priority areas in response to changing needs of the community and increased vulnerability due to COVID-19. Notable new programs that were approved in 2021 include investments in programs that support diverse community groups to navigate and access the services they need for their health and wellbeing, emergency shelter and eviction prevention programming and mobile outreach-based clinical services. Verdant also renewed funding for several large grants during the year including the Move60 Program in Edmonds School District to support students and families to increase physical fitness, and Homage's Care Coordination Program to support elderly and disabled residents in accessing services.

In 2018 Verdant released a request for proposal (RFP) and reviewed applications through its Building Health Communities Fund, approving \$5 million in funding for capital grants. These included a community health clinic through Sea Mar Community Health Center, an integrated pain management and recovery services program through Community Health Centers of Snohomish County, a physical activity project through the City of Mountlake Terrace, and several other smaller projects. \$3.2M was paid out related to these awards in 2021. Previous funding related to this initiative includes \$47,500 paid in 2018 for a walking program in the town of Woodway, \$359,000 paid in 2019 for a mobile dental van operated by Medical Teams International, and \$125,000 paid in 2019 for the first installment on the integrated pain management and recovery services program, with the final payment made in 2020.



# Public Hospital District No. 2, Snohomish County, Washington

## dba Verdant Health Commission

### Management's Discussion and Analysis

---

#### The Verdant Health Commission (continued)

The VCWC in Lynnwood continues to offer residents of the District a resource for accessing health and wellness classes, programs, and information. The center serves as the headquarters for Verdant and houses all District staff. During 2018, Verdant added a Community Social Worker to provide case management services to clients with complex health and social service needs. Community classes were offered at the VCWC in 2021 in English and Spanish, focusing on lifestyle modification, prevention, and managing chronic conditions with topics like healthy cooking, weight management, positive parenting, stress reduction, and behavioral health support groups.

Although a public facility, Verdant remained closed to group activities and facility rental during 2021 due to the continued Pandemic. Internal program delivery was accomplished through live streaming. Strict safety protocols were adhered to for the safety and wellbeing of staff and community.

Verdant's community impacts are published annually on the Verdant website at [www.verdanthealth.org](http://www.verdanthealth.org) and include:

- \$11,600,000 in total program funding
- 162 sponsored classes and events, 4,714 registered participants
- 440 patients connected to specialty medical care
- \$970,510 in special Covid-19 funding
- 40,000 Covid-19 vaccines administered
- 53 community organizations received funding across all strategic priorities

#### Statement of Net Position

The District's net position is the difference between its assets and liabilities as reported in the statement of net position (in thousands).

|   | 2021              | 2020              | 2019             |
|---|-------------------|-------------------|------------------|
| <b>Assets</b>                             |                   |                   |                  |
| Current assets                            | \$ 58,620         | \$ 59,396         | \$ 55,573        |
| Capital assets, net                       | 22,613            | 23,989            | 25,502           |
| Other noncurrent assets                   | 19,234            | 19,025            | 18,466           |
| <b>Total assets</b>                       | <b>\$ 100,467</b> | <b>\$ 102,410</b> | <b>\$ 99,541</b> |
| <b>Liabilities</b>                        |                   |                   |                  |
| Current liabilities                       | \$ 1,459          | \$ 1,406          | \$ 2,586         |
| <b>Total liabilities</b>                  | <b>1,459</b>      | <b>1,406</b>      | <b>2,586</b>     |
| <b>Net position</b>                       |                   |                   |                  |
| Net investment in capital assets          | 22,613            | 23,989            | 24,490           |
| Restricted for debt service               | -                 | 39                | 44               |
| Unrestricted                              | 76,395            | 76,976            | 72,421           |
| <b>Total net position</b>                 | <b>99,008</b>     | <b>101,004</b>    | <b>96,955</b>    |
| <b>Total liabilities and net position</b> | <b>\$ 100,467</b> | <b>\$ 102,410</b> | <b>\$ 99,541</b> |

# **Public Hospital District No. 2, Snohomish County, Washington dba Verdant Health Commission Management's Discussion and Analysis**

---

## **Current Assets**

Total current assets of \$58.6 million at year-end 2021 reflect a decrease of \$0.8 million (1.3%), compared to the balance of \$59.4 million at the end of 2020. Cash and cash equivalents increased by \$1.3 million (30.8 %) in 2021, compared to an increase of \$2.1 million (110.3%) in 2020.

## **Capital Assets**

The District's net capital assets decreased \$1.4 million (5.7%) in 2021, compared to a net decrease of \$1.5 million (5.9%) in 2020. Depreciation and surplusing of aging hospital assets continue to contribute to this decrease.

## **Other Noncurrent Assets**

Other noncurrent assets consist of rent receivable totaling \$19.2 million at year-end 2021, an increase of \$0.2 million (1.1%), compared to an increase of \$0.6 million (3.0%) in 2020. The rent receivable results from straight-line recognition of the 30-year lease of the hospital to SHS.

## **Current Liabilities**

Current liabilities increased \$0.05 million (3.8%) from \$1.4 million in 2020 to \$1.45 million in 2021.

## **Long-Term Debt**

As of December 31, 2020, the District no longer had long-term debt. All outstanding bonds were paid off during 2020. Principal payments during 2020 totaled \$1.0 million.

# Public Hospital District No. 2, Snohomish County, Washington

## dba Verdant Health Commission

### Management's Discussion and Analysis

---

#### Operating Results and Changes in the District's Net Position

In 2021, the District's net position decreased \$2.0 million (2.0%), compared to an increase of \$4.0 million (4.2%) in 2020 (in thousands):

|                                   | 2021      | 2020       | 2019      |
|-----------------------------------|-----------|------------|-----------|
| Operating revenues                |           |            |           |
| Lease revenue                     | \$ 11,597 | \$ 11,760  | \$ 11,749 |
| Other operating revenues          | 96        | 1          | 36        |
| Total operating revenues          | 11,693    | 11,761     | 11,785    |
| Operating expenses                |           |            |           |
| Salaries and benefits             | 1,085     | 721        | 941       |
| Program expenditures              | 11,560    | 8,410      | 7,325     |
| Other                             | 1,786     | 1,594      | 1,352     |
| Depreciation                      | 1,375     | 1,608      | 1,756     |
| Total operating expenses          | 15,806    | 12,333     | 11,374    |
| Operating (loss) income           | (4,113)   | (572)      | 411       |
| Nonoperating revenues (expenses)  |           |            |           |
| Tax levies                        | 2,466     | 2,407      | 2,368     |
| Investment income (loss)          | (314)     | 1,843      | 1,827     |
| Interest expense and amortization | -         | 31         | 8         |
| Other revenues (expenses)         | (35)      | 340        | (11)      |
| Net nonoperating revenues         | 2,117     | 4,621      | 4,192     |
| Increase in net position          | (1,996)   | 4,049      | 4,603     |
| Net position, beginning of year   | 101,004   | 96,955     | 92,352    |
| Net position, end of year         | \$ 99,008 | \$ 101,004 | \$ 96,955 |

Operating revenues in 2021 totaled \$11.7 million. Of that, \$9.8 million was attributable to the SHS lease for operation of the hospital. Additional lease revenues were received from other lease agreements, including Healthcare Realty and the Swedish Kruger Medical Office Building (formerly known as the Kruger Clinic). Verdant also received a small amount of revenue for internally hosted community programs at the VCWC.

Overall operating costs of \$15.8 million at year-end 2021 reflect an increase of \$3.5 million (28.2%), compared to operating costs of \$12.3 million at the end of 2020. Salaries and benefits totaled \$1.1 million in 2021, an increase of 50.5% from 2020. Program expenditures totaled \$11.6 million in 2021 compared to \$8.4 million in 2020, an increase of 37.5%.

# **Public Hospital District No. 2, Snohomish County, Washington dba Verdant Health Commission Management's Discussion and Analysis**

---

## **Operating Results and Changes in the District's Net Position (continued)**

Net nonoperating revenues in 2021 totaled \$2.1 million, compared to \$4.6 million in 2020, a decrease of \$2.5 million (54.2%). There was also a net decrease in investment return of \$2.2 million (117%) over 2020, which consisted of \$0.3 million decrease in investment income, and a \$1.9 million decrease in net unrealized and realized gains (losses). As a Public Hospital district, the investment portfolio is governed by a policy established under RCW Chapters 39.59 and 43.250 which defines the investment objectives and authorized investment options.

## **Contacting the District's Financial Management**

This financial report is designed to provide our taxpayers, suppliers, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the District's finance office at 4710 196th Street SW, Lynnwood, Washington 98036.

**Public Hospital District No. 2, Snohomish County, Washington**  
**dba Verdant Health Commission**  
**Statements of Net Position**

---

**ASSETS**

|   | December 31,                 |                              |
|---|------------------------------|------------------------------|
|   | 2021                         | 2020                         |
| <b>CURRENT ASSETS</b>                                       |                              |                              |
| Cash and cash equivalents                                   | \$ 5,324,633                 | \$ 4,069,648                 |
| Investments   | 53,251,626                   | 55,019,161                   |
| Prepaid expenses and other                                  | 43,339                       | 268,694                      |
| Assets whose use is limited                                 | -                            | 38,854                       |
| Total current assets  | <u>58,619,598</u>            | <u>59,396,357</u>            |
| <b>CAPITAL ASSETS</b>                                       |                              |                              |
| Nondepreciable capital assets                               | 7,723,706                    | 7,723,706                    |
| Depreciable capital assets, net of accumulated depreciation | <u>14,888,873</u>            | <u>16,265,194</u>            |
| Capital assets, net of accumulated depreciation             | <u>22,612,579</u>            | <u>23,988,900</u>            |
| <b>RENT RECEIVABLE</b>                                      | <u>19,234,605</u>            | <u>19,024,353</u>            |
| Total assets  | <u><u>\$ 100,466,782</u></u> | <u><u>\$ 102,409,610</u></u> |

**LIABILITIES AND NET POSITION**

|                                    |                              |                              |
|------------------------------------|------------------------------|------------------------------|
| <b>CURRENT LIABILITIES</b>         |                              |                              |
| Accounts and warrants payable      | \$ 398,252                   | \$ 329,725                   |
| Prepaid lease income               | 904,911                      | 921,683                      |
| Accrued salaries and benefits      | 31,276                       | 29,747                       |
| Estimated self-insured liabilities | <u>125,000</u>               | <u>125,000</u>               |
| Total current liabilities          | <u>1,459,439</u>             | <u>1,406,155</u>             |
| <b>NET POSITION</b>                |                              |                              |
| Net investment in capital assets   | 22,612,579                   | 23,988,900                   |
| Restricted for debt service        | -                            | 38,854                       |
| Unrestricted                       | <u>76,394,764</u>            | <u>76,975,701</u>            |
| Total net position                 | <u>99,007,343</u>            | <u>101,003,455</u>           |
| Total liabilities and net position | <u><u>\$ 100,466,782</u></u> | <u><u>\$ 102,409,610</u></u> |

**Public Hospital District No. 2, Snohomish County, Washington**  
**dba Verdant Health Commission**  
**Statements of Revenues, Expenses, and Changes in Net Position**

|   | Years Ended December 31, |                |
|---|--------------------------|----------------|
|   | 2021                     | 2020           |
| <b>OPERATING REVENUES</b>                                 |                          |                |
| Lease revenue   | \$ 11,596,958            | \$ 11,759,642  |
| Other operating revenue                                   | 95,843                   | 1,163          |
| Total operating revenues                                  | 11,692,801               | 11,760,805     |
| <b>OPERATING EXPENSES</b>                                 |                          |                |
| Salaries and wages  | 924,176                  | 625,493        |
| Employee benefits   | 160,615                  | 95,118         |
| Program expenditures                                      | 11,559,753               | 8,409,947      |
| Professional services                                     | 618,749                  | 670,897        |
| Purchased services, utilities, and other                  | 1,167,570                | 923,508        |
| Depreciation  | 1,375,092                | 1,608,086      |
| Total operating expenses                                  | 15,805,955               | 12,333,049     |
| Operating loss  | (4,113,154)              | (572,244)      |
| <b>NONOPERATING REVENUES (EXPENSES)</b>                   |                          |                |
| Maintenance and operations tax levy                       | 2,466,426                | 2,406,758      |
| Investment income and net unrealized/realized (loss) gain | (314,461)                | 1,843,383      |
| Other interest expense and amortization                   | -                        | 30,597         |
| Other revenues (expenses)                                 | (34,923)                 | 339,553        |
| Net nonoperating revenues                                 | 2,117,042                | 4,620,291      |
| Change in net position                                    | (1,996,112)              | 4,048,047      |
| NET POSITION, beginning of year                           | 101,003,455              | 96,955,408     |
| NET POSITION, end of year                                 | \$ 99,007,343            | \$ 101,003,455 |

See accompanying notes.

12

**Public Hospital District No. 2, Snohomish County, Washington**  
**dba Verdant Health Commission**  
**Statements of Cash Flows**

---

**Increase (Decrease) in Cash and Cash Equivalents**

|  | Years Ended December 31, |                     |
|--|--------------------------|---------------------|
|  | 2021                     | 2020                |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                    |                          |                     |
| Cash received for leasing and other operations                                 | \$ 11,465,777            | \$ 11,207,497       |
| Cash paid to employees   | (1,083,262)              | (761,460)           |
| Cash paid on community programs  | (11,559,753)             | (8,409,947)         |
| Cash paid to suppliers for goods and services                                  | (1,492,437)              | (1,946,807)         |
| Net cash from operating activities   | (2,669,675)              | 89,283              |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>                         |                          |                     |
| Cash received from maintenance and operations tax levy for noncapital purposes | 2,505,280                | 2,411,770           |
| Other  | (33,694)                 | 339,553             |
| Net cash from noncapital financing activities                                  | 2,471,586                | 2,751,323           |
| <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>                |                          |                     |
| Principal payments on long-term debt   | -                        | (955,000)           |
| Interest paid on long-term debt  | -                        | (28,651)            |
| Purchase of capital assets   | -                        | (95,058)            |
| Net cash from capital and related financing activities                         | -                        | (1,078,709)         |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                    |                          |                     |
| Net change in investments  | 1,161,064                | (1,302,998)         |
| Investment income  | 292,010                  | 1,675,488           |
| Net cash from investing activities   | 1,453,074                | 372,490             |
| <b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>                                 | 1,254,985                | 2,134,387           |
| <b>CASH AND CASH EQUIVALENTS, beginning of year</b>                            | 4,069,648                | 1,935,261           |
| <b>CASH AND CASH EQUIVALENTS, end of year</b>                                  | <u>\$ 5,324,633</u>      | <u>\$ 4,069,648</u> |

**Public Hospital District No. 2, Snohomish County, Washington**  
**dba Verdant Health Commission**  
**Statements of Cash Flows**

---

**Increase (Decrease) in Cash and Cash Equivalents**

|  | Years Ended December 31, |                  |
|--|--------------------------|------------------|
|  | 2021                     | 2020             |
| RECONCILIATION OF OPERATING LOSS TO NET CASH FROM        |                          |                  |
| OPERATING ACTIVITIES                                     |                          |                  |
| Operating loss   | \$ (4,113,154)           | \$ (572,244)     |
| Adjustments to reconcile operating loss to net cash from |                          |                  |
| operating activities                                     |                          |                  |
| Depreciation   | 1,375,092                | 1,608,086        |
| Changes in operating assets and liabilities              |                          |                  |
| Prepaid expenses and other                               | 225,355                  | (223,569)        |
| Rent receivable  | (210,252)                | (557,663)        |
| Accounts and warrants payable                            | 68,527                   | (153,833)        |
| Prepaid lease income                                     | (16,772)                 | 4,355            |
| Accrued salaries and benefits                            | 1,529                    | (40,849)         |
| Other liabilities  | -                        | 25,000           |
| Net cash from operating activities                       | <u>\$ (2,669,675)</u>    | <u>\$ 89,283</u> |



# **Public Hospital District No. 2, Snohomish County, Washington**

## **dba Verdant Health Commission**

### **Notes to Financial Statements**

---

#### **Note 1 – Organization and Summary of Accounting Policies**

**Organization** – Until September 1, 2010, Public Hospital District No. 2 of Snohomish County, Washington (the District), a Washington municipal corporation, was owned and operated as Stevens Hospital (the Hospital), located in Edmonds, Washington. The Hospital is an acute care community hospital with 217 set-up beds. On September 1, 2010, the District entered into an agreement (the Agreement) to lease and operate the Hospital with Swedish Health Services (SHS), a nonprofit corporation. The Agreement included transfer of control of Stevens Foundation (the Foundation), which was organized and formally incorporated as a 501(c)(3) tax-exempt organization. The District is now doing business as Verdant Health Commission.

The District is governed by a board of five elected commissioners. The mission of the District is to improve the health and well-being of the community. This mission will be completed by contracting for services with local organizations, businesses, and government agencies and the establishment of District-operated initiatives. Long-term financial stability will be established by investing available revenues received from SHS, as well as ongoing tax levy revenues, into allowable government funds, thus building adequate reserves in the years to come.

The District began accepting funding proposals in June 2011 in four health priority areas: Education and Empowerment, Prevention, Access to Healthcare Services, and Policy and Advocacy. Funds are available for one-time uses like events and short-term needs in the community, as well as for ongoing health and wellness programs.

The terms of the Agreement specify an initial 30-year term, with two 10-year renewal options. Rental payments to be made by SHS will be \$600,000 per month, with annual escalation of 3% per year on each anniversary date for the first 15 years. The rent is on an absolute net basis, with SHS being responsible for all operating costs associated with the facility. The lease calls for certain approvals by the District that affect the operation of the facility for the following: change in license, major service line changes, union contract representation, and maintenance of an independent medical staff. Per the terms of the agreement, SHS committed to capital investments for the facility, some of which were dependent upon various factors like future profitability, return on investment, and demand criteria, and SHS board approval. The District and SHS formed a strategic collaboration committee to provide oversight for the lease and strategic planning activities for the facility.

The County Treasurer acts as an agent to collect property taxes levied in the county for all taxing authorities. Taxes are levied annually on assessed values as established by the County Assessor. Tax collections are distributed monthly to the District by the County Treasurer. Property taxes are recorded as receivables and revenue when levied. Because state law allows for the sale of property for failure to pay taxes, no estimate of uncollectible taxes is made.

In September 1997, the voters of the District approved maintenance and operations (M&O) tax levy upon the taxable property within the District; the M&O tax provided approximately \$2,430,000 of funding in 2021 and \$2,420,000 of funding in 2020. The levy is ongoing in future years. The M&O tax levy funds are reported in the accompanying statements of revenues, expenses, and changes in net position as nonoperating revenues.

**Public Hospital District No. 2, Snohomish County, Washington**  
**dba Verdant Health Commission**  
**Notes to Financial Statements**

---

**Note 1 – Organization and Summary of Accounting Policies (continued)**

**Basis of presentation** – The financial statements reflect the operations of the District using enterprise fund accounting. Revenues and expenses are recognized on the accrual basis using the economic resources measurement focus.

**Use of estimates** – The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Cash and cash equivalents** – For purposes of the statements of cash flows, the District considers all highly liquid investments (excluding cash and short-term investments included in restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

**Investments** – Investments that are not considered to be cash and cash equivalents or restricted assets are reported at fair value. Investment interest, dividends, and unrealized and realized gains and losses are included in nonoperating income when earned.

**Capital assets** – Capital assets are stated at cost. Improvements and replacement of capital assets are capitalized. The District's capitalization threshold is \$5,000 per item and a useful life of at least two years. Maintenance and repairs are expensed. The cost of capital assets sold or retired and the related accumulated depreciation are removed from the accounts, and any resulting gain or loss is recorded.

Depreciation is computed using the straight-line method over the estimated useful lives of the related assets. Assets under capital leases are amortized over the shorter of the lease term or useful life. Amortization attributable to assets acquired under capital leases is included with depreciation as shown in the statements of revenues, expenses, and changes in net position.

The following is a summary of asset lives used:

|                                     |            |
|-------------------------------------|------------|
| Buildings and building improvements | 2–50 years |
| Equipment                           | 2–50 years |
| Land improvements                   | 2–25 years |

**Rent receivable** – Rent receivable represents lease revenue on a straight-line basis in excess of lease payments received for applicable lease agreements in accordance with applicable accounting standards.

**Self-insurance liabilities** – The District accrues an estimate of losses and related expenses for its self-insured workers' compensation claims. The District maintains stop-loss insurance for workers' compensation claims in excess of specified amounts. This liability, which is approximately \$125,000 as of December 31, 2021 and 2020, is recorded in the accompanying statements of net position within estimated self-insured liabilities.

# Public Hospital District No. 2, Snohomish County, Washington

## dba Verdant Health Commission

### Notes to Financial Statements

---

#### **Note 1 – Organization and Summary of Accounting Policies (continued)**

**Net position** – Net position of the District is classified into three components. The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of related debt that is attributable to the acquisition, construction, or improvement of those assets. The restricted component of net position represents noncapital assets that must be used for a specific purpose. The unrestricted component of net position is the remaining net amount of the assets and liabilities that are not included in the determination of net investment in capital assets or the restricted component of net position.

**Statements of revenues, expenses, and changes in net position** – For purposes of presentation, transactions deemed by management to be ongoing, major, or central to the provision of District services are reported as operating revenues and expenses. All levy income, interest expense, investment income, and other peripheral or incidental transactions are reported as nonoperating revenues and expenses.

**Income taxes** – As a political subdivision of the state of Washington, the District is not subject to federal income tax, because its income is excluded from gross income for federal income tax purposes under Section 115 of the Internal Revenue Code.

**Subsequent events** – Subsequent events are events or transactions that occur after the statements of net position date but before financial statements are available to be issued. The District recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the statements of net position, including the estimates inherent in the process of preparing the financial statements. The District's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the statements of net position but arose after the statements of net position date and before the financial statements are available to be issued.

The District has evaluated subsequent events through June 13, 2022, which is the date the financial statements are available to be issued.

#### **Note 2 – Deposits, Investments, and Assets Whose Use is Limited**

The District makes investments in accordance with Washington State law. Eligible investments include obligations secured by the U.S. Treasury, other obligations of the United States or its agencies, certificates of deposit with approved institutions, eligible bankers' acceptances, and repurchase agreements (up to 30 days).

Because the District is a political subdivision of the state, deposits and investments are categorized to give an indication of the risk assumed at year-end. Category 1 includes deposits and investments that are insured, registered, or held in the District's name. Category 2 includes uninsured and unregistered investments that are held by a broker's or dealer's trust department or agent in the District's name. Category 3 includes uninsured and unregistered deposits and investments for which the securities are held by the broker or dealer, or its trust department or agent, but not in the District's name. At December 31, 2021 and 2020, all deposits and investments of the District are categorized as Category 1.

**Public Hospital District No. 2, Snohomish County, Washington**  
**dba Verdant Health Commission**  
**Notes to Financial Statements**

---

**Note 2 – Deposits, Investments, and Assets Whose Use is Limited (continued)**

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs. The composition of investments, reported at fair value by investment type at December 31, 2021 and 2020, and excluding unrestricted cash, and other assets limited as to use balances of \$5,359,481 and \$4,108,502, respectively, is as follows:

| Investment Type<br>as of December 31, 2021 | Quoted Prices in<br>Active Markets<br>for Identical<br>Assets (Level 1) | Inputs other than<br>quoted prices that are<br>directly or indirectly<br>observable (Level 2) | Total                | Percentage of<br>Totals |
|--|---|---|----------------------|-------------------------|
| U.S. Treasury securities                   | \$ 26,316,725   | \$ -  | \$ 26,316,725        | 49%                     |
| U.S. government agency obligations         | -   | 14,809,867  | 14,809,867           | 28%                     |
| Domestic corporate bonds                   | -   | 12,125,034  | 12,125,034           | 23%                     |
|  | <u>\$ 26,316,725</u>  | <u>\$ 26,934,901</u>  | <u>\$ 53,251,626</u> | <u>100%</u>             |
| Investment Type<br>as of December 31, 2020 | Quoted Prices in<br>Active Markets<br>for Identical<br>Assets (Level 1) | Inputs other than<br>quoted prices that are<br>directly or indirectly<br>observable (Level 2) | Total                | Percentage of<br>Totals |
| U.S. Treasury securities                   | \$ 28,317,383   | \$ -  | \$ 28,317,383        | 52%                     |
| U.S. government agency obligations         | -   | 14,957,933  | 14,957,933           | 27%                     |
| Domestic corporate bonds                   | -   | 11,743,845  | 11,743,845           | 21%                     |
|  | <u>\$ 28,317,383</u>  | <u>\$ 26,701,778</u>  | <u>\$ 55,019,161</u> | <u>100%</u>             |

**Credit risk** – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District's investment policy limits the types of securities to those authorized by statute; therefore, credit risk is very limited.

**Deposits** – All of the District's deposits are either insured or collateralized. The District's insured deposits are covered by the Federal Deposit Insurance Corporation. Collateral protection is provided by the Washington Public Deposit Protection Commission.

**Custodial credit risk** – Custodial credit risk is the risk that, in the event of a failure of the counterparty, the District will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The District is not exposed to custodial credit risk.

**Concentration of credit risk** – Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The District is not exposed to concentration of credit risk because all deposits and investments are insured or collateralized.

**Interest rate risk** – Interest rate risk is the risk that changes in interest rates of debt instruments will adversely affect the fair value of an investment. The District is not exposed to interest rate risk because all deposits and investments are extremely liquid.

**Public Hospital District No. 2, Snohomish County, Washington**  
**dba Verdant Health Commission**  
**Notes to Financial Statements**

---

**Note 3 – Capital Assets**

Capital asset additions, retirements, and balances for the years ended December 31, 2021 and 2020, were as follows:

|  | Beginning Balance<br>January 1, 2020 | Additions             | Retirements        | Account<br>Transfers | Ending Balance<br>December 31, 2020 |
|--|--------------------------------------|-----------------------|--------------------|----------------------|-------------------------------------|
| <b>NONDEPRECIABLE CAPITAL ASSETS</b>   |                                      |                       |                    |                      |                                     |
| Land                                   | \$ 7,723,706                         | \$ -                  | \$ -               | \$ -                 | \$ 7,723,706                        |
| Construction in progress               | -                                    | -                     | -                  | -                    | -                                   |
|  | <u>7,723,706</u>                     | <u>-</u>              | <u>-</u>           | <u>-</u>             | <u>7,723,706</u>                    |
| <b>DEPRECIABLE CAPITAL ASSETS</b>      |                                      |                       |                    |                      |                                     |
| Land improvements                      | 2,370,444                            | -                     | -                  | -                    | 2,370,444                           |
| Buildings and building<br>improvements | 52,731,537                           | -                     | -                  | -                    | 52,731,537                          |
| Equipment                              | 35,756,068                           | -                     | (32,565)           | -                    | 35,723,503                          |
| <b>LESS ACCUMULATED DEPRECIATION</b>   |                                      |                       |                    |                      |                                     |
| Land improvements                      | 2,319,849                            | 9,041                 | -                  | -                    | 2,328,890                           |
| Buildings and building<br>improvements | 37,775,286                           | 1,091,009             | -                  | -                    | 38,866,295                          |
| Equipment                              | <u>34,497,720</u>                    | <u>275,042</u>        | <u>(31,336)</u>    | <u>-</u>             | <u>34,741,426</u>                   |
| <b>DEPRECIABLE CAPITAL ASSETS, net</b> | <u>16,265,194</u>                    | <u>(1,375,092)</u>    | <u>(1,229)</u>     | <u>-</u>             | <u>14,888,873</u>                   |
| <b>CAPITAL ASSETS, net</b>             | <u>\$ 23,988,900</u>                 | <u>\$ (1,375,092)</u> | <u>\$ (1,229)</u>  | <u>\$ -</u>          | <u>\$ 22,612,579</u>                |
|  | Beginning Balance<br>January 1, 2019 | Additions             | Retirements        | Account<br>Transfers | Ending Balance<br>December 31, 2019 |
| <b>NONDEPRECIABLE CAPITAL ASSETS</b>   |                                      |                       |                    |                      |                                     |
| Land                                   | \$ 7,723,706                         | \$ -                  | \$ -               | \$ -                 | \$ 7,723,706                        |
| Construction in progress               | 44,155                               | -                     | -                  | (44,155)             | -                                   |
|  | <u>7,767,861</u>                     | <u>-</u>              | <u>-</u>           | <u>(44,155)</u>      | <u>7,723,706</u>                    |
| <b>DEPRECIABLE CAPITAL ASSETS</b>      |                                      |                       |                    |                      |                                     |
| Land improvements                      | 2,370,444                            | -                     | -                  | -                    | 2,370,444                           |
| Buildings and building<br>improvements | 52,661,594                           | 43,614                | -                  | 26,329               | 52,731,537                          |
| Equipment                              | 36,936,185                           | 51,444                | (1,249,387)        | 17,826               | 35,756,068                          |
| <b>LESS ACCUMULATED DEPRECIATION</b>   |                                      |                       |                    |                      |                                     |
| Land improvements                      | 2,310,808                            | 9,041                 | -                  | -                    | 2,319,849                           |
| Buildings and building<br>improvements | 36,595,188                           | 1,180,098             | -                  | -                    | 37,775,286                          |
| Equipment                              | <u>35,328,160</u>                    | <u>418,947</u>        | <u>(1,249,387)</u> | <u>-</u>             | <u>34,497,720</u>                   |
| <b>DEPRECIABLE CAPITAL ASSETS, net</b> | <u>17,734,067</u>                    | <u>(1,513,028)</u>    | <u>-</u>           | <u>44,155</u>        | <u>16,265,194</u>                   |
| <b>CAPITAL ASSETS, net</b>             | <u>\$ 25,501,928</u>                 | <u>\$ (1,513,028)</u> | <u>\$ -</u>        | <u>\$ -</u>          | <u>\$ 23,988,900</u>                |

**Public Hospital District No. 2, Snohomish County, Washington**  
**dba Verdant Health Commission**  
**Notes to Financial Statements**

---

**Note 4 – Lessor Agreements**

As referenced in Note 1, the District entered into a lease and operating agreement (the Agreement) with SHS that was dated and effective September 1, 2010. The terms of the Agreement specify an initial 30-year term, with two 10-year renewal options. Rental payments to be made by SHS will be \$600,000 per month, with annual escalation of 3% per year on each anniversary date for the first 15 years. The rental payments will freeze at the rate set during year 15 for the duration of the Agreement. The revenue related to this lease is recorded on a straight-line basis by the District in accordance with applicable accounting standards.

The District also has other lease agreements to lease space to various tenants. In accordance with applicable accounting standards, the revenue from some of these lease agreements is recognized on a straight-line basis and some are recognized in an amount equal to their required lease payments. Other lease agreements include a lease that matures in 2101. The future lease payments for this lease from 2042 to 2101 are approximately \$56,000 per year for a total \$3,358,000. This portion is excluded from the table below.

Rental payments to be received under these agreements are as follows:

|           | Straight-Line Recognition |                     | Leases Recognized<br>Based on Required<br>Lease Payments | Total                 |
|-----------|---------------------------|---------------------|--|-----------------------|
|           | Lease of<br>Hospital      | Other Leases        |  |                       |
| 2022      | \$ 10,066,000             | \$ 674,000          | \$ 330,000   | \$ 11,070,000         |
| 2023      | 10,368,000                | 692,000             | 340,000  | 11,400,000            |
| 2024      | 10,679,000                | 479,000             | 221,000  | 11,379,000            |
| 2025      | 11,000,000                | 252,000             | 94,000   | 11,346,000            |
| 2026      | 11,217,000                | 139,000             | 76,000   | 11,432,000            |
| 2027–2031 | 56,087,000                | 280,000             | 229,000  | 56,596,000            |
| 2032–2036 | 56,087,000                | 280,000             | -  | 56,367,000            |
| 2037–2041 | 41,130,000                | 280,000             | -  | 41,410,000            |
|           | <u>\$ 206,634,000</u>     | <u>\$ 3,076,000</u> | <u>\$ 1,290,000</u>                                      | <u>\$ 211,000,000</u> |

**Note 5 – Property Taxes**

The County Treasurer acts as an agent to collect property taxes levied in the county for all taxing authorities. Taxes are levied annually on January 1 on property values listed as of the prior May 31. Assessed values are established by the County Assessor at 100% of fair market value. A revaluation of all property is required every four years.

Taxes are due in two equal installments on April 30 and October 31. Collections are distributed monthly to the District by the County Treasurer. The District is permitted by law to levy up to \$0.75 per \$1,000 of assessed valuation for general District purposes. The Washington State Constitution and Washington State Law, RCW 84.55.010, limit the rate. The District may also levy taxes at a lower rate. Further amounts of tax need to be authorized by the vote of the people.

**Public Hospital District No. 2, Snohomish County, Washington**  
**dba Verdant Health Commission**  
**Notes to Financial Statements**

---

**Note 5 – Property Taxes (continued)**

For 2021 and 2020, the District's regular tax levy was \$0.064 per \$1,000 on a total assessed valuation of \$39,951,784,413 and \$37,653,556,246, for a total regular levy of \$2,433,525 and \$2,419,661, respectively.

Property taxes are recorded as receivables when levied. Because state law allows for sale of property for failure to pay taxes, no estimate of uncollectible taxes is made.

**Note 6 – Retirement Plan**

The District sponsors a 401(a) plan and a 457 plan that are available to all benefit-eligible employees working over 20 hours per week. Employees are eligible to contribute at their hire date. Employees contribute to the 457 plan at their discretion. Employee contributions were approximately \$46,000 and \$36,000 during the years ended December 31, 2021 and 2020, respectively. The District contributes to the 401(a) plan at 3% of employee wages with an additional matching contribution of up to 3% of the amount contributed by the employee to the 457 plan. The District's policy is to fully fund the contributions. The District contributed approximately \$45,000 and \$32,000 during the years ended December 31, 2021 and 2020, respectively.

**Note 7 – Contingencies**

**Litigation and compliance with laws and regulations** – The District is involved in litigation arising in the course of business. After consultation with legal counsel, management estimates that these matters will be resolved without material adverse effect on the District's future financial position or results from operations.

## **Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

The Board of Commissioners  
Public Hospital District No. 2, Snohomish County, Washington  
dba Verdant Health Commission

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Public Hospital District No. 2, Snohomish County, Washington dba Verdant Health Commission (the District) as of and for the year ended December 31, 2021 and 2020, and the related notes to the financial statements, which collectively comprise Public Hospital District No. 2, Snohomish County, Washington dba Verdant Health Commission's financial statements, and have issued our report thereon dated June 13, 2022.

### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Public Hospital District No. 2, Snohomish County, Washington dba Verdant Health Commission's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Public Hospital District No. 2, Snohomish County, Washington dba Verdant Health Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of Public Hospital District No. 2, Snohomish County, Washington dba Verdant Health Commission's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.



## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Public Hospital District No. 2, Snohomish County, Washington dba Verdant Health Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Morse Adams LLP*

Everett, Washington  
June 13, 2022

## Communications with Those Charged with Governance

To the Board of Commissioners  
Public Hospital District No. 2,  
Snohomish County, Washington  
dba Verdant Health Commission

We have audited the financial statements of Public Hospital District No. 2, Snohomish County, Washington dba Verdant Health Commission (the District) as of and for the year ended December 31, 2021, and have issued our report thereon dated June 13, 2022. Professional standards require that we provide you with the following information related to our audit.

### **Our Responsibility Under Auditing Standards Generally Accepted in the United States of America and *Government Auditing Standards***

As stated in our engagement letter dated January 19, 2022, we are responsible for forming and expressing an opinion about whether the financial statements that have been prepared by management, with your oversight, are prepared, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your responsibilities.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (*Government Auditing Standards*). As part of an audit conducted in accordance with U.S. GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we considered the District's internal control solely for the purposes of determining our audit procedures and not to provide assurance concerning such internal control.

As a part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with certain provision of laws, regulations, contracts, and grants. However, the objective of our tests is not to provide an opinion on compliance with such provisions.

We are also responsible for communicating significant matters related to the financial statement audit that, in our professional judgment, are relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

## **Planned Scope and Timing of the Audit**

We performed the audit according to the planned scope and timing previously communicated to you in the engagement letter and our planning meeting with you.

## **Significant Audit Findings and Issues**

### ***Qualitative Aspects of Accounting Practices***

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. No new accounting policies were adopted and there were no changes in the application of existing policies during 2021. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

### ***Significant Accounting Estimates***

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was:

- The useful lives of fixed assets have been estimated based on the intended use and are within the American Hospital Association or Medicare guidelines. We evaluated the key factors and assumptions used to develop the useful lives of fixed assets in determining that they are reasonable in relation to the financial statements taken as a whole.

### ***Financial Statement Disclosures***

The disclosures in the financial statements are consistent, clear, and understandable. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There are no disclosures in the financial statements that would be considered sensitive.

### ***Significant Unusual Transactions***

We encountered no significant unusual transactions during our audit of the District's financial statements.

### ***Significant Difficulties Encountered in Performing the Audit***

Professional standards require us to inform you of any significant difficulties encountered in performing the audit. No significant difficulties were encountered during our audit of the District's financial statements.

### ***Disagreements with Management***

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. No such disagreements arose during the course of our audit.

***Circumstances that Affect the Form and Content of the Auditor's Report***

There may be circumstances in which we would consider it necessary to include additional information in the auditor's report in accordance with auditing standards generally accepted in the United States of America. There were no circumstances that affected the form and content of the auditor's report.

***Corrected and Uncorrected Misstatements***

Professional standards require us to accumulate all factual and judgmental misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We did not detect any corrected or uncorrected misstatements during our audit procedures.

***Management Representations***

We have requested certain representations from management that are included in the management representation letter dated June 13, 2022.

***Management Consultation with Other Independent Accountants***

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

***Other Significant Audit Findings or Issues***

We are required to communicate to you other findings or issues arising from the audit that are, in our professional judgment, significant and relevant to your oversight of the financial reporting process. There were no such items identified.

This information is intended solely for the use of the Board of Commissioners and management of Public Hospital District No. 2, Snohomish County, Washington dba Verdant Health Commission and is not intended to be and should not be used by anyone other than these specified parties.

*Morse Adams LLP*

Everett, Washington  
June 13, 2022



## FINANCIAL ASSISTANCE – CHARITY CARE

| Administrative Policy <a href="#">Banner1Inst</a> |  |
|---|--|
| <b>Approved:</b>                                  | 06/01/2022   |
| <b>Department:</b>                                | <a href="#">ClinAdminAreaInst</a> All Swedish Hospital Facilities, Departments and Clinics |
| <b>Population Covered:</b>                        | All patients who are provided with emergent or medically necessary healthcare services     |
| <b>Implementation Date:</b>                       | 07/01/2022   |

Swedish Health Services and Swedish Edmonds (“SHS” or “Swedish”) is a not-for-profit healthcare organization guided by a commitment to its Mission of improving the health and well-being of each person we serve, by its Core Values of safety, patient-centered care, respect, caring and compassion, teamwork and partnership, continuous learning and improvement and leadership, and by the belief that healthcare is a human right. It is the philosophy and practice of each SHS hospital that emergent and medically necessary healthcare services are readily available to those in the communities we serve, regardless of their ability to pay.

### Scope

This policy applies to all SHS hospitals and to all emergency, urgent and other medically necessary services provided by SHS hospitals (with exception of experimental, investigative, or elective care). A list of SHS hospitals covered by this policy can be found in Exhibit A Covered Facilities List.

This policy shall be interpreted in a manner consistent with Section 501(r) of the Internal Revenue Code of 1986, as amended. In the event of a conflict between the provisions of such laws and this policy, such laws shall control.

### Purpose [PurposeInst](#)

The purpose of this policy is to ensure a fair, non-discriminatory, effective, and uniform method for the provision of Financial Assistance (charity care) to eligible individuals who are unable to pay in full or part for medically necessary emergency and other hospital services provided by SHS hospitals.

It is the intent of this policy to comply with all federal, state, and local laws. This policy and the financial assistance programs herein constitute the official Financial Assistance Policy (‘FAP’) and Emergency Medical Care Policy for each hospital owned, leased or operated by SHS.

### Responsible Persons [RespPersonsInst](#)

Revenue Cycle departments

### Policy

SHS will provide free or discounted hospital services to qualified low income, uninsured and underinsured patients when the ability to pay for services is a barrier to accessing medically necessary emergency and other hospital care and no alternative source of coverage has been identified. Patients must meet the eligibility requirements described in this policy to qualify.

SHS hospitals with dedicated emergency departments will provide, without discrimination, care for emergency medical conditions (within the meaning of the Emergency Medical Treatment and Labor Act) consistent with available capabilities, regardless of whether an individual is eligible for financial assistance. SHS will not discriminate on the basis of age, race, color, creed, ethnicity, religion, national origin, marital status, sex, sexual orientation, gender identity or expression, disability, veteran or military status, or any other basis prohibited by federal, state, or local law when making financial assistance determinations.

SHS hospitals will provide emergency medical screening examinations and stabilizing treatment or refer and transfer an individual if such transfer is appropriate in accordance with 42 C.F.R 482.55. SHS prohibits any actions, admission practices, or policies that would discourage individuals from seeking emergency medical care, such as permitting debt collection activities that interfere with the provision of emergency medical care.

#### **List of Professionals Subject to SHS FAP:**

Each SHS hospital will specifically identify a list of those physicians, medical groups, or other professionals providing services who are and who are not covered by this policy. Each SHS hospital will provide this list to any patient who requests a copy. The provider list can also be found online at the SHS website: [www.swedish.org](http://www.swedish.org).

#### **Financial Assistance Eligibility Requirements:**

Financial assistance is available to both uninsured and insured patients and guarantors where such assistance is consistent with this policy and federal and state laws governing permissible benefits to patients. SHS hospitals will make a reasonable effort to determine the existence or nonexistence of third-party coverage which may be available, in whole or part, for the care provided by SHS hospitals, prior to directing any collection efforts at the patient.

When a patient or their guarantor is determined to be qualified for retroactive, health care coverage through the medical assistance programs under chapter 74.09 RCW, SHS hospital will provide assistance to the patient or guarantor with applying for such coverage. Financial Assistance may be denied if the patient or their guarantor fails to make reasonable efforts to cooperate with and assist SHS hospitals in applying for such coverage. SHS hospitals will not place unreasonable burdens on the patient or guarantor during the application process for Financial Assistance and retro active coverage, taking into account any physical, mental, intellectual, or sensory deficiencies, or language barriers which may hinder the reasonable party's capability of complying with application procedures. Patients who are obviously or categorically ineligible or have been deemed ineligible in the prior 12 months for a state or federal program will not be required to apply for such programs in order to receive Financial Assistance.

Uninsured patients may receive an uninsured discount. Eligible Financial Assistance balances include but are not limited to the following: Self pay, charges for insured patients with coverage from a plan in which SHS does not participate, coinsurance, deductible, and copayment amounts related to insured patients. Deductible and coinsurance amounts claimed as a Medicare bad debt will be excluded from the reporting of charity care.

Patients seeking financial assistance must complete the standard SHS Financial Assistance Application and eligibility will be based upon financial need as of the date of service or as of the date of application, whichever indicates the lower amount of income and greatest financial need. Patients may re-apply for assistance if their financial circumstances change, even if a previous application was denied or approved in part. Reasonable efforts will be made to notify and inform patients of the availability of Financial Assistance by providing information during admission and discharge, on written communications concerning billing or collections, in patient accessible billing or financial services areas, on SHS hospital's website, by oral notification during payment discussions, as well as on signage in high volume

inpatient and outpatient areas, such as admitting and the emergency department. Translations will be made available in any language spoken by more than ten percent of the population in the hospital's service area.

### **Applying for Financial Assistance:**

Patients or guarantors may request and submit a Financial Assistance Application, which is free of charge and available at the SHS ministry or by the following means: advising patient financial services staff at or prior to the time of discharge that assistance is requested and submitted with completed documentation; by mail, or by visiting [www.swedish.org](http://www.swedish.org), downloading and submitting the completed application with documentation. A person applying for financial assistance will be given a preliminary screening, which will include a review of whether the patient has exhausted or is not eligible for any third-party payment sources.

Each SHS hospital shall make designated personnel available to assist patients in completing the Financial Assistance Application and determining eligibility for SHS financial assistance or financial assistance from government-funded insurance programs, if applicable. Interpretation services are available to address any questions or concerns and to assist in the completion of the Financial Assistance Application.

A patient or guarantor who may be eligible to apply for financial assistance may provide sufficient documentation to SHS to support eligibility determination at any time upon learning that a party's income falls below minimum FPL per the relevant Federal and State regulations.

SHS acknowledges that a determination of eligibility can be made at any time upon learning that a party's income is below 200% of the federal poverty standard. In addition, SHS may choose to grant financial assistance solely based on an initial determination of a patient's status as an indigent person. In these cases, documentation may not be required.

### **Individual Financial Situation:**

Income and certain monetary assets and expenses of the patient will be used in assessing the patient's individual financial situation by giving consideration to the existence, availability, and value of a person's assets. Monetary assets shall not include any equity in a primary residence, retirement plans other than 401(k) plans, and prepaid burial contract or burial plot, any life insurance policy with a value of \$10,000 or less, and one motor vehicle as well as a second motor vehicle if it is needed for employment or medical purposes. The first \$10,000 of monetary assets for a family of one or two, and either 50% of the remaining monetary asset value, or \$1,500 per additional family member, whichever is greater. Monetary assets will not be used for determination of eligibility if a patient's or guarantor's income is at or below 300% of the federal poverty standard.

### **Income Qualifications:**

Income criteria, based on Federal Poverty Level (FPL), shall be used to determine eligibility for free or discounted care. Please see Exhibit B for details.

### **Determinations and Approvals:**

Patients will receive notification of FAP eligibility determination within 14 days of submission of the completed Financial Assistance application and necessary documentation. Once an application is received, extraordinary collections efforts will be pended until a written determination of eligibility is sent to the patient. The hospital will not make a determination of eligibility for assistance based upon information which the hospital believes is incorrect or unreliable.

### **Dispute Resolution:**

The patient may appeal a determination of ineligibility for financial assistance by providing relevant additional documentation to the hospital within 30 days of receipt of the notice of denial. All appeals will be reviewed and if the review affirms the denial, written notification will be sent to the guarantor and State Department of Health, where required, and in accordance with the law. The final appeal process will

conclude within 10 days of receipt of the denial by the hospital. An appeal may be sent to Swedish Medical Center, Attn: Corporate Business Office, 747 Broadway, Seattle, WA 98122.

### **Presumptive Charity:**

SHS may approve a patient for a charity adjustment to their account balance by means other than a full Financial Assistance application. Such determinations will be made on a presumptive basis using an industry-recognized financial assessment tool that evaluates ability to pay based on publically available financial or other records, including but not limited to household income, household size, and credit and payment history.

### **Other Special Circumstances:**

Patients who are eligible for FPL-qualified programs such as Medicaid and other government-sponsored low-income assistance programs, are deemed to be indigent. Therefore, such patients are eligible for Financial Assistance when the programs deny payment and then deem the charges billable to the patient. Patient account balances resulting from non-reimbursed charges are eligible for full charity write-off. Specifically included as eligible are charges related to the following:

- Denied inpatient stays
- Denied inpatient days of care
- Non-covered services
- Prior Treatment Authorization Denials
- Denials due to restricted coverage

### **Catastrophic Medical Expenses:**

SHS, at its' discretion, may grant charity in the event of a catastrophic medical expense. These patients will be handled on an individual basis.

### **Times of Emergency:**

Financial assistance may be available at SHS's discretion in times of a national or state emergency, independent of assistance for catastrophic expenses.

### **Limitation on Charges for all Patients Eligible for Financial Assistance:**

No patient who qualifies for any of the above-noted categories of assistance will be personally responsible for more than the "Amounts Generally Billed" (AGB) percentage of gross charges, as defined below.

### **Reasonable Payment Plan:**

Once a patient is approved for partial financial assistance, but still has a balance due, SHS will negotiate a payment plan arrangement. The reasonable payment plan shall consist of monthly payments that are not more than 10 percent of a patient's or family's monthly income, excluding deductions for Essential Living Expenses that the patient listed on their financial assistance application.

### **Billing and Collections:**

Any unpaid balances owed by patients or guarantors after application of available discounts, if any, may be referred to collections. Collection efforts on unpaid balances will cease pending final determination of FAP eligibility. SHS does not perform, allow or allow collection agencies to perform any extraordinary collection actions. For information on SHS billing and collections practices for amounts owed by patients, please see SHS Hospital's policy, which is available free of charge at each SHS hospital's registration desk, or at: [www.swedish.org](http://www.swedish.org).

### **Patient Refunds:**

In the event that a patient or guarantor has made a payment for services and subsequently is determined to be eligible for free or discounted care, any payments made related to those services during the FAP-eligible time period which exceed the payment obligation will be refunded, in accordance with state regulations.



## **Annual Review:**

This Providence Financial Assistance (Charity Care) Policy will be reviewed on an annual basis by designated Revenue Cycle leadership.

---

## **Definitions** [DefinitionsInst](#)

For the purposes of this policy the following definitions and requirements apply:

1. Federal Poverty Level (FPL): FPL means the poverty guidelines updated periodically in the Federal Register by the United States Department of Health and Human Services.
2. Amounts Generally Billed (AGB): The amounts generally billed for emergency and other medically necessary care to patients who have health insurance is referred to in this policy as AGB. SHS determines the applicable AGB percentage by multiplying the hospital's gross charges for any emergency or medically necessary care by a fixed percentage which is based on claims allowed under Medicare and commercial payors. Information sheets detailing the AGB percentages, and how they are calculated, can be obtained by visiting the following website: [www.swedish.org](http://www.swedish.org) or by calling 1-866-747-2455 to request a copy.
3. Extraordinary Collection Action (ECA): ECAs are defined as those actions requiring a legal or judicial process, involve selling a debt to another party or reporting adverse information to credit agencies or bureaus. The actions that require legal or judicial process for this purpose include a lien; foreclosure on real property; attachment or seizure of a bank account or other personal property; commencement of a civil action against an individual; actions that cause an individual's arrest; actions that cause an individual to be subject to body attachment; and wage garnishment.

## **Exceptions**

See Scope above.

## **Regulatory Requirements**

|  |
|--|
| <i>Internal Revenue Code Section 501(r); 26 C.F.R. 1.501(r)(1) – 1.501(r)(7)</i> |
| <i>Washington Administrative Code (WAC) Chapter 246-453</i>                      |
| <i>Revised Code of Washington (RCW) Chapter 70.170.060</i>                       |
| <i>Emergency Medical Treatment and Labor Act (EMTALA), 42 U.S.C. 1395dd</i>      |
| <i>42 C.F.R. 482.55 and 413.89</i>   |

## **References**

### [ReferencesInst](#)

|  |
|--|
| <i>American Hospital Associations Charity Guidelines</i>                   |
| <i>Providence St. Joseph Health Commitment to the Uninsured Guidelines</i> |
| <i>Provider Reimbursement Manual, Part I, Chapter 3, Section 312</i>       |

## **Stakeholders** [StakeholdersInst](#)

### **Author/Contact**

Executive Director Financial Counseling and Financial Assistance

### **Expert Consultants**

**Sponsor**

Kimberly Sullivan, SVP Chief Revenue Cycle Officer

Financial Assistance (Charity Care).doc(rev.4/1/2019)

**Exhibit A**  
**Covered Facilities List**

|   |                                    |
|---|------------------------------------|
| <b>SHS Hospitals in Washington</b>        |                                    |
| Swedish Medical Center First Hill/Ballard | Swedish Medical Center Cherry Hill |
| Swedish Issaquah                          | Swedish Edmonds                    |

## Exhibit B

### Income Qualifications for SHS Hospitals

| If...  | Then ...  |
|--|---|
| Annual family income, adjusted for family size, is at or below 300% of the current FPL guidelines,   | The patient is determined to be financially indigent, and qualifies for financial assistance 100% write-off on patient responsibility amounts. <sup>1</sup> |
| Annual family income, adjusted for family size, is between 301% and 400% of the current FPL guidelines,  | The patient is eligible for a discount of 75% from original charges on patient responsibility amounts.  |
| If annual family income, adjusted for family size, is at or below 400% the FPL <u>AND</u> the patient has incurred total medical expenses at SHS hospitals in the prior 12 months in excess of 20% of their annual family income, adjusted for family size, for services subject to this policy, | The patient is eligible for 100% charity benefit on patient responsibility amounts.   |



## Revised 2022 Meeting Calendar

|                             | <u>Date/Time</u>                    | <u>Commissioner(s)</u> |
|-----------------------------|-------------------------------------|------------------------|
| <b><u>January 2022</u></b>  |                                     |                        |
| Board Meeting               | Wednesday, 1/26/22 at 8:00-10:00am  | all + Brad Berg        |
| <b><u>February 2022</u></b> |                                     |                        |
| Special Board Meeting       | Saturday, 2/12/22 at 8:00am-12:00pm | all + Margot Helphand  |
| Board Meeting               | Wednesday, 2/23/22 at 8:00-10:00am  | all                    |
| <b><u>March 2022</u></b>    |                                     |                        |
| Board Meeting               | Wednesday, 3/23/22 at 8:00-10:00am  | all                    |
| <b><u>April 2022</u></b>    |                                     |                        |
| Board Meeting               | Wednesday, 4/27/22 at 8:00-10:00am  | all                    |
| <b><u>May 2022</u></b>      |                                     |                        |
| Board Meeting               | Wednesday, 5/25/22 at 8:00-10:00am  | all                    |
| <b><u>June 2022</u></b>     |                                     |                        |
| Board Meeting               | Wednesday, 6/29/22 at 8:00-10:00am  | all                    |
| <b><u>July 2022</u></b>     |                                     |                        |
| Board Meeting               | Wednesday, 7/27/22 at 8:00-10:00am  | all                    |
| <b><u>August 2022</u></b>   |                                     |                        |
| Board Strategic Planning    | Monday, 8/8/22 at 4:00-8:00pm       | all + Margot Helphand  |
| Board Strategic Planning    | Thursday, 8/11/22 at 4:00-8:00pm    | all + Margot Helphand  |
| Board Strategic Planning    | Wednesday, 8/17/22 at 4:00-8:00pm   | all + Margot Helphand  |
| Board Meeting               | Wednesday, 8/24/22 at 8:00-10:00am  | all                    |

Rev 6/29/22

Note: regular Board meetings are scheduled for the 4<sup>th</sup> Wednesday of the month, except for June, November, and December

|                              | <u>Date/Time</u>                    | <u>Commissioner(s)</u> |
|------------------------------|-------------------------------------|------------------------|
| <b><u>September 2022</u></b> |                                     |                        |
| Board Retreat                | Saturday, 9/10/22 at 8:30am-12:00pm | all + Margot Helphand  |
| Board Meeting                | Wednesday, 9/28/22 at 8:00-10:00am  | all                    |
| <b><u>October 2022</u></b>   |                                     |                        |
| 2023 Budget Meeting          | Thursday, 10/20/22 at 6:00-8:00pm   | all                    |
| Board Meeting                | Wednesday, 10/26/22 at 8:00-10:00am | all                    |
| <b><u>November 2022</u></b>  |                                     |                        |
| Board Meeting                | Wednesday, 11/16/22 at 8:00-10:00am | all                    |
| <b><u>December 2022</u></b>  |                                     |                        |
| Board Meeting                | Wednesday, 12/21/22 at 8:00-10:00am | all                    |

Rev 6/29/22

Note: regular Board meetings are scheduled for the 4<sup>th</sup> Wednesday of the month, except for June, November, and December

**Balance Sheet**  
**As of December 31, 2021 and May 31, 2022**

|   | Note 1<br>Dec 31, 2021 | May 31, 2022      | \$ Change          | Comments:   |
|---|------------------------|-------------------|--------------------|---|
| <b>ASSETS</b>                             |                        |                   |                    |   |
| <b>Current Assets</b>                     |                        |                   |                    |   |
| 1 <b>Cash Balance</b>                     | 3,206,323              | 3,933,347         | 727,024            |   |
| 2 <b>Accounts Receivable</b>              | (58,972)               | (23,921)          | 35,051             | Tenant Overpayments 2021, CF to 2022, applying to current rents   |
| <b>Other Current Assets</b>               | -                      |                   |                    |   |
| 3 <b>Investments</b>                      | 55,369,936             | 54,363,304        | (1,006,632)        | Payden and Rygel/US Bank Custodial  |
| 4 <b>Prepaid Expenses &amp; Others</b>    | 66,516                 | 29,898            | (36,618)           | Prepaid Insurances, Other Expenses  |
| 5 <b>M&amp;O Tax Levy Receivable</b>      | 35,795                 | (150,570)         | (186,365)          | 5 months x \$207k less payments received to date  |
| 6 <b>Total Other Current Assets</b>       | 55,472,247             | 54,242,632        | (1,229,615)        |   |
| 7 <b>Total Current Assets</b>             | 58,619,598             | 58,152,058        | (467,540)          |   |
| 8 <b>Total Fixed Assets</b>               | 22,612,579             | 22,071,275        | (541,304)          | Net of Accumulated Depreciation-Hospital and Verdant Assets   |
| 9 <b>Total Other Assets</b>               | 19,234,604             | 19,178,650        | (55,954)           | Deferred Rents-Pavillion, Hospital, Clinic & TI Allowances  |
| <b>Total Assets</b>                       | <b>100,466,781</b>     | <b>99,401,982</b> | <b>(1,064,798)</b> |   |
| <b>LIABILITIES &amp; NET POSITION</b>     |                        |                   |                    |   |
| <b>Liabilities</b>                        |                        |                   |                    |   |
| <b>Current Liabilities</b>                |                        |                   |                    |   |
| 10 <b>Accounts Payable</b>                | 234,537                | 73,006            | (161,531)          | Operating accounts payable and unclaimed property   |
| 11 <b>Credit Cards</b>                    | (674)                  | (1,000)           | (326)              |   |
| <b>Other Current Liabilities</b>          | -                      |                   |                    |   |
| <b>Tenant Prepaid Rents</b>               | 904,910                | 905,351           | 441                | Swedish Hospital and Clinics June rents paid in May   |
| 12 <b>Other Payables &amp; Accruals</b>   | 164,359                | 192,241           | 27,882             | Business Taxes, Accrued Operating Expenses, Tenant Security Deposits  |
| 13 <b>Accrued Salary &amp; Benefits</b>   | 30,221                 | 72,209            | 41,988             | 12 work days accrued at 5/31/22   |
| <b>Estimated Self-Insured Liability</b>   | 126,084                | 125,743           | (341)              | Reserve and accrued expenses for self funded L&I- Reserve is currently under review with Administrator for reduction; only 2 active claims remain |
| 14 <b>Total Other Current Liabilities</b> | 1,225,574              | 1,295,544         | 69,970             |   |
| 15 <b>Total Liabilities</b>               | 1,459,437              | 1,367,550         | (91,887)           |   |
| 16 <b>Equity</b>                          | 99,007,344             | 98,034,433        | (972,912)          | Change = CY22 YTD Net Income/(Loss) through 5/31/2022   |
| <b>Total Liabilities and Equity</b>       | <b>100,466,781</b>     | <b>99,401,982</b> | <b>(1,064,800)</b> |   |

Note 1:

Final December 31, 2021 audited balances.

Pre Audit adjustments impacting previously reported 2021 figures: accrued expenses, deferred rent, levy receivable, depreciation, prepaids.

**Statement of Income-Actual v Budget  
Month and YTD Ending May 31, 2022**

|  | May 22<br>Actual | May 22<br>Budget | Fav/(Unfav)<br>Variance | YTD May 22<br>Actual | YTD May 22<br>Budget | Fav/(Unfav)<br>Variance |
|--|------------------|------------------|-------------------------|----------------------|----------------------|-------------------------|
| <b>1 INCOME</b>                        |                  |                  |                         |                      |                      |                         |
| <b>2 Operating Revenue</b>             | <b>932,181</b>   | <b>959,061</b>   | <b>(26,880)</b>         | <b>4,756,172</b>     | <b>4,803,360</b>     | <b>(47,189)</b>         |
| <b>3 EXPENSES</b>                      |                  |                  |                         |                      |                      |                         |
| <b>4 Operating Expenses</b>            | 361,843          | 206,748          | (155,095)               | 1,276,495            | 1,123,364            | (153,131)               |
| <b>6 Program Expenses</b>              | 835,785          | 838,866          | 3,081                   | 3,915,442            | 4,500,331            | 584,889                 |
| <b>5 Depreciation Expense</b>          | 67,129           | 118,921          | 51,793                  | 542,905              | 585,369              | 42,464                  |
| <b>7 TOTAL EXPENSES</b>                | <b>1,264,757</b> | <b>1,164,536</b> | <b>(100,221)</b>        | <b>5,734,842</b>     | <b>6,209,064</b>     | <b>474,223</b>          |
| <b>OPERATING INCOME/(LOSS)</b>         | <b>(332,576)</b> | <b>(205,476)</b> | <b>(127,100)</b>        | <b>(978,670)</b>     | <b>(1,405,704)</b>   | <b>427,034</b>          |
| <b>8 OTHER INCOME/(EXPENSE)</b>        |                  |                  |                         |                      |                      |                         |
| <b>9 Levy, L&amp;I SI, Investments</b> | 421,342          | 235,000          | 186,342                 | 5,758                | 1,175,000            | (1,169,242)             |
| <b>10 NET INCOME/(LOSS)</b>            | <b>88,766</b>    | <b>29,524</b>    | <b>59,242</b>           | <b>(972,912)</b>     | <b>(230,704)</b>     | <b>(742,208)</b>        |

**Notes  
Month and YTD Ending May 31, 2022**

**Lease Income-**

One Kruger Tenant vacated at the end of February , leaving two suites (#110;2025 SF & 270; 497 SF) vacant. Suite 110 was budgeted for full year at \$7k monthly. Variance to budget is due to: May deferred revenue adjustment was recorded reducing the cash paid rent to GAAP.

**Program Funding All Categories-**

Total Budgeted 2022-\$10.45M; Total funded at 5/31/22 \$3.9M or 37% of budget.

**Expenses-**

Negative budget variance is due to multiple categories; Kruguer Clinic **Security Patrol Expenses** have been accrued through 5/31/22-May reflects 2nd accrual to adjust for outstanding Allied invoices, total expense \$60k. Repairs and Maintenance expenses for KC \$9k HVAC repairs, large electrical door and lighting repairs, HVAC maintenance contract renewal, PSE retro meter read gas at VV. Postage on Canopy mailing, Audit and accounting fees, and other one time consulting fees in May.

**Other Income-**

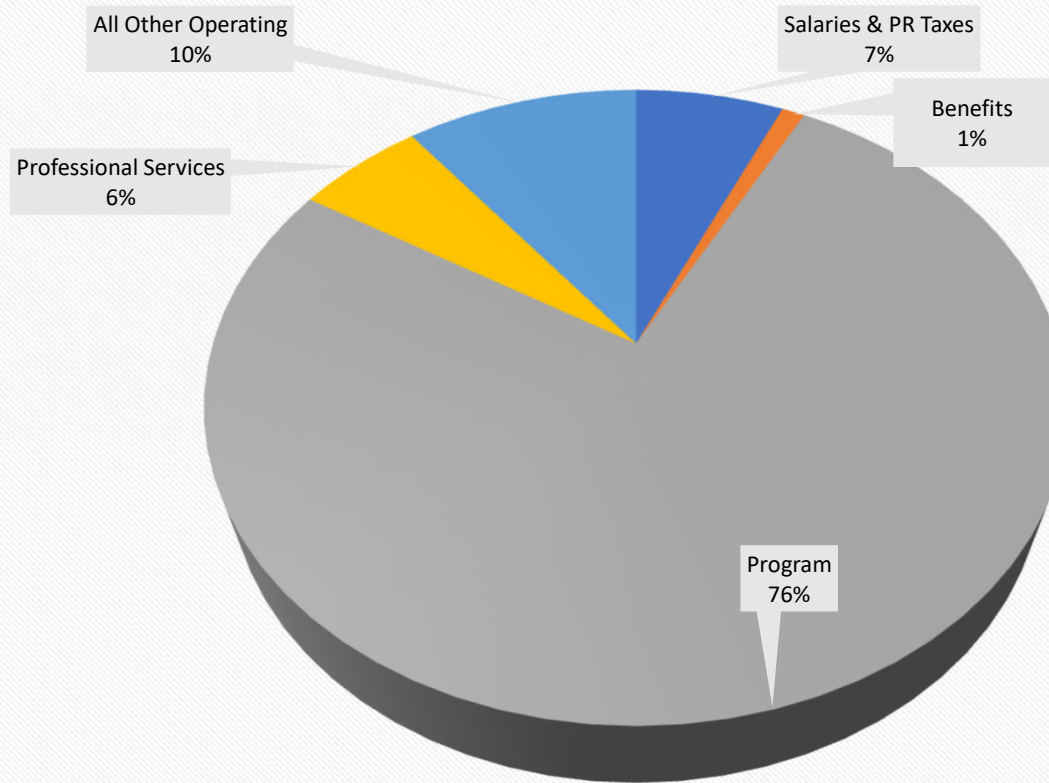
Investments-Year to date Interest and Dividends on Investments \$164K; realized losses <\$70k> and unrealized losses are <\$1.1M>. Levy Income-\$1.031M year to date 5/31/22.



**Statement of Income**  
**Months Ending April 30th and May 31st, 2022**

|  |                  |                  | inc (dec)       |   |
|--|------------------|------------------|-----------------|---|
|  | April 2022       | May 2022         | Month Change    | Comments:   |
| <b>Operating Income</b>                |                  |                  |                 |   |
| 1 <b>Lease Revenues</b>                | 958,964          | 932,181          | (26,783)        | Jan - May deferred rent adjustment <\$18k>; May tenant account adjustment <\$3k>;   |
| <b>Operating Expenses</b>              |                  |                  |                 |   |
| 2 <b>Salaries &amp; Benefits</b>       | 91,510           | 102,256          | 10,746          | May is 5 week payroll month   |
| 3 <b>Professional Services</b>         | 54,446           | 85,669           | 31,224          | May-Moss Adams audit progress billing, TK late invoice, Robert Half accounting, Payden & Rygel Investment Advisory Services, DEI Study, Glick Operational Plan, Turner HR from February     |
| 4 <b>Purchased Services</b>            | 118,980          | 72,863           | (46,117)        | Security, janitorial, marketing, landscape. April includes \$74k for 14 weeks catch up of security services to 3/18/22; May includes \$58k to bring expense current through 5/31/22         |
| 5 <b>Supplies &amp; Postage</b>        | 1,178            | 17,262           | 16,084          | Canopy Mailing \$15,000   |
| 6 <b>Repairs &amp; Maintenance</b>     | 6,973            | 41,658           | 34,685          | Bulger-replace electric exit devices on entry doors \$8k-KC/Cochran Light Repairs parking lot \$4k KC/CPM lighting repairs and gutter repairs \$3k KC. McKinstry annual maint contract \$3k |
| 7 <b>Insurance</b>                     | 5,573            | 5,573            | -               |   |
| 8 <b>Utilities</b>                     | 6,244            | 17,047           | 10,803          | PSE catch up invoice Value Village \$4k..pending research/Electricity under accrued April   |
| 9 <b>Business Taxes</b>                | (1,098)          | 6,524            | 7,622           | April includes refund of prior period overpaid taxes. May accurately reflects leasehold and business taxes  |
| 10 <b>Other Expenses</b>               | 5,153            | 5,566            | 413             |   |
| 11 <b>Depreciation</b>                 | 118,944          | 67,129           | (51,815)        | May includes YTD 2022 true up of depreciation expense , revised monthly is \$107k   |
| 12 <b>Amortization</b>                 | 7,424            | 7,424            | -               |   |
| 13 <b>Total Operating Expenses</b>     | 415,327          | 428,972          | 13,645          |   |
| 14 <b>Program Funding and Expenses</b> |                  |                  |                 |   |
| 15 <b>All Program payments</b>         | 860,006          | 835,785          | (24,221)        |   |
| 16 <b>Total Expenses</b>               | 1,275,333        | 1,264,757        | (10,576)        |   |
| 17 <b>Net Operating Income (Loss)</b>  | <b>(316,369)</b> | <b>(332,576)</b> | <b>(16,207)</b> |   |
| <b>Other Income/(Expense):</b>         |                  |                  |                 |   |
| 18 <b>Levy</b>                         | 207,128          | 207,009          | (119)           |   |
| 19 <b>Net Investment Income/(Loss)</b> | (244,069)        | 214,333          | 458,402         | Realized Interest and Dividends, Net of Unrealized Gains (Losses)   |
| 20 <b>Self Funded L&amp;I Reserve</b>  | (542)            |                  | 542             |   |
| 21 <b>Total Other Income/Expense</b>   | (37,483)         | 421,342          | 458,825         |   |
| 22 <b>Net Income (Loss)</b>            | <b>(353,852)</b> | <b>88,766</b>    | <b>442,618</b>  |   |

### Verdant OPEX YTD Actual May 2022



■ Salaries & PR Taxes 
 ■ Benefits 
 ■ Program 
 ■ Professional Services 
 ■ All Other Operating

\*Professional Services include-Legal, Accounting and Audit, Investment Management, HR Services, IT Services, Special Consulting Projects (DEI, etc.)

\*Expenses and grant payments vary from month to month. The budgeted expense and percentage estimates were based on full year of expenditures.

A. Month to month % fluctuations will occur based on quarterly awards, payout schedules and natural variations in expenditures

B. Prior to March 2022 "all other operating expenses" were excluded from this analysis; These expenses are now included

C. \*All other operating includes Repairs and Maintenance, Business Taxes, Utilities, Supplies, Insurances, Computer and office supplies, Marketing and communication costs

D. Depreciation and amortization costs are excluded

|  | Date       | Num   | Name                           | Amount    | Reference  |
|--|------------|-------|--------------------------------|-----------|--|
| <b>Warrant Payments</b>                |            |       |                                |           |  |
| <b>1002 - Wells Warrant Acct *2717</b> |            |       |                                |           |  |
|  | 05/03/2022 | 15494 | All City Fence Co.             | -337.82   | May 2022 Fence Rental  |
|  | 05/03/2022 | 15495 | Christy Goff Nutrition         | -392.69   | WC 358 - Cooking Demo 4/27: Quick & Healthy Meals                              |
|  | 05/03/2022 | 15496 | City of Edmonds - Utilities    | -1,034.92 | Water, Sewer, Storm Drain 2/19/22-4/20/22                                      |
|  | 05/03/2022 | 15497 | Coast Property Management      | -1,750.00 | Verdant Wellness Center and VV prop management                                 |
|  | 05/03/2022 | 15498 | Consolidated Landscape Ma      | -441.30   | Landscaping May 2022   |
|  | 05/03/2022 | 15499 | Dynamic Computing, Inc.        | -5,089.59 | IT Consulting Services   |
|  | 05/03/2022 | 15500 | G - Korean Community Serv.     | -1,000.00 | C-S498 Community Perspectives Survey   |
|  | 05/03/2022 | 15501 | G - Latino Educ Training Inst  | -1,000.00 | C-S505 Community Perspectives Survey   |
|  | 05/03/2022 | 15502 | Mountlake Terrace Communi      | -350.00   | Facility Rental for Verdant Team Retreat                                       |
|  | 05/03/2022 | 15503 | Philanthropy Northwest         | -1,850.00 | 2022 Annual Membership Dues  |
|  | 05/03/2022 | 15504 | G - Project Girl Mentoring Prt | -1,000.00 | C-S504 Community Perspectives Survey   |
|  | 05/03/2022 | 15505 | Puget Sound Energy             | -35.87    | Natural Gas - Account number 220025094198                                      |
|  | 05/03/2022 | 15506 | G - Refugee & Immigrant Sei    | -6,500.00 | C-S499 Community Perspectives Survey + translation validation                  |
|  | 05/03/2022 | 15507 | Safeway                        | -1,980.00 | Food Insecurity Nutrition Incentive - April 2022                               |
|  | 05/03/2022 | 15508 | Sound Dietitians LLC           | -2,026.43 | contracted work  |
|  | 05/03/2022 | 15509 | G - UTSAV                      | -2,000.00 | C-S500 Community Perspectives Survey   |
|  | 05/03/2022 | 15510 | G - WA West African Center     | -1,000.00 | C-S502 Community Perspectives Survey   |
|  | 05/03/2022 | 15511 | Waste Management               | 0.00      | VOID: mistakenly printed one check for two diff acct #, re-issuing to separate |
|  | 05/03/2022 | 15512 | Waste Management               | -156.04   | April 2022 - Acct number 14-46330-13003  |
|  | 05/03/2022 | 15513 | Waste Management               | -377.41   | April 2022 - Acct number 14-46467-83003  |
|  | 05/05/2022 | 15516 | G - Communities of Color Co    | -1,000.00 | C-S501 Community Perspectives Survey   |
|  | 05/05/2022 | 15517 | G - Homage Senior Services     | -1,000.00 | C-S506 Community Perspectives Survey   |
|  | 05/05/2022 | 15518 | Leadership Snohomish Coun      | -2,500.00 | Sponsorship of 6th Annual Step Up Conference                                   |
|  | 05/05/2022 | 15519 | Sound Dietitians LLC           | -300.00   | WC 355 - Nutrition Consulting (Diabetes Prev)                                  |
|  | 05/12/2022 | 15520 | Allstream                      | -58.98    | Account #1299089 5/3/22 - 6/2/22   |
|  | 05/12/2022 | 15521 | Armstrong Services             | -1,280.00 | Monthly Janitorial Service - May 2022  |
|  | 05/12/2022 | 15522 | City of Lynnwood - Utilities   | -375.56   | Water/Sewer 3/8/22-5/4/22  |
|  | 05/12/2022 | 15523 | Coast Property Management      | -3,500.00 | Payment for property management  |
|  | 05/12/2022 | 15524 | Comcast - Acct # 849831022     | -314.20   | 8498 31 022 1378586  |
|  | 05/12/2022 | 15525 | G - Communities of Color Co    | -1,000.00 | Event Sponsorship BIPOC Health Fair 5/28/22                                    |
|  | 05/12/2022 | 15526 | Dynamic Computing, Inc.        | -653.52   | IT Consulting Services   |
|  | 05/12/2022 | 15527 | ELTEC Systems, LLC             | -319.90   | May 2022 Elevator Maintenance  |
|  | 05/12/2022 | 15528 | Lesbia G. Orellana             | -600.00   | MC-22-120 - Spanish Women DV support group for March & April                   |
|  | 05/12/2022 | 15529 | Puget Sound Energy             | -54.90    | Natural Gas - Account number 220001924632                                      |
|  | 05/12/2022 | 15530 | Robert Half                    | -8,003.50 | 2 invoices we 4.29.22 4.22.22  |
|  | 05/12/2022 | 15531 | Seattle Food Nut               | -360.00   | WC 356 - Nutrition Programming - Virtual cooking demo: 5.7.22                  |
|  | 05/12/2022 | 15532 | Snohomish County PUD           | -958.34   | Electricity - Acct number 205299316  |
|  | 05/12/2022 | 15533 | City of Lynnwood - Utilities   | -150.64   | Irrigation base and usage 3/9/22-5/3/22  |
|  | 05/12/2022 | 15534 | Comcast - Acct # 905447966     | -572.53   | 905447969  |
|  | 05/12/2022 | 15535 | Comcast - Acct # 933676367     | -763.64   | 5/1/22 - 5/31/22   |
|  | 05/17/2022 | 15545 | ArlenRose Frazier              | 0.00      | VOID: printed check with wrong date, will re-issue 5/27/22                     |
|  | 05/17/2022 | 15546 | Canon Financial Services, In   | 0.00      | VOID: printed check with wrong date, will re-issue 5/27/22                     |
|  | 05/17/2022 | 15547 | City of Edmonds - Utilities    | 0.00      | VOID: printed check with wrong date, will re-issue 5/27/22                     |
|  | 05/17/2022 | 15548 | Consolidated Landscape Ma      | 0.00      | VOID: printed check with wrong date, will re-issue 5/27/22                     |
|  | 05/17/2022 | 15549 | Dynamic Computing, Inc.        | 0.00      | VOID: printed check with wrong date, will re-issue 5/27/22                     |
|  | 05/17/2022 | 15550 | ELTEC Systems, LLC             | 0.00      | VOID: printed check with wrong date, will re-issue 5/27/22                     |
|  | 05/17/2022 | 15551 | Jorge Ahuactzin Hernandez      | 0.00      | VOID: printed check with wrong date, will re-issue 5/27/22                     |
|  | 05/17/2022 | 15552 | Robert Half                    | 0.00      | VOID: printed check with wrong date, will re-issue 5/27/22                     |
|  | 05/17/2022 | 15553 | Seattle Food Nut               | 0.00      | VOID: printed check with wrong date, will re-issue 5/27/22                     |
|  | 05/17/2022 | 15554 | Verizon                        | 0.00      | VOID: printed check with wrong date, will re-issue 5/27/22                     |

□

| Date   | Num    | Name                         | Amount                      | Reference   |
|--|--------|------------------------------|-----------------------------|---|
| 05/18/2022   | 15536  | Davidson-Macri Sweeping, Ir  | -645.32                     | 1/4/22 Ice Melt Application (bill rec'd 5/12/22)                        |
| 05/18/2022   | 15537  | Dynamic Computing, Inc.      | -364.98                     | IT Consulting Services  |
| 05/18/2022   | 15538  | Foster Garvey PC             | -18,387.50                  | Invoices through 3.31.22  |
| 05/18/2022   | 15539  | Payden & Rygel               | -9,065.00                   | 4/1/2022 - 4/30/2022 Investment Advisory Services                       |
| 05/18/2022   | 15540  | Quadient Finance USA Inc.    | -185.19                     | Postage, closing date 5/12/22   |
| 05/18/2022   | 15541  | Seattle Food Nut             | -541.48                     | WC-22-356A - Nutrition Programming - Grand Re-Opening 5/13/22           |
| 05/18/2022   | 15542  | Staples                      | -355.96                     | 4/11/2022-4/28/2022   |
| 05/18/2022   | 15543  | US Postal Service            | 0.00                        | VOID: Check Payable Name was incorrect as "Postmaster", to be reprinted |
| 05/18/2022   | 15544  | US Postal Service            | -15,290.81                  | Postage for Spring 2022 Canopy Newsletter                               |
| 05/27/2022   | 15555  | ArlenRose Frazier            | -2,240.00                   | Understanding Anxiety & Depression 8-week Virtual Support Group         |
| 05/27/2022   | 15556  | Canon Financial Services, In | -575.70                     | Contract #: 852451-1 Copier Lease May 2022                              |
| 05/27/2022   | 15557  | City of Edmonds - Utilities  | -23.75                      | Water + Water Utility Tax 3/17/22 - 5/16/22                             |
| 05/27/2022   | 15558  | Consolidated Landscape Ma    | -332.08                     | Landscaping May 2022-Spring/summer flowers                              |
| 05/27/2022   | 15559  | Dynamic Computing, Inc.      | -5,167.56                   | IT Support and Services including software                              |
| 05/27/2022   | 15560  | ELTEC Systems, LLC           | -17.58                      | Elevator Maintenance-Contract price adjustment                          |
| 05/27/2022   | 15561  | G - UTSAV                    | -1,000.00                   | C-S507 Community Perspectives Survey                                    |
| 05/27/2022   | 15562  | Jorge Ahuactzin Hernandez    | -300.00                     | MC-22-1000 Verdant Re-Opening Entertainment                             |
| 05/27/2022   | 15563  | Robert Half                  | -7,052.50                   | 2 invoices WE 5.6.22 5.13.22  |
| 05/27/2022   | 15564  | Seattle Food Nut             | -413.26                     | WC-356-Nutrition Programming-May 18 Scandinavian Cuisine                |
| 05/27/2022   | 15565  | Verizon                      | -139.49                     | 4/2/22-5/1/22 phone charges LE, NB, Mktng                               |
| <b>Total 1002 · Wells Warrant Acct *2717</b>       |        |                              | <b><u>-114,185.94 A</u></b> |   |
| <b>1004 · Wells Kruger Clinic Acct *7265</b>       |        |                              |                             |   |
| 05/03/2022   | C1156  | Coast Property Management    | -3,000.00                   | Mgmt fees   |
| 05/03/2022   | C1157  | Coast Property Management    | -3,798.65                   | Mgmt fees true-up   |
| 05/05/2022   | C1158  | Armstrong Services           | -11,829.00                  | Apr/May svc   |
| 05/05/2022   | C1159  | Camden Gardens, Inc.         | -1,876.80                   | May landscaping   |
| 05/05/2022   | C1160  | Commercial Property Maintei  | -1,948.12                   | Maintenance and repairs   |
| 05/05/2022   | C1161  | Guardian Security Systems,   | -44.20                      | fire monitor via phone 6/1-6/30   |
| 05/05/2022   | C1162  | McKinstry Co., LLC           | -3,699.54                   | HVAC maint contract   |
| 05/05/2022   | C1163  | Republic Services            | -1,891.83                   | garbage pickup  |
| 05/12/2022   | C1164  | Commercial Property Maintei  | -543.66                     | maintenance   |
| 05/19/2022   | C1165  | Zipty Fiber                  | -129.42                     | May 22  |
| 05/19/2022   | C1166  | Zipty Fiber                  | -53.08                      | 5/07-06/06  |
| 05/19/2022   | C1167  | Zipty Fiber                  | -134.21                     | 05/07-06/06   |
| 05/19/2022   | C1168  | Aardvark Services Corp.      | -93.62                      | Sweeping svc  |
| 05/19/2022   | C1169  | Allied Univ Security Srv     | -10,356.72                  | security4.29.12-5.12.22   |
| 05/19/2022   | C1170  | Bulger Safe & Lock, Inc      | -7,940.11                   | maintenance/repairs--electric door repairs....                          |
| 05/19/2022   | C1171  | Cochran, Inc.                | -3,874.14                   | light repairs parking lot   |
| 05/19/2022   | C1172  | Commercial Property Maintei  | -2,925.54                   | maintenance   |
| 05/19/2022   | C1173  | McKinstry Co., LLC           | -9,064.09                   | HVAC service call   |
| 05/26/2022   | C1174  | City of Edmonds - Utilities  | -2,847.21                   | Mar - May 22  |
| 05/26/2022   | C1175  | Snohomish County PUD         | -5,196.59                   | electricity   |
| 05/26/2022   | C1176  | Allied Univ Security Srv     | -32,232.88                  | security services 3.18.22-4.29.22                                       |
| <b>Total 1004 · Wells Kruger Clinic Acct *7265</b> |        |                              | <b><u>-103,479.41 B</u></b> |   |
| <b>1003 · Wells Work Comp Acct *2725</b>           |        |                              |                             |   |
| 05/27/2022   | 305530 | Patient                      | -541.39                     | Medical related expenses  |
| <b>Total 1003 · Wells Work Comp Acct *2725</b>     |        |                              | <b><u>-541.39 C</u></b>     |   |
| <b>Total Warrant Payments</b>                      |        |                              | <b><u>(218,206.74)</u></b>  |   |

| Type                                   | Date       | Num         | Name                                   | Amount     | Purpose   |
|--|------------|-------------|--|------------|---|
| 1001 - Wells Fargo Operating Acct*2709 |            |             |  |            |   |
| ACH Program Payments                   |            |             |  |            |   |
| ACH                                    | 05/17/2022 | ACH-Gmnt501 | G - Boys & Girls Club of Sno County    | -8,333.33  | D Award A484 - Behavioral Health Uplift initiative                  |
| ACH                                    | 05/17/2022 | ACH-Gmnt502 | G - Cancer Lifeline                    | -1,166.66  | D Award A458 - Whole Patient Services for Cancer Patients in South  |
| ACH                                    | 05/17/2022 | ACH-Gmnt503 | G - Cascade Bicycle Club Ed Foundation | -4,166.66  | D Award A434 - Grant  |
| ACH                                    | 05/17/2022 | ACH-Gmnt504 | G - Center for Human Services          | -5,852.25  | D Award 356 - Behavioral Health Integration Program for CHC 2020-23 |
| ACH                                    | 05/17/2022 | ACH-Gmnt505 | G - Center for Human Services          | -8,532.75  | D Award 352 Behavioral Health Integration Program at VM/EFM 2020-23 |
| ACH                                    | 05/17/2022 | ACH-Gmnt506 | G - Center for Human Services          | -29,166.66 | D Award A435 - Youth Counseling                                     |
| ACH                                    | 05/17/2022 | ACH-Gmnt507 | G - ChildStrive                        | -28,855.00 | D Award A490 - Early Intervention Year 2                            |
| ACH                                    | 05/17/2022 | ACH-Gmnt508 | G - ChildStrive                        | -25,497.00 | D Award 348 - Nure Family Partnership 2020-2022                     |
| ACH                                    | 05/17/2022 | ACH-Gmnt509 | G - Compass Health                     | -27,176.00 | D Award A472 - Community Response Initiative                        |
| ACH                                    | 05/17/2022 | ACH-Gmnt510 | G - Compass Health                     | -12,635.58 | D Award A436 - Community Transitions Program                        |
| ACH                                    | 05/17/2022 | ACH-Gmnt511 | G - Compass Health                     | -2,475.00  | D Award A495 - Emergency Motel Vouchers                             |
| ACH                                    | 05/17/2022 | ACH-Gmnt512 | G - Domestic Violence Services Sno Co  | -6,666.66  | D Award A456 Education Outreach and Prevention                      |
| ACH                                    | 05/17/2022 | ACH-Gmnt513 | G - Domestic Violence Services Sno Co  | -8,000.00  | D Award A477 - Community Advocacy Program                           |
| ACH                                    | 05/17/2022 | ACH-Gmnt514 | G - Edmonds College Foundation         | -14,212.50 | D Award A437 CRC Mental Health Expansion                            |
| ACH                                    | 05/17/2022 | ACH-Gmnt515 | G - Edmonds College Foundation         | -4,167.00  | D Award A473 Edmonds College Food Security Program                  |
| ACH                                    | 05/17/2022 | ACH-Gmnt516 | G - Edmonds Food Bank                  | -3,325.00  | D Award A489 - It Tastes Like Home (Culturally Relevant Food)       |
| ACH                                    | 05/17/2022 | ACH-Gmnt517 | G - Edmonds School Dist No. 15         | -37,500.00 | D Award 349 - Student Support Advocate 2020 - 22                    |
| ACH                                    | 05/17/2022 | ACH-Gmnt518 | G - Edmonds School Dist No. 15         | -15,000.00 | D Award A438 Family Resource Advocates                              |
| ACH                                    | 05/17/2022 | ACH-Gmnt519 | G - Edmonds School Dist No. 15         | -69,883.75 | D Award A428 - Move 60! 2021-2022                                   |
| ACH                                    | 05/17/2022 | ACH-Gmnt520 | G - Edmonds Senior Center              | -9,667.00  | D Award A475 Grant  |
| ACH                                    | 05/17/2022 | ACH-Gmnt521 | G - Evergreen Recovery Centers         | -29,533.33 | D Award A439 Bi-directional Substance Use Treatment Program         |
| ACH                                    | 05/17/2022 | ACH-Gmnt522 | G - Girls on the Run                   | -3,515.00  | D Award A457 Girls on the Run / Heart and Sole                      |
| ACH                                    | 05/17/2022 | ACH-Gmnt523 | G - Helping Hands Project Org          | -4,333.00  | D Award A470 Rapid Food Assistance Program                          |
| ACH                                    | 05/17/2022 | ACH-Gmnt524 | G - Helping Hands Project Org          | -66,117.92 | D Award C-S508 Crisis Housing Program                               |
| ACH                                    | 05/17/2022 | ACH-Gmnt525 | G - Homage Senior Services             | -27,027.00 | D Award A474 Center for Healthy Living                              |
| ACH                                    | 05/17/2022 | ACH-Gmnt526 | G - Homage Senior Services             | -12,326.58 | D Award 346 - Care Coordination - South Snohomish County 2020 - 22  |
| ACH                                    | 05/17/2022 | ACH-Gmnt527 | G - Interfaith Family Shelter          | -833.00    | D Award A483 - Grant  |
| ACH                                    | 05/17/2022 | ACH-Gmnt528 | G - Jean Kim Foundation                | -20,552.75 | D Award A459 - Grant  |
| ACH                                    | 05/17/2022 | ACH-Gmnt529 | G - Kinderling                         | -14,583.33 | D Award A487 Grant  |
| ACH                                    | 05/17/2022 | ACH-Gmnt530 | G - Korean Community Serv. Ctr         | -9,583.33  | D Award A461 Grant  |
| ACH                                    | 05/17/2022 | ACH-Gmnt531 | G - Korean Women's Assn                | -12,184.33 | D Award A491 Grant  |
| ACH                                    | 05/17/2022 | ACH-Gmnt532 | G - Lahai Health                       | -31,666.67 | D Award A440 Dental Program   |
| ACH                                    | 05/17/2022 | ACH-Gmnt533 | G - Lahai Health                       | -6,633.33  | D Award A441 - Mental Health Program                                |
| ACH                                    | 05/17/2022 | ACH-Gmnt534 | G - Lahai Health                       | -15,666.66 | D Award 350 - Mobile Medical Clinic 2020-2022                       |
| ACH                                    | 05/17/2022 | ACH-Gmnt535 | G - Latino Educ Training Inst          | -4,167.00  | D Award A476 LETI Cafe  |
| ACH                                    | 05/17/2022 | ACH-Gmnt536 | G - Latino Educ Training Inst          | -7,400.00  | D Award A442 Family Success/Promotora Program                       |
| ACH                                    | 05/17/2022 | ACH-Gmnt537 | G - Lynnwood Food Bank                 | -4,333.00  | D Award A471 Grant  |
| ACH                                    | 05/17/2022 | ACH-Gmnt538 | G - Medical Teams Int'l                | -12,500.00 | D Award A460 Grant  |
| ACH                                    | 05/17/2022 | ACH-Gmnt539 | G - Millenia Ministries                | -15,982.08 | D Award A485 Grant  |
| ACH                                    | 05/17/2022 | ACH-Gmnt540 | G - Pacific Treatment Alternatives     | -13,460.00 | D Award A496 Grant  |
| ACH                                    | 05/17/2022 | ACH-Gmnt541 | G - Parent Trust for WA Children       | -658.33    | D Award A462 Grant  |
| ACH                                    | 05/17/2022 | ACH-Gmnt542 | G - Prescription Drug Assistance Found | -4,583.33  | D Award A339 Grant  |
| ACH                                    | 05/17/2022 | ACH-Gmnt543 | G - Project Access Northwest           | -14,583.33 | D Award A443 Grant  |
| ACH                                    | 05/17/2022 | ACH-Gmnt544 | G - Project Girl Mentoring Prgm        | -13,138.00 | D Award A480 Grant  |
| ACH                                    | 05/17/2022 | ACH-Gmnt545 | G - Refugee & Immigrant Services NW    | -8,333.33  | D Award A486 Grant  |
| ACH                                    | 05/17/2022 | ACH-Gmnt546 | G - Snohomish County Legal Services    | -4,166.66  | D Award A492 Housing Justice Program Year 2                         |
| ACH                                    | 05/17/2022 | ACH-Gmnt547 | G - South County Fire                  | -7,431.25  | D Award 351 Grant   |
| ACH                                    | 05/17/2022 | ACH-Gmnt548 | G - South County Fire                  | -29,325.00 | D Award A466 Grant  |
| ACH                                    | 05/17/2022 | ACH-Gmnt549 | G - Therapeutic Health Services        | -15,512.42 | D Award A445 Integrative Cognitive Therapies Program                |
| ACH                                    | 05/17/2022 | ACH-Gmnt550 | G - UTSAV                              | -4,333.00  | D Award A469 Grant  |
| ACH                                    | 05/17/2022 | ACH-Gmnt551 | G - UW Bothell                         | -7,544.67  | D Award A446 Behavioral Health Peer Advocacy Training Program       |
| ACH                                    | 05/17/2022 | ACH-Gmnt552 | G - Volunteers of Am Western WA        | -6,449.09  | D Award A468 Grant  |
| ACH                                    | 05/17/2022 | ACH-Gmnt553 | G - WA Kids in Transition              | -10,416.66 | D Award A447 Grant  |
| ACH                                    | 05/17/2022 | ACH-Gmnt554 | G - WA West African Center             | -9,550.00  | D Award A465 Grant  |
| ACH                                    | 05/17/2022 | ACH-Gmnt555 | G - Wonderland Child & Family Svc      | -12,500.00 | D Award 347 Grant   |
| ACH                                    | 05/17/2022 | ACH-Gmnt556 | G - Wonderland Child & Family Svc      | -16,250.00 | D Award A463 Grant  |

| Type                                   | Date       | Num         | Name                                 | Amount             | Purpose   |
|--|------------|-------------|--------------------------------------|--------------------|---|
| ACH                                    | 05/17/2022 | ACH-Gmt557  | G - YMCA of Greater Seattle.         | -7,775.00          | D Award A464 Grant  |
| ACH                                    | 05/17/2022 | ACH-Gmt558  | G - YWCA of Seattle, King and Sno Co | -2,500.00          | D Award A488 - Emergency Shelter Yr 2   |
| ACH                                    | 05/17/2022 | ACH-Gmt559  | G - YWCA of Seattle, King and Sno Co | -5,220.00          | D Award A494 - Healthcare Access Yr 2   |
| <b>Subtotal ACH Program Payments</b>   |            |             |                                      | <b>-814,947.18</b> | <b>D</b>  |
| <b>ACH Operating Expense Payments</b>  |            |             |                                      |                    |   |
| ACH                                    | 05/02/2022 | ACH05-22    | AmeriFlex Business Solutions         | -144.28            | F Claims activity from  |
| ACH                                    | 05/02/2022 | ACH22-0502  | Wells Fargo                          | -2,093.65          | H Credit card payment   |
| ACH                                    | 05/04/2022 | ACH22 0506  | Paychex                              | -26,286.63         | E PPE 4/30/22 Ck date 5/5/22  |
| ACH                                    | 05/06/2022 | ACH-0540    | Regence Blueshield                   | -6,066.04          | F May Medical with adjustments  |
| ACH                                    | 05/09/2022 | ACH22 0509  | AmeriFlex Business Solutions         | -77.45             | F claims  |
| ACH                                    | 05/10/2022 | ACH22 0507  | WA State Department of Revenue       | -13,566.17         | G 2022 1st Qtr Leasehold tax  |
| ACH                                    | 05/10/2022 | ACH22 0508  | WA State Department of Revenue       | -859.76            | G B&O taxes for Mar 2022  |
| ACH                                    | 05/11/2022 | ACH-0528    | Valic                                | -2,356.79          | F EE Retirement funding   |
| ACH                                    | 05/11/2022 | ACH-0529    | Valic                                | -1,771.26          | F ER Retirement Funding   |
| ACH                                    | 05/11/2022 | ACH-0530    | Wells Fargo                          | -376.56            | H Bank fees April   |
| ACH                                    | 05/11/2022 | ACH-0531    | Wells Fargo                          | -70.76             | H Merchant fees   |
| ACH                                    | 05/11/2022 | ACH-0532    | Wells Fargo                          | -1.96              | H Merchant fees   |
| ACH                                    | 05/11/2022 | ACH-0533    | Wells Fargo                          | -0.86              | H Merchant fees   |
| ACH                                    | 05/12/2022 | ACH 22-0505 | Paychex                              | -9,314.78          | E Tax ACH   |
| ACH                                    | 05/13/2022 | ACH-0527    | Paychex                              | -40.00             | H processing fees   |
| ACH                                    | 05/16/2022 | ACH-0525    | Paychex                              | -25,809.37         | E Paychex clearing for 2021 tax refund deposited in advance washes with deposit |
| ACH                                    | 05/16/2022 | ACH-0526    | AmeriFlex Business Solutions         | -874.88            | F Inv 3949966   |
| ACH                                    | 05/18/2022 | ACH05-23    | Paychex                              | -26,438.30         | E PPE 05/14/2022- ck date 05/19/2022  |
| ACH                                    | 05/18/2022 | ACH05-24    | Paychex                              | -138.46            | E Paychex payroll remittance  |
| ACH                                    | 05/19/2022 | ACH-0534    | Paychex                              | -9,249.81          | E PPE 05/14/2022- ck date 05/19/2022  |
| ACH                                    | 05/19/2022 | ACH-0535    | AmeriFlex Business Solutions         | -23.00             | H Admin fees  |
| ACH                                    | 05/20/2022 | ACH-0538    | Paychex                              | -99.21             | H Processing fees   |
| ACH                                    | 05/20/2022 | ACH-0541    | Paychex                              | 0.00               | H VOID: OAB Inv 9727970002939   |
| ACH                                    | 05/23/2022 | ACH-0537    | AmeriFlex Business Solutions         | -85.78             | F Claims processed  |
| ACH                                    | 05/27/2022 | ACH-0536    | Principal Life Insurance Co.         | -1,752.88          | F 1019549-10001-premiums  |
| ACH                                    | 05/31/2022 | ACH-0539    | AmeriFlex Business Solutions         | -31.13             | F Claims processed  |
| <b>Subtotal ACH Operating Payments</b> |            |             |                                      | <b>-127,529.77</b> |   |
| <b>Total ACH Payments</b>              |            |             |                                      | <b>-942,476.95</b> |   |

| Electronic Disbursements (by Category): | Amount              | Ref |
|---|---------------------|-----|
| Program Expenditures                    | (814,947.18)        | D   |
| Operating Expenditures:                 |                     |     |
| Paychex Payroll and Taxes               | (97,237.35)         | E   |
| Retirement and Benefit Related          | (13,160.49)         | F   |
| B&O and Leasehold Taxes                 | (14,425.93)         | G   |
| All other                               | (2,706.00)          | H   |
| <b>Total ACH Disbursements</b>          | <b>(942,476.95)</b> |     |

|   |                       |                      |
|---|-----------------------|----------------------|
| <b>Total Disbursements-Warrants and Electronic:</b> |                       |                      |
| Warrants  | (218,206.74)          | A-C Warrant Schedule |
| ACH   | (942,476.95)          | D-H ACH Schedule     |
| <b>Total Disbursements</b>                          | <b>(1,160,683.69)</b> |                      |

PUBLIC HOSPITAL DISTRICT #2 OF SNOHOMISH COUNTY

DBA VERDANT HEALTH COMMISSION

WARRANT APPROVAL May 2022

WE, the undersigned Board of Commissioners of Public Hospital District #2 of Snohomish, County, Washington do hereby certify that the merchandise or services hereinafter specified in the supporting schedules referenced A-C have been received and the Warrant Numbers detailed have been issued in the payment amounts as follows:

**Warrants:**

| Type     | Account             | Account | Date           | #            | Total               | Reference |
|----------|---------------------|---------|----------------|--------------|---------------------|-----------|
| Warrants | Verdant Warrant     | #2717   | 5/1/22-5/31/22 | 15494-15565  | (114,185.94)        | A         |
| Warrants | Kruger Clinic-Coast | #7265   | 5/1/22-5/31/22 | C1156-C1176  | (103,479.41)        | B         |
| Warrants | Workers Comp        | #2725   | 5/1/22-5/31/22 | 305530       | (541.39)            | C         |
|          |                     |         |                | <b>Total</b> | <b>(218,206.74)</b> |           |

These warrants are hereby approved.

Attest:

\_\_\_\_\_  
Riene Simpson-CPA, Director of Finance

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
*Continued to page 2*

PUBLIC HOSPITAL DISTRICT #2 OF SNOHOMISH COUNTY  
DBA VERDANT HEALTH COMMISSION  
WARRANT APPROVAL May 2022, continued

**Summary of Disbursements Warrants and Electronic:**

| <b>Electronic Disbursements (by Category)</b>       | <b>Amount</b>         | <b>Ref</b> |                  |
|---|-----------------------|------------|------------------|
| Program Expenditures                                | (814,947.18)          | D          |                  |
| Operating Expenditures:                             |                       |            |                  |
| Paychex Payroll and Taxes                           | (97,237.35)           | E          |                  |
| Retirement and Benefit Related                      | (13,160.49)           | F          |                  |
| B&O and Leasehold Taxes                             | (14,425.93)           | G          |                  |
| All other   | (2,706.00)            | H          |                  |
| <b>Total ACH Disbursements</b>                      | <b>(942,476.95)</b>   |            |                  |
|   |                       |            |                  |
|   |                       |            |                  |
|   |                       |            |                  |
| <b>Total Disbursements-Warrants and Electronic:</b> |                       |            |                  |
| Warrants  | (218,206.74)          | A-C        | Warrant Schedule |
| ACH   | (942,476.95)          | D-H        | ACH Schedule     |
| <b>Total Disbursements</b>                          | <b>(1,160,683.69)</b> |            |                  |

End of document



## Title: Purchasing and Expenditure Policy

**SCOPE:** Public Hospital District #2, Snohomish County, dba. Verdant Health Commission, (District)

**POLICY:** Verdant shall purchase material and services in the most economical fashion given the goal of high quality and service levels for the District.

### DEFINITIONS:

**Routine:** Any item that is used and purchased 3 times or more per year. Routine purchases are services, actions, or expenses that occur during the natural course of operations.

**Non-Routine:** Any item that is used and purchased less than 3 times per year or services, actions, or expenses that are unusual and do not occur with any frequency or predictability.

For capital acquisitions and construction projects, refer to Capital Asset Policy.

### PROCEDURE:

1. **Purchasing Authority:** The Superintendent is the designated agent of Verdant for purchasing and is authorized to enter into such agreements on behalf of Verdant within the scope as outlined below. Purchasing actions must be within the scope of approved policies and procedures. The Superintendent is authorized to delegate purchasing functions to other Verdant employees or interim financial personnel.
2. **Expenditure Authority Limits:** Signature requirements for a purchase may vary based upon the type and value of the expenditure. Below is a summary of the expenditure approval limits.
3. **Competition:** Capital purchases meeting Washington state thresholds for competitive bidding will be made on a competitive basis, utilizing national contracts, local negotiations, competitive bidding or a combination of the methodologies. If competition is not utilized, a sole-source/preferred vendor justification will be documented and retained with the accounting records. In no case shall an individual or group unduly benefit from these purchases.
4. **Authorization of Invoices:** All purchases of materials or services shall be made once a purchase is properly authorized. No invoice or vendor shall be paid without documentation that supports the approved order or purchase.

Any person making an unauthorized purchase may be personally responsible for payment of the invoice. In addition, legal contracts, accounting and consulting agreements can only be approved by the Board of Commissioners or the Superintendent.

5. **Gifts:** Employees of Verdant will not solicit gifts of any nature from current or potential vendors. Employees of Verdant will not accept unsolicited gifts, trips, meals or other offers from any vendor. However, holiday gift baskets, candy or other small gestures of kindness, which are valued under \$50, may be accepted as long as the gift is not an enticement to influence a purchasing decision.
6. **Superintendent's Discretionary Fund:** As part of the annual budget development process, the board of commissioners will set and approve the amount of funding that the Superintendent will be designated to expend at their discretion to fund programs that have not been approved Board or provide additional funding for programs previously approved by the board by December 31st. Expenditures shall be treated as expenditures within the Board approved budget for purposes of the approval authority requirements specified below for operating expenses but shall be reported at the monthly Finance Committee meeting and to the Board of Commissioners no later than their next regularly scheduled meeting.

~~Update — Effective January 1, 2021, the Superintendent will be designated ten percent of the annual program expenditure budget.~~

*Proposed: remove above from policy, outdated*

7. Credit Card Purchases: A designated credit card may be used to make purchases if checks are not allowed or if when using a check it makes the purchase cumbersome. Documentation and/or receipts shall be provided to support the expenditure. Verdant employees shall not use the credit card to make personal purchases of any kind.

### APPROVAL AUTHORITY:

#### Operating Expenses:

| Individual Approver                                   | Routine Limit   | Non-Routine Limit  |
|---|---|--|
| <i>Executive Assistant / Office Manager</i>           | <i>\$0-\$300 per transaction</i>  | <i>\$0-\$300 per transaction</i>   |
| <i>Digital Marketing &amp; Communications Manager</i> | <i>\$0-\$250 per transaction</i>  | <i>\$0-\$250 per transaction</i>   |
| Community Social Worker *                             | <del>\$0-\$100 per transaction</del><br><del>\$500 annual per client limit</del><br><i>\$0-\$200 per transaction</i><br><i>\$1,000 annual per client limit</i>            | <del>\$0-\$100 per transaction</del><br><del>\$500 annual per client limit</del><br><i>\$0-\$200 per transaction</i><br><i>\$1,000 annual per client limit</i> |
| Treasurer and Auditor                                 | \$0 - \$5,000   | \$0 - \$5,000  |
| Superintendent  | \$5,001 - \$120,000 (within Board approved budget)<br>\$5,001 - \$20,000 (outside Board approved budget)**  |  |
| Board President                                       | \$120,001 or greater (within Board approved budget),<br>\$20,001 or greater (outside Board approved budget)<br>All reimbursements to the Superintendent, excluding salary |  |

\* See Social Worker Case Management Funds Policy for more information.

\*\* Expenses not previously budgeted will be reported at the next month's Finance Committee Meeting.

#### Payment Signing Authority, ACH and Wire Transfers:

| Individual Approver      | Routine Limit  | Non-Routine Limit |
|--------------------------|--|-------------------|
| Treasurer                | \$0 - \$120,000                                      | \$0 - \$20,000    |
| Finance Committee Member | \$120,001 or greater (within Board approved budget), |                   |

## Title: Purchasing and Expenditure Policy

|                       |  |
|-----------------------|--|
|                       | \$20,001 or greater (outside Board approved budget)  |
| Treasurer and Auditor | A special provision allowing the Treasurer and the Auditor, with dual approval, to schedule and execute a wire in excess of \$120,000 for the purpose of transferring funds to the District's existing investment accounts or to pay off existing bonds that come due. |

All bank reconciliations will be reviewed by the Superintendent and reconciled in the accounting system by staff. In addition, receipts and disbursements will be reviewed at the monthly Finance Committee meetings. Payments will be authorized in accordance with the RCWs and our commitment to organizational transparency.

## Title: Credit Card Use Policy

---

**SCOPE:** Public Hospital District 2 of Snohomish County, dba Verdant Health Commission (District).

**PURPOSE:** The Corporate Credit Card Use Policy establishes the guidelines and requirements for use of the corporate credit card per the following:

### **POLICY/PROCEDURES:**

- The corporate credit card is intended to be used for small, one-time expenditures where the vendor does not accept checks.
- The District has three corporate credit cards in the name of the Superintendent, Executive Assistant and Social Worker. The credit limit of each card shall be no higher than \$5,000.
- *Proposed: The District has four corporate credit cards in the name of the Superintendent, Executive Assistant/Office Manager, Social Worker, and Digital Marketing & Communications Manager. The Superintendent's card will be set to a \$7,500 limit, no other card will exceed \$5,000 with an aggregate credit limit for the District of \$15,000.*
- Employees, other than the Superintendent, that need to make a purchase by credit card, must complete a Credit Card Payment Request Form and include any supporting documentation.
- *Proposed: Employees, other than the Superintendent, who need to make a purchase by credit card, must first receive written approval by the Superintendent and include any supporting documentation.*
- The Credit Card Payment Request Form is then approved by the Superintendent before the order is placed by the staff member.
- *Proposed: remove this bullet, approval requirements are already outlined in the bullet above.*
- Credit card purchases on the corporate credit card are paid when the statement is received, purchase approval has been verified by the Director of Finance, all supporting receipts and documentation are matched to the credit card bill and the credit card invoice has been approved by the Superintendent.
- Cash advances are not allowed.
- Personal charges are not allowed. Any charge appearing on the corporate credit card statement that is disallowed shall be repaid by the employee before the credit card billing is due and payable. Inappropriate use of government funds may be grounds for disciplinary action or release of the employee. Any charges that are not repaid may be deducted from the employee's paycheck including any interest or penalties that are incurred.
- *Proposed (new bullet): Employees are responsible for the safekeeping of the cards issued to them and must report lost or stolen cards immediately to Wells Fargo and to the Superintendent. Any suspicious or fraudulent charges must be reported immediately to Wells Fargo and to the Superintendent.*

**ASSOCIATED POLICIES:** Purchasing and Expenditure Policy

**ASSOCIATED FORMS:** Credit Card Request Form

*Proposed: remove this associated form: Credit Card Request Form which is no longer in use.*

**APPENDIX A**

*Proposed: remove this appendix, the credit card payment request form is no longer in use.*



The image shows a screenshot of a web browser displaying the Verdant Health Commission's Credit Card Payment Request Form. The form is titled "CREDIT CARD PAYMENT REQUEST FORM" and includes fields for the following information:

- TODAY'S DATE: \_\_\_\_\_
- AMOUNT: \$ \_\_\_\_\_ DATE NEEDED: \_\_\_\_\_
- PAYEE: \_\_\_\_\_
- ADDRESS: \_\_\_\_\_
- CITY: \_\_\_\_\_ STATE: \_\_\_\_\_ ZIP CODE: \_\_\_\_\_
- REASON FOR REQUEST: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- ACCOUNT: \_\_\_\_\_ REQUESTED BY: \_\_\_\_\_
- PROGRAM NAME (IF APPLICABLE): \_\_\_\_\_
- SUPERINTENDENT APPROVAL: \_\_\_\_\_

**Note: All new vendors must submit a W-9 before their payment can be processed. Therefore, please be aware that if a completed W-9 is not submitted with this form, it will need to be requested from the vendor which may delay payment.**

## Title: Social Worker Case Management Funds Policy

**SCOPE:** Community Social Worker representing Public Hospital District #2, Snohomish County, dba Verdant Health Commission (District). **NO CHANGE**

**PURPOSE:** While working with a client, the Community Social Worker may encounter barriers that could be overcome with a small amount of funds that are not otherwise available to the client. Examples include transportation to access substance use treatment services or a shelter spot for a homeless client. Other examples include prescription copays or immediate mental health counseling for a client in crisis awaiting health insurance enrollment. Funds may also be approved for other small purchases (<\$25 ea) that support client progress, such as gas or food or to acquire pertinent documents such as birth certificates or social security cards, which may be needed to access services and benefits.

### **PROPOSED:**

**PURPOSE:** Clients supported in case management through the Community Social Worker, encounter barriers to accessing healthcare services that impact their health, wellbeing and safety. This policy authorizes the Community Social Worker to pay for expenses for clients that include but are not limited to transportation to access treatment services, temporary shelter, gas, clothing or food, or to acquire pertinent documents such as a birth certificate or state identification, and housing deposit assistance and utilities.

### **DEFINITIONS: (NO CHANGES)**

Case Management – a method of providing services whereby a professional social worker assesses the comprehensive needs of the client, and arranges, coordinates, monitors, evaluates, and advocates for a package of services to meet the client’s specific complex needs, with a principle goal of keeping clients engaged in services and moving toward improved quality of life and independence.

Client – individual that is receiving case management services from the Verdant Community Social Worker.

Recurring Expenses – expenses that occur for more than three (3) consecutive months.

### **POLICY:**

- Funds shall be used to improve the health and well-being of the client and shall only be used when other resources have been exhausted or are not meeting the client’s needs. Funds may only be used for clients receiving case management services by the Community Social Worker. Total purchases are limited to 24 transactions per year per client. **NO CHANGE**
- Qualifying Clients: Only clients making less than 200% of the Federal Poverty Level (FPL) or that qualify for benefits such as Medicaid, Supplemental Nutrition Assistance Program (SNAP) or Children’s Health Insurance Program (CHIP) are eligible for funds. Income levels are self-reported, but may be verified at the discretion of the Verdant Community Social Worker. **NO CHANGE**
- Exclusions: Funds are not available for past due bills, housing expenses (including rent and hotel vouchers), tuition, student loans, other recurring, non-health-related expenses. Case Management funds may not be disbursed directly to the client.

### **PROPOSED:**

- Exclusions: Funds will not be used for legal fines, tuition, student loans, other recurring, miscellaneous expense not tied to client health and wellbeing. Case Management funds may not be disbursed directly to the client.

### **PROCEDURE:**

The Community Social Worker will be designated an annual budget to provide services to clients. Expenditures shall be at the discretion of the Community Social Worker, but shall be reported, at least, monthly to the department director up to the limits allowed. All transactions shall be tracked 'by client' and 'by category' as designated by the department director using a system that protects the identity and personal health information of the client.

**PROPOSED:**

**PROCEDURE:**

The Community Social Worker will be designated an annual budget to provide services to clients. Expenditures shall be at the discretion of the Community Social Worker, but shall be reported, as requested, to the Superintendent up to the limits allowed. All transactions shall be tracked 'by client' and 'by category' as designated by the department director using a system that protects the identity and personal health information of the client.

|                 |          |                     |  |
|-----------------|----------|---------------------|--|
| Effective Date: | 06/29/22 | Policy Approved By: | Lisa Edwards, Superintendent<br>Board of Directors |
|                 |          | File Name:          | Social Worker Case Management Funds Policy         |

Expenditure Authority Limits: Signature requirements for a purchase may vary based upon the type and value of the expenditure. Below is a summary of the expenditure approval limits.

| Individual Approver     | Per Transaction Limit | Annual Per Client Limit |
|-------------------------|-----------------------|-------------------------|
| Community Social Worker | \$1 - \$100           | \$500                   |
| Superintendent          | \$101 - \$500         | \$2,500                 |

All purchases of goods or services shall be made once a purchase is properly authorized using the Check Request Form. No invoice or vendor shall be paid without proper documentation that supports the purchase.

A designated credit card may be used to make purchases if checks are not allowed or when using a check makes the purchase unreasonably cumbersome. Documentation and receipts shall be provided to support all expenditures. Credit card purchases will be made in accordance with the Credit Card Use Policy. Verdant employees shall not use the credit card to make personal purchases of any kind.

Safeguarding of assets such as gift cards, bus passes or other client items is a priority to Verdant. Items will be stored in a locked space and inventoried in accordance with our Small and Attractive Assets Policy.

**PROPOSED:**

| Individual Approver     | Per Transaction Limit | Annual Per Client Limit |
|-------------------------|-----------------------|-------------------------|
| Community Social Worker | Up to \$200           | Up to \$1,000           |
| Superintendent          | Up to \$1,000         | Up to \$3,000           |

## Title: Social Worker Case Management Funds Policy

A designated credit card or check will be used to make purchases. Documentation and receipts shall be provided to support all expenditures. Credit card purchases will be made in accordance with the Credit Card Use Policy. Verdant employees shall not use the credit card to make personal purchases of any kind.

Safeguarding of assets such as gift cards, bus passes or other client items is a priority to Verdant. Items will be stored in a locked space and logged to track the number, amount, recipient and date in accordance with our Small and Attractive Assets Policy.

**ASSOCIATED POLICIES:** Credit Card Use Policy; Small and Attractive Assets Policy

**ASSOCIATED FORMS:** Credit Card Request Form; Check Request Use Form

|                 |         |                     |  |
|-----------------|---------|---------------------|--|
| Effective Date: | 6/29/22 | Policy Approved By: | Lisa Edwards, Superintendent<br>Board of Directors |
|                 |         | File Name:          | Social Worker Case Management Funds Policy         |



Summary Memo for June 29<sup>th</sup>, 2022 Board Meeting Packet

Prepared by: Lisa Edwards-Superintendent, Riene Simpson-Director of Finance

Re: Recommendation to hire JPC Architects for architectural services to support the Kruger Clinic Refresh Project

June 20,2022

Verdant released a Request for Qualifications for architectural services for the approved Kruger Clinic refresh project. In accordance with the RCW 39.20 the selection process must be based on qualifications. Verdant received two proposals from JPC Architects and NBBJ.

Both proposals provided professional certifications, and registrations necessary for the scope of work and meet the standards of qualifications for Architectural Services.

The proposals were scored by staff and Commissioner Karianna Wilson. After proposal review, the group moved JPC Architects forward to the interview phase. An interview was held on April 18, 2022. JPC provided timely and satisfactory responses. A follow-up meeting was held on May 23, 2022 including Superintendent Lisa Edwards, Director of Finance Riene Simpson and Commissioner Karianna Wilson to discuss data and cost information compiled to date. It was agreed that Verdant would proceed with reference checks for JPC Architects.

Riene Simpson, Director of Finance performed three reference checks using a reference evaluation form provided by MRSC. The referenced projects ranged from \$800,000 and 10,000 SF to over \$5,000,000 and 300,000 square feet. On a scale of 1 (unsatisfactory) to 5 (superior) JPC's average score was 5.

These results were brought forward to the Finance Committee on June 14<sup>th</sup>, 2022 where Commissioners Wilson and Brennan voted recommend JPC Architects as the recommended vendor for Architectural services for the Kruger Clinic Refresh project.

The fee proposal is \$261,000 excluding sales tax. We seek board approval to negotiate and enter into a contract with JPC for up to \$300,000 for architectural services needed for the Kruger Refresh Project.

Summary Memo For June 29<sup>th</sup>, 2022 Board Meeting Packet

Prepared By: Lisa Edwards-Superintendent, Riene Simpson-Director of Finance

Re: Kruger Clinic Repairs

June 22, 2022

A roof replacement walkthrough was held on June 9, 2022 with the roofing contractor. During this viewing, a section of ductwork was identified as needing to be replaced as soon as possible. The ductwork is leaking and repairs should not wait for the full HVAC replacement project that will begin in 2023. The roofing contractor, HVAC consultant, and property manager recommended that this work is best coordinated with the roofing project for cost maintenance and accessibility.

**Ductwork Repair/Replacement:**

McKinstry, the HVAC maintenance contractor under contract with Verdant, prepared a scope of work and provided a cost estimate of **\$74,141**. On Monday, June 21st, Verdant staff prepared an Invitation to Bid and distributed it to all approved HVAC contractors listed on the MRSC Small Works Roster. As of June 23, 2022, 6 vendors had scheduled walk throughs and advised bids will be forthcoming. Proposals are due June 28<sup>th</sup> and will be reviewed and scored by staff. On June 29<sup>th</sup>, staff will present their recommendation to the board for awarding a contract for this needed duct work.

**HVAC unit Urgent Repair:**

The HVAC maintenance contractor McKinstry has been called repeatedly for failures on a unit which will require replacement under a forthcoming HVAC project proposal for Kruger clinic. Lead time on the replacement unit itself is 23 weeks. Time and Materials Estimate to repair and keep it in working order is **\$8,934**.

**Total Estimate \$82,934 excluding sales tax**

Verdant is requesting authorization to expend up to \$120,000 to make the above urgent repairs and to allow a buffer for any additional hidden repairs that may be identified during the re-roofing project.

## Summary Memo for June 29, 2022 Board Meeting Packet

Prepared By: Lisa Edwards-Superintendent, Riene Simpson-Director of Finance

Re: Evaluation of Property Managers

June 14, 2022

Verdant Health Commission entered into a one- year contract with Coast Property Management from July 1, 2021, through June 30, 2022. During the past year, there were numerous challenges and limited communications with the Verdant team, and we incurred extensive repair and security expenses that were not budgeted. The Verdant team met with Coast leadership twice to articulate our concerns and we sought an improvement in our working relationship.

Due to challenges and shortcomings in the management and oversight of the Kruger Clinic property Verdant staff set out to identify new candidates for property management services. The incumbent, Coast Property Management was invited to submit a new proposal, while addressing the challenges brought forward from our experience with them. Coast Property Management as well as two new companies, JSH Properties and IRES Properties submitted proposals.

The Director of Finance and Superintendent reviewed cost proposals for competitive pricing, property management experience with similar properties, financial and management reporting, budget preparation and expense management, tenant-landlord communications and project management expertise. Experience with government agencies was preferred but not required.

After interviews, review of sample management reporting, price comparison and reference checks by the Director of Finance and Superintendent the recommendation to hire JSH properties was brought to the Finance Committee on June 14<sup>th</sup>.

- JSH base property management costs were comparable to Coast for routine property management, with a much better management reporting deliverable and staffing capacity. IKES was late in proposing and 30% higher in cost.
- JSH construction management cost is **1.5% lower than Coast**. This is significant considering the upcoming Kruger refresh.

The Finance Committee approved moving this recommendation forward to the full board for consideration at the June 29, 2022 meeting. Recommended contract start date of September 1, 2022. This allows adequate time for a timely transition of record keeping and for Coast to complete project management on the roofing work.

## Program Committee Board Report

June 2022

### I. Modifications to Contracts-for Review

| Agency                      | Program   | Current Grant terms   | Modification Request   | Committee Recommendation   |
|-----------------------------|---|---|--|--|
| Compass Health              | Community Transitions and Response Programs (embedded mental health professionals with South County Fire, Lynnwood Police, MLT Police). | A476<br>\$326,112<br>1/1/22-12/31/22<br><br>A436<br>\$151,627<br>8/1/22-7/30/22 | Due to changes in state and county funding for IMPACT model, Compass is transitioning from that model (sunsetting 6/30/22) to just be Crisis Response with Emergency Services. Need to update contract language to reflect no longer being branded as IMPACT. Due to delay in hiring second clinician (no applicants), also wanted to reallocate \$139,000 from Contract A476 to Contract A436, extending Contract A436 end date to 12/31/22, so both contracts have the same end date, allowing them to apply for renewal for a single community Transitions contracted via the Q4 application cycle. | Approve as requested, simplifies reporting, payment, and contract management moving forward. |
| Medical Teams International | COVID: Care & Connect Community Health Worker   | C-S482<br>\$12,320<br>3/1/22-9/30/22  | Due to changes in programming at the Refugee Welcome Center, want to have the language in the contract more general to support the staff providing care coordination for Ukrainian Refugees as well, not just Afghan.  | Approve as requested   |
|                             |   |   |  |  |

### II. Expiring Contracts

See Below (V) for all applications submitted via Q2 process 4/11/22-4/22/22, including Year 2 and 3 contract requests. The following contractors have been contacted to inform them they will need to submit an application or Year 2/3 request as part of the Q3 process occurring 7/11/22-7/22/22 for contracts starting 10/1/22.

| Agency          | Program                                    | Current Annual Award | Contract Expiration Date | Year of expiring contract | Total Years of Funding Received |
|-----------------|--|----------------------|--------------------------|---------------------------|---------------------------------|
| Cancer Lifeline | Whole Patient Services for Cancer Patients | \$ 14,000.00         | 9/30/2022                | 1                         | 1                               |
| DVS             | Education, Outreach, and Prevention        | \$ 80,000.00         | 9/30/2022                | 1                         | 10                              |

|                                      |   |                     |           |   |    |
|--------------------------------------|---|---------------------|-----------|---|----|
| Evergreen Recovery Center            | Bidirectional Substance Use             | \$ 354,400.00       | 9/30/2022 | 1 | 1  |
| Girls on the Run                     | Girls on the Run/Heart and Sole         | \$ 24,605.00        | 9/30/2022 | 1 | 6  |
| Jean Kim Foundation                  | Hygiene Center                          | \$ 246,633.00       | 9/30/2022 | 1 | 1  |
| Korean Community Service Center      | Mind Body and Soul for Korean Americans | \$ 115,000.00       | 9/30/2022 | 1 | 1  |
| Medical Teams International          | Care & Connect                          | \$ 150,000.00       | 9/30/2022 | 1 | 11 |
| Parent Trust                         | Conscious Fathering                     | \$ 7,900.00         | 9/30/2022 | 1 | 5  |
| Prescription Drug Assistance Program | Prescription Drug Assistance Network    | \$ 55,000.00        | 9/15/2022 | 3 | 10 |
| Washington West African Center       | Drop-in Center                          | \$ 114,600.00       | 9/30/2022 | 1 | 1  |
|                                      |   | <b>Total</b>        |           |   |    |
|                                      |   | <b>\$ 1,162,138</b> |           |   |    |

### III. COVID Grant Requests

None

COVID grants are now a separate pot of funds from Superintendent's Discretionary. Applications are submitted via Fluxx and contracts, payments, and reports are managed within the software as well.

**2022 COVID Fund Budget is \$500,000 If funded as presented, COVID Funds unallocated balance for 2022: \$331,180. Represents approx. 33% of annual budget committed at approx. 50% of budget year.**

### IV. Superintendent's Discretionary

Ideas in Progress:

None

2022 Superintendent's Discretionary fund budget is \$100,000. **If funded as presented, Superintendent's Discretionary Funds unallocated balance for 2022: \$ 53,500. Represents 46.5% of annual budget committed at approx. 50% of budget year.**

### V. Draft Updates to Year 2/3 Budget renewal Guidance

Per conversation at last month's Program Committee meeting, an updated draft of Year 2/3 Renewal Request language was created to differentiate the process for flat programming renewal requests vs those that are requesting to increase programming or scope. Committee is recommending full board approval.

### VI. Q2 Applications to Review and Make Recommendations to Board for Funding Decisions

Current Available Funding

(Reminder: 50% of this quarter's award will be allocated to 2022 budget, 25% of next quarter's, and none of Q4)

| Budget Year | Annual Budget      | Available Balance<br>(not committed)<br>after Q1 '22<br>approvals |
|-------------|--------------------|---|
| 2022        | \$<br>9,000,000.00 | \$<br>1,600,612.63  |
| 2023        | \$<br>9,000,000.00 | \$<br>7,940,492.00  |

| Agency                         | Program                                  | Current Award | Amount Requested | Amount Recommended by Committee | Notes  |
|--------------------------------|--|---------------|------------------|---------------------------------|--|
| Center for Human Services      | Youth Counseling                         | \$350,000.00  | \$350,000.00     | \$350,000.00                    | Flat request Year 2  |
| Cocoon House                   | Host Homes                               | \$105,000.00  | \$150,000.00     | \$110,250.00                    | Increased in Youth served, included in initial application they would request \$150,000 for Years 2 and 3. |
| Concern for Neighbors Foodbank |  |               | \$15,000.00      | \$15,000                        | New request  |
| Edmonds College Foundation     | CRC Mental Health Expansion              | \$170,550.00  | \$240,629.00     | \$240,629.00                    | Increased cost due to union mandated position status change and summer coverage                            |
| Edmonds School District        | Family Resource Advocate                 | \$180,000.00  | \$200,000.00     | \$200,000                       | Increase in salaries of current staff per most recent union contract (no increased FTE)                    |
| Lahai Health                   | Dental                                   | \$380,000.00  | \$395,000.00     | \$395,000.00                    | Increase in salaries of current clinical staff (no increased FTE)  |
| LETI                           | Promotora Program                        | \$88,800.00   | \$88,800.00      | \$88,800.00                     | Flat request   |
| Project Access NW              | Specialty Care for Low-income Population | \$175,000.00  | \$175,000.00     | \$175,000.00                    | Flat request   |
| The Extra Step                 | Sobriety Coaching Program                | -             | \$100,000.00     | Full Board Review requested     | New request  |
| Therapeutic Health Services    | Integrated Cognitive Behavioral Health   | \$186,149.00  | \$ 323,160.00    | \$323,160                       | Increase in FTE, number of schools and students served   |
| University of Washington       | Mental Health Matters                    | \$90,536.00   | \$173,931.00     | \$139,652                       | Increase in scope of program   |

|  |   |                       |                       |                             |                                     |
|--|---|-----------------------|-----------------------|-----------------------------|-------------------------------------|
|  |   |                       |                       |                             | (participants, languages available) |
| Washington CASA Association                            | Snohomish County CASA Volunteer Recruitment and Training                  | -                     | \$100,000.00          | Full Board review requested | New request                         |
| Washington State Family and Community Engagement Trust | South County Parent Leadership Training Institute                         | -                     | \$60,000.00           | Full Board review requested | New request                         |
| Washington Kids in Transition                          | Distribution Center   | \$125,000.00          | \$125,000.00          | \$125,000.00                | Flat request                        |
| Washington Kids in Transition                          | Supporting Housing and Utility Needs for Homeless and Low-Income Students |                       | \$125,000.00          | \$125,000                   | Currently funded via COVID          |
| <b>TOTAL</b>   |   | <b>\$1,851,035.00</b> | <b>\$2,974,520.00</b> | <b>\$ 2,327,241.00</b>      |                                     |

**If funded as presented (not including those with full board review requested), remaining 2022 Budget Balance would be \$463,791.24. If Q3 renewals are capped at an overall 5% increase, this would leave \$ 158,730.02 of 2022 for new funding requests in Q3 (25% of annual budgets would be allocated to 2022, so this could be up to \$634,920.08 in total annual budget).**

#### **Upcoming Key Dates for Funding:**

- 6/27 Q3 Q&A Session
- 7/1 Contracts start for Q2 awards
- 7/11-7/22 Q3 applications accepted
- 7/25-8/12: Staff Scoring
- 8/3: Program Committee
- 8/16-8/31: New to Verdant Applicant 1:1s
- 8/16-9/20: Commissioner Scoring
- 9/20: Program Committee
- 9/28: Board Meeting—funding approvals and applicant notification
- 10/1 Contracts start

#### **VII. Recent Grantee Report Highlights**

We have had the great opportunity to join many of our partners in-person for recent events and visits. Maggie and Zoe joined Kirk, Nancy, and Kaysi for the Edmonds School District Fitness Expo to represent Verdant and engage the community in the community need ranking activity. Maggie served as a taste tester for the first cohort of LETI Café participants, Maggie and Zoe joined the Girls on The Run team practice at Cedar Valley Elementary and participated in the Washington West African Center West Africa Day Celebration. We were pleased to have over 60 community partners join us for the first ever hybrid Verdant Partner Roundtable (VPR) and identify opportunities for future collaboration and partnerships among the members and future meeting topics. As the community starts to re-open after prolonged closures and virtual meetings, we look forward to ongoing opportunities to see our partners at work in the community and will continue to forward those invitations to the Commissioners to join as well.

**VIII. Other Items:**

- a. Community Perspectives Survey
  - i.Goal: 300 responses Actual: 468 in 8 languages
  - ii.A total of 6 people will do the initial coding of the data to identify themes, issues, and community assets. Sandra, Maggie, and Zoe are working with Verdant Promotora Annika Sahota and contracting with Mikka Nyarko, MPH and Kristen Barrante RN,BSN,MN to code and evaluate responses using the software platform Delve. Initial findings will be returned to community partners for validation prior to an additional round of review.
  - iii.A draft comprehensive data report from the Community Perspectives Survey and comprehensive review of updated quantitative data from 2016 study will be presented to Committee and full Commission in July.
- b. School-based Health Centers
  - i.Talking points
  - ii.SBHC Funding Models



**Current Year 2 and Year 3 Renewal Instructions with proposed new language in red (please note the year number auto populates from the system)**

---

Following is the information included in your initial application for funding. For your next annual contract, you need to complete the outcomes and budget requests as well as uploading current financial documents for your organization and completing the acknowledgements section. You can do this by clicking the "edit" button in the upper right-hand corner of this screen. **If you are proposing an increased scope of work (examples: expansion, additional services) that would have budget implications of more than a 5% total increase in annual budget, please complete a full narrative application rather than a Year 2 or 3 renewal request.**

### **Year 3 - Budget**

You must propose a budget for each year for Verdant Board approval. The budget should include a description of all included costs and information regarding any line item where you are requesting an increase or decrease. The budget must be in alignment with the contracted scope of work and should replicate or build on your previous year's budget. Contracts generally will not increase by more than 5% total and personnel cost increases are typically limited to 2.5% annually. Annual award totals will usually not exceed \$500,000. Year 3 awards are contingent upon successfully meeting the previous year's outcomes and contract terms.

### **Year 3 - Outcomes**

You must propose outcomes each year for Verdant Board approval. These outcomes must be in alignment with the contracted scope of work, should replicate or build on your previous year's goals, and must include the number of individuals served as a metric. Year 3 awards are contingent upon successfully meeting the previous year's outcomes and contract terms.

## **School-based Health Center (SBHC) Operational Funding Models**

SBHCs are typically funded by a combination of patient-generated insurance revenue (Medicaid and Third Party), federal funding, state programs, local levies, private grants and foundations, in-kind contributions of healthcare provider, and in-kind contributions of school district.

### **Phase 1: Temporary Location**

Starting in August 2022, Community Health Center (CHC) will operate part time out of a temporary location within the Meadowdale facility.

Verdant has provided a \$5,000 Superintendent's Discretionary grant to Edmonds School District (ESD) to support their site planning for a permanent location and contracted with a SBHC Alliance consultant for up to \$4800 to support the partner communication planning, CHC registration and EHR policies, and behavioral health service provider coordination.

- ESD will pay for the utilities, janitorial, and maintenance of the space and lease the clinic space to CHC for \$1 a year
- CHC will allocate a .4 mid-level medical provider, .2 dentist, .4 dental assistant, and administrative support from existing organizational staffing to support services in temporary space and bill insurance and Medicaid
- CHC will provide initial IT and equipment needs and indicated medical supplies for part time operations and will be financially responsible for medical waste handling and any indicated regulatory costs (oxygen tank, etc...)

Verdant will encourage care coordination and currently funds all or part of the following positions at Meadowdale:

- Center for Human Services (CHS) Therapist
- Therapeutic Health Services (THS) Co-occurring Disorder therapist
- Family Resource Advocate (ESD employee)

### **Phase 2: Permanent Location**

CHC, ESD, and Verdant have all met with the Snohomish County Office of Recovery and Resiliency (ORR) about the ability to access county ARPA funds to procure a relocatable portable facility to serve as the permanent facility location at Meadowdale. ESD will be the owner and landlord of the space, and CHC will be the tenant and provider.

- ESD will continue to manage the facility for \$1/year and cover utilities, janitorial, and standard maintenance
- CHC will expand their staffing to meet the demand of the site as informed by initial temporary operations. The typical High School Model is 1.0 Medical Provider, 1.0 Behavioral Health Provider, .2 Dentist, .4 Dental Assistant, and 1.0 Site coordinator.

Future potential area for Verdant to provide funding would be to support any deficit of the cost of operations compared to the generated revenue of CHC at the location. Any future funding would occur via the standard quarterly process.



# School Based Health Center

## *Talking Points for Commissioners*

### **Who:**

Meadowdale High School is partnering with local health care providers to bring a School-based Health Center (SBHC) to the school's campus. The SBHC will be operated by Community Health Center of Snohomish County in partnership with Edmonds School District, Verdant Health Commission, and [insert MH/BH partner]. Health services will be available to all Meadowdale High School students.

### **What:**

The SBHC will offer the following services:

- Well child checks, sports physicals, and immunizations
- Chronic condition management and medication management
- ADHD evaluation and treatment
- Evaluation and treatment of common health problems, including same-day illness or injury
- Preventive health care, including health education
- Age-appropriate reproductive health care
- Mental health, behavioral health, and social emotional health services
- Oral health care
- Health insurance eligibility and enrollment assistance
- Referrals to other health care providers and specialists as needed

### **Where:**

The Meadowdale High School SBHC will be temporarily located inside the main school building in the fall to provide most health care services. The SBHC's permanent location will be located on the school campus in a relocatable building that will be built for the clinic's needs. The SBHC will move to its permanent location in the spring.

### **When:**

The SBHC will begin operations in the fall of the 2022-2023 school year. Health care services will be offered during regular school hours as well as some before- and/or after-school hours. Every effort will be made to schedule health care appointments during non-academic time.

### **Why:**

A school-based health center provides a natural setting to provide the services and resources students and their families need to maintain and improve their health. SBHCs foster learning readiness and academic achievement by ensuring that student's health needs are being met so they can focus on learning, growing, and thriving.

**Fees and Insurance:** All students at Meadowdale High School can access the medical, mental health, and dental services provided at the school-based health center. The SBHC accepts a wide variety of health insurance plans, including Washington Apple Health (Medicaid). The SBHC can assist families in exploring and enrolling in appropriate health insurance programs as needed; however, insurance is not required, and no student will be denied services due to insurance status.

## Multicultural Report- May 2022

### Verdant Sponsored Programs

|  |   |                 |
|--|---|-----------------|
| Monthly Women's Support Group  | Third Wednesday of the month 6:30pm             | 17 participants |
| Monthly Parent Support Group   | Once a month- last Thursday of the month at 7pm | 73 participants |
| Programa Gratis de Frutas y Vegetales- SaludRx                       | 1 <sup>st</sup> Thursday of the month           | 9 participants  |
| Grupo de Apoyo para Mujeres Sobrevivientes de Violencia Domestica    | Monthly- Wednesday 6:00pm                       | 7 participants  |
| Monthly Outreach Planning Meeting                                    | 1st Wednesday of Month                          | 4 participants  |
| (MHM) Capacitación sobre asuntos de salud mental en español Advisory | Sundays from May 15th through July 3rd          | 25 participants |

### Community Collaborations

|   |  |                 |
|---|--|-----------------|
| Con Confianza y En Comunidad: Hablando sobre COVID-19 y temas que nos afectan | Tues 5-7:30pm                                  | 29 participants |
| Health Equity for Immigrants Campaign   | Every week on Mon, until Dec, 2021             | 35 participants |
| Latinx Health Board   | Every week on Friday's at 1pm                  | 19 participants |
| U of WA Peer Mental Health Planning Meetings                                  | Thursdays at 2pm                               | 6 participants  |
| Community Health Board Coalition  | 1 <sup>st</sup> Thurs of month 6-8pm           | 42 participants |
| Edge of Amazing Planning Youth Pannel   | Every Wednesday 1pm                            | 9 participants  |
| Movimiento Afro Latino Seattle (MAS) Board Meeting                            | 3rd Tuesday of Month                           | 10 participants |
| Leadership of Snoco   | 3rd Thursday of Month                          | 19 participants |
| CHW/Promotor/a Peer Learning Workgroup  | 2nd Tuesday of Month                           | 25 participants |
| CHBC Mental Health System and Policy Check-in                                 | 3rd Tuesday of Month                           | 17 participants |
| Meet me at the Park Planning  | Every other week through July 12 <sup>th</sup> | 4 participants  |

## Verdant Community Social Worker Highlights: May / June 2022

- Case Management – continuing support for fifteen clients. One of my new clients, is returning to services after several years; she dropped off at the beginning of Covid. She specifically came to Verdant’s grand re-opening to seek my services.
- CHART Leadership and Facilitation – Lisa and I have met with The Next Step on several occasions to ensure they are meeting their stated goals. For the first six months of this pilot program, they have met all goals and have grown the program by 50%, adding an additional six new clients, to equal a total of twelve clients. We are incredibly pleased with their progress. The Next Step’s founder, Omar Gamez, will be reporting at the July Board meeting, and providing an update and statistics on client outcomes. Omar held a leadership meeting, and both an identification and social services team meetings this month.
- This past month included weekly team check ins, monthly staff meeting, Verdant Partner Roundtable, monthly County Outreach Coalition, monthly Snohomish County Community Behavioral Health Committee, Snohomish County Connector’s meeting, Monthly County and Human Services Providers Call, monthly Vulnerable Adult Taskforce, monthly Homeless Policy Task Force. Attended full day staff retreat.
- Completed first year of outreach agreement at Swedish hospital. Here are results:

Visited the hospital 35 times and consulted over the phone on many occasions. A total of 51 referrals were made through the behavioral health unit, medical floors, and emergency department.

  - 12 referred patients followed through after discharge
    - o 6 continue with Verdant Case Management services – only 1 recurrence of psychiatric hospitalization
    - o 1 is deceased, but worked with CM until death in November 2021
    - o 2 patients were referred to the Chronic Utilizer Alternative Response Team (CHART)
    - o 3 patients were followed for a period of time until goals were met
  - 21 referrals did not follow through after discharge
  - 6 referrals followed through for a period of time, and then discontinued services
  - Consulted with hospital social workers on 10 cases, and referred to more appropriate resources/services
  - 2 patients were already engaged with the Community Resource Paramedics (CRP)
- Programming: On May 27, held the first of a three part provider training titled Hypothalamic-Pituitary-Adrenal (HPA) Axis Dysfunction: Implications for Mood, Behavior, Cognition, and Physical Health. Of the 30 providers that registered, 23 attended. The second provider training will be held on July 1, and is titled Psychoneuroimmunology through a Behavioral Health Lens, and the third, Trauma Informed Integrated Behavioral Health, will be held August 5. Scheduling a new 8 week therapeutic group for adults, titled Building Relationships. This group will run on Thursday evenings, from July 14th – Sept. 1<sup>st</sup>.

# Marketing and Communications Report

28-Day Period: May 24<sup>th</sup> – June 20<sup>th</sup>

## Instagram

- Reached to 31,080 people
- 200 profile visits
- 10 new followers

## Facebook

- Reached to 56,028 people
- 261 profile visits
- 8 new page likes

The last 28 days the Facebook page reached out to 58,028 people, which is an 18.8% increase from the last period. The Facebook page received 261 profile visits, which a 32% decrease from the last period. The Instagram page reached out to 31,080 people, which is a 105% increase from the last period. Only 200 profiles visits for the Instagram page, which is a 21.6% decrease. The Facebook page has a total of 1,064 likes. The Instagram page stands at 108 followers. Paid promotion started again on June 20<sup>th</sup> to boost awareness about National Night Out (August 2<sup>nd</sup>). Our social media posts are more video content than stand still photos to bring more attention to our posts.

## Link to all of our online platforms:

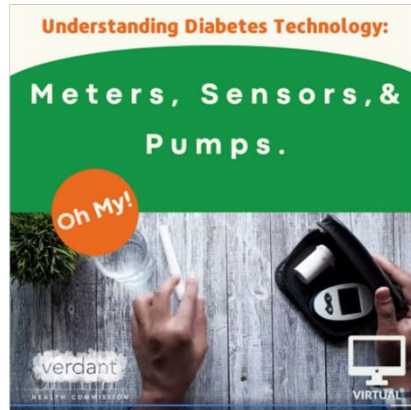
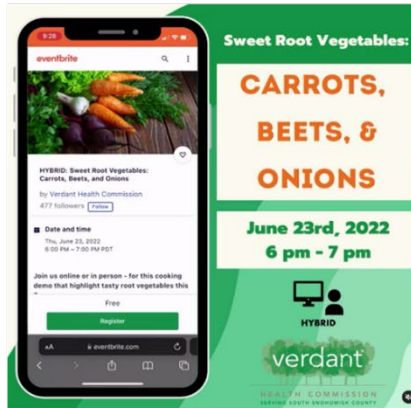
<https://linktr.ee/verdanthhealthcommission>

## E-Newsletter:

<https://us5.campaign-archive.com/?u=4c73d70a9e060257442d266f3&id=ba7754364c>



## June 2022 Activity



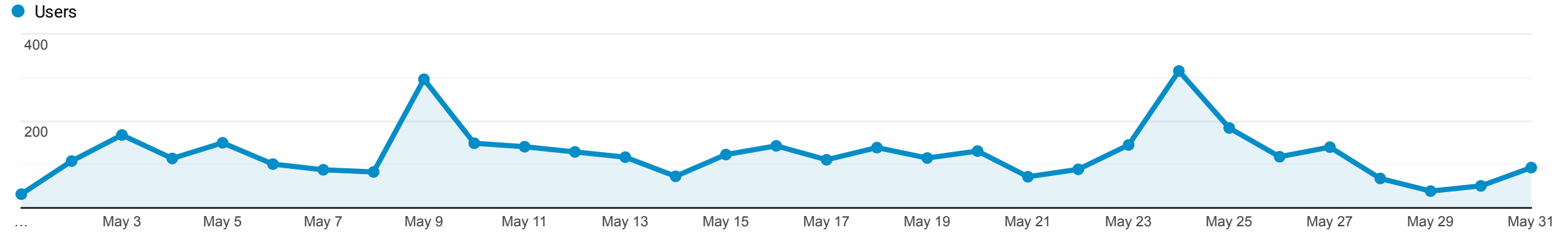
Audience Overview

All Users

100.00% Users

May 1, 2022 - May 31, 2022

Overview



Users

3,369

New Users

3,216

Sessions

4,125

Number of Sessions per User

1.22

Pageviews

8,261

Pages / Session

2.00

Avg. Session Duration

00:01:30

Bounce Rate

69.99%

New Visitor

Returning Visitor

| Visitor Type      | Percentage |
|-------------------|------------|
| New Visitor       | 87.1%      |
| Returning Visitor | 12.9%      |

| City            | Users | % Users |
|-----------------|-------|---------|
| 1. Seattle      | 491   | 14.21%  |
| 2. Everett      | 293   | 8.48%   |
| 3. Edmonds      | 245   | 7.09%   |
| 4. Lynnwood     | 166   | 4.80%   |
| 5. (not set)    | 146   | 4.22%   |
| 6. Marysville   | 116   | 3.36%   |
| 7. North Creek  | 94    | 2.72%   |
| 8. Ashburn      | 93    | 2.69%   |
| 9. Quincy       | 77    | 2.23%   |
| 10. San Antonio | 56    | 1.62%   |