

VERDANT HEALTH COMMISSION
PUBLIC HOSPITAL DISTRICT NO. 2 OF SNOHOMISH COUNTY, WASHINGTON
BOARD OF COMMISSIONERS
Regular Meeting
A G E N D A
July 25, 2012
8:00 AM to 9:05 AM

	<u>ACTION</u>	<u>TIME</u>	<u>PAGE</u>
A. Call to Order			
Pledge of Allegiance	---	8:00	
B. Approval of the Minutes			
a) June 27, 2012 regular Board meeting	Action	8:01	2-4
b) July 11, 2012 special meeting/study session	Action	8:02	5
C. Executive Committee Report	Information	8:05	
D. Board Finance Committee Report			
a) Review financial statement and cash activity	Action	8:10	6-13
b) Authorization for payment of vouchers and payroll	Action	8:15	14
c) Mid-year budget adjustment	Action	8:20	15-16
d) Resolution 2012-06: amendment to district 2012 budget	Action	8:22	17-21
E. Program Oversight Committee Report & Recommendations			
a) Conflicts of interest	Action	8:25	
b) Program investment recommendations	Action	8:27	22-24
F. Marketing Report	Information	8:30	
G. Commissioner Comments	Information	8:35	
H. Superintendent's Report	Information	8:45	
I. Public Comments (please limit to three minutes per speaker)	---	8:45	---
J. Executive Session			
K. Open Session	Action	9:15	---
L. Adjournment	---	9:15	---

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

BOARD OF COMMISSIONERS

Regular Meeting

VHC Board Room

June 27, 2012

Commissioners Present	Fred Langer, President Deana Knutsen, Commissioner J. Bruce Williams, M.D., Commissioner Karianna Wilson, Commissioner Bob Knowles, Secretary (Joined via tele conference @ 8:30 AM)
Staff Excused	Carl Zapora, Superintendent
Others Present	George Kosovich, Program Director Lisa King, Finance Director Jennifer Piplic, Marketing Director Karen Goto, Executive Assistant Howard Thomas, Consultant Members of the community
Call to Order	The Regular Meeting of the Board of Commissioners of Public Hospital District No. 2, Snohomish County, was called to order at 8:05 a.m. by President Langer.
Approval of Minutes	<i>Motion was made, seconded and passed unanimously to approve</i> the minutes of the regular meeting on May 23, 2012.
Board Finance Committee	Ms. King reported on the financials for May (E:28:12).
Authorization for Payment of Vouchers & Payroll	Warrant Numbers 10561 through 10589 for May 2012 for payment in the amount of \$186,038.38 were presented for approval (E:30:12). <i>Motion was made, seconded and passed unanimously to approve.</i>
Credit Card Use Policy	Credit card use policy was updated (E:29:12). <i>Motion was made, seconded and passed unanimously to approve</i> the policy.
Program Oversight Committee	Commissioner Knutsen reported that the Program Oversight Committee met on June 14, 2012 and reviewed four new proposals (E:31:12).

Update	No conflicts of interest regarding the four proposals were reported by any of the commissioners.
	<p>The Committee recommended follow up on the Lynnwood Fire Department Emergency Cardiac Care and the Senior Services of Snohomish County Center for Healthy Aging through a board study session. Funding was not recommended for the MS Helping Hands financial assistance proposal and the Cocoon House Street Youth Outreach & Support program. The Superintendent's Discretionary Fund was used to contribute to the Swedish/Edmonds Tdap vaccination clinic on June 14, 2012.</p>
Marketing Report	Ms. Piplic provided a summary of the "6 Weeks to a Healthier You" sessions (E:32:12)
Commissioner Comments	None
Superintendent's Report	<p>Superintendent Zapora is not present due to his attendance at a WSHA conference in central WA. In his absence, Mr. Kosovich provided the site report on the Beach Cities Health District (E:33:12) along with a staff planning calendar.</p> <p>A community needs assessment will be completed in the 3rd quarter of 2012 to include possible surveys, focus groups, and community meetings with the general population and healthcare providers. Proposals will be discussed by the Program Committee and shared with the board.</p> <p>Pertussis leadership group has been formed with the goal of a September 15, 2012 kick-off to make a significant impact on vaccination levels. Dr. Williams commented that he would like the Snohomish Health Department to provide a list of who the target audience is for the vaccination.</p>
Public Comments:	<p>The Lynnwood Fire Department expressed an interest in being a community resource for the Tdap vaccination. Mr. Al Rutledge commented on various issues including the upcoming car show in Edmonds on July 14, 2012, the Food Bank's mobile medical clinic, and the change in the population that the hospital district serves from older adults (age 85+) who prefer to be at home to young adults (age 40+) who will come to the hospital.</p> <p>Ms. Rowena Miller of the League of Women Voters commented on the Tdap vaccination.</p>

Executive Session

President Langer recessed the regular meeting at 8:45 a.m. into Executive Session to review ongoing litigation and liability claims as well as possible real estate transactions with Consultant Thomas and the transfer of activity to District staff effective 8.1.2012. Discussed executive privilege and the process to look into real estate matters. President Langer stated that no action would be taken in this Executive Session and the board would reconvene in approximately 30 minutes.

Open Session

President Langer reconvened into open session at 9:40 a.m.

Adjourn

There being no further business to discuss, the meeting was adjourned at 9:45 a.m.

ATTEST BY:

President

Secretary

PUBLIC HOSPITAL DISTRICT NO. 2 OF SNOHOMISH COUNTY, WASHINGTON

SPECIAL MEETING/STUDY SESSION
July 11, 2012
Verdant Health Commission Board Room

Commissioners Present Fred Langer, President
Karianna Wilson, Commissioner
Deana Knutsen, Commissioner
J. Bruce Williams, MD, Commissioner

Commissioners Excused Bob Knowles, Commissioner

Staff Carl Zapora
George Kosovich
Lisa King
Karen Goto

Staff Excused Jennifer Piplic

Guests Chief Greg Macke, City of Lynnwood Fire Department
Captain Larry Hadland, Medical Services Officer for City of Lynnwood
Captain Shaughn Maxwell, Medical Operations for Fire District 1

Call to Order The Special Meeting/Study Session of the Board of Commissioners was called to order by President Langer @ 8:05 a.m.

Study Session Commissioners conducted a study session with the fire departments guests to learn about their emergency cardiac care proposal (E:34:12). No decisions were made by the commissioners.

Adjourn The meeting was adjourned at 9:05 a.m.

Attest By:

President

Secretary

Balance Sheet

As of June 30, 2012

	<u>Dec 31, 2011</u>	<u>June 30, 2012</u>	<u>\$ Change</u>	<u>Comments:</u>
ASSETS				
Current Assets				
1	Total Cash Balance	1,527,547	1,679,873	152,326
2	Total Accounts Receivable	143	418,071	417,928 Projected Budget Neutrality Settlement
Other Current Assets				
3	Total Current Assets	4,167	1,667	(2,500) BofA Unamortized Financing Costs
4	Total Investments	36,416,633	37,426,475	1,009,842
5	Total Other Miscellaneous Receivables	580,358	517,948	(62,410) M&O Tax Levy Recv
6	Total Prepaid Expenses & Others	27,033	8,456	(18,577)
7	Total Other Current Assets	37,028,190	37,954,545	926,355
8	Total Current Assets	38,555,880	40,052,489	1,496,609
9	Total Fixed Assets	31,218,748	28,717,292	(2,501,456) Depreciation Expense
10	Total Financing & Lease Costs	367,814	360,768	(7,046)
11	Total Other Assets	3,762,072	3,762,072	-
TOTAL ASSETS	73,904,514	72,892,620	(1,011,894)	

*Includes Moss Adams audit adjustments

Balance Sheet

As of June 30, 2012

		<u>Dec 31, 2011</u>	<u>June 30, 2012</u>	<u>\$ Change</u>	<u>Comments:</u>
LIABILITIES & EQUITY					
Liabilities					
Current Liabilities					
12	Total Accounts Payable	93,706	54,578	(39,128)	
13	Total Credit Cards	277	1,037	760	
Other Current Liabilities					
14	Total Accrued Salary & Benefits	1,240,384	27,478	(1,212,906)	McCary Deferred Compensation
15	Total Estimated 3rd Party Settlements	1,619,754	720,000	(899,754)	SFY2010 Interim CPE Payment
16	Total Other Payables & Accruals	813,792	330,992	(482,800)	P/L & W/C Settlements & Net S/E Payable
17	Current Portion of L-T Debt	2,114,247	2,114,247	-	
18	Total Other Current Liabilities	5,788,178	3,192,717	(2,595,461)	
19	Total Current Liabilities	5,882,161	3,248,333	(2,633,828)	
Long-term Liabilities					
20	Total Long-term Debt - Operations	6,890,790	6,225,240	(665,550)	Banc of America Lease Payments
21	Total Other Long-term Liabilities	565,649	565,649	-	
22	Total Long-term Liabilities	7,456,439	6,790,889	(665,550)	
23	Total Liabilities	13,338,600	10,039,222	(3,299,378)	
24	Total Equity	60,565,915	62,853,399	2,287,484	Net Income
TOTAL LIABILITIES & EQUITY		73,904,514	72,892,620	(1,011,894)	

*Includes Moss Adams audit adjustments

Public Hospital District #2 of Snohomish County

DRAFT

Profit Loss

June 2012

	<u>May 2012</u>	<u>June 2012</u>	<u>\$ Change</u>	<u>Comments:</u>
Ordinary Income/Expense				
1 Total Income	813,545	812,956	(589)	
Expenses				
Operating Expenses				
2 Total Salaries & Benefits	54,090	47,842	(6,248)	
3 Total Workers Comp	(5,802)	3,670	9,472	1Q12 True up for self insured estimate in May
4 Total Depreciation	416,909	416,909	-	
5 Total Insurance	2,193	2,193	-	
6 Total Interest Expense	15,864	14,694	(1,170)	
7 Total Other Amortization	1,317	1,317	-	
8 Total Professional Services	17,709	11,999	(5,710)	
9 Total Purchased Services	837	1,562	726	
10 Rent Expense	2,900	2,900	-	
11 Total Other Expenses	6,007	1,268	(4,739)	
12 Total Supplies	445	686	241	
13 Total Taxes	-	-	-	
14 Total Utilities	660	555	(105)	
15 Total Operating Expenses	<u>513,129</u>	<u>505,597</u>	<u>(7,532)</u>	
Program Expenses				
16 Total Program Expenses	<u>113,821</u>	<u>199,255</u>	<u>85,434</u>	
17 Total Expense	626,950	704,851	77,902	
18 Net Ordinary Income	186,595	108,105	(78,490)	
Other Income/Expense				
Other Income				
19 Total General Obligation Bonds	4,149	6,363	2,214	
20 Total Non Operating Revenue	<u>227,403</u>	<u>720,167</u>	<u>492,763</u>	Gain on Investment / Settlement for Budget Neutrality Appeal
22 Total Other Income/Expense	<u>231,552</u>	<u>726,530</u>	<u>494,978</u>	
Net Income	<u><u>418,147</u></u>	<u><u>834,635</u></u>	<u><u>416,487</u></u>	

Public Hospital District #2 of Snohomish County

Profit Loss Budget vs. Actual

January - June 2012

	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>
	Jan-June 2012	Jan-June Budget	Over/(Under) Budget	% of Budget
Operating Revenues				
1	1,019,431	1,017,468	1,963	100.2%
2	3,847,434	3,843,420	4,014	100.1%
3	23,354	23,352	2	100.0%
4	17,493	-	17,493	100.0%
5 Total Operating Revenues	4,907,711	4,884,240	23,471	100.5%
Operating Expenses				
6	305,582	266,298	39,284	114.8%
7	42,391	65,427	(23,036)	64.8%
8	6,050	26,628	(20,578)	22.7%
9	13,157	13,926	(769)	94.5%
10	95,744	122,247	(26,503)	78.3%
11	7,900	7,900	-	100.0%
12	17,400	17,400	-	100.0%
13	104,708	107,000	(2,292)	97.9%
14	20,915	20,000	915	104.6%
15	29,159	36,000	(6,841)	81.0%
16	1,793	2,500	(707)	71.7%
17	8,383	38,990	(30,607)	21.5%
18	3,866	9,000	(5,134)	43.0%
19	25	250	(225)	10.0%
20	3,900	2,690	1,210	145.0%
21	16,541	19,550	(3,009)	84.6%
22 Total Operating Expenses	677,514	755,806	(78,292)	89.6%
23	847,573	2,050,000	(1,202,427)	41.3%
24 Net Ordinary Income	3,382,624	2,078,434	1,304,190	162.7%
Other Income/(Expense)				
25	29,227	-	29,227	100.0%
26	507,921	540,000	(32,080)	94.1%
27	215,229	-	215,229	100.0%
28	653,940	-	653,940	100.0%
29 Total Other Income/(Expense)	1,406,316	540,000	866,316	260.4%
30 Net Income (Before Depreciation)	4,788,941	2,618,434	2,170,507	182.9%
31	2,501,457	2,501,454	3	100.0%
32 Net Income (After Depreciation)	2,287,484	116,980	2,170,504	1955.4%

**Public Hospital District #2 of Snohomish County
 Summary of Cash Receipts and Disbursements
 June 2012**

	<u>June 2012</u> <u>Amount</u>	
Receipts:		
Other Rental Income	26,222.92	Value Village
Swedish/Edmonds Rental Income	618,000.00	
Snohomish County Tax Levy	149,219.70	
Ground Lease Payments	4,166.67	
Misc Reimbursements/Refunds	336.00	Reimbursement and Interest Income
Total Receipts	<u><u>797,945.29</u></u>	
Disbursements:		
Debt Payment	114,171.30	Banc of America
Professional Services:		
Legal Fees	47,384.42	Litigation and Professional Liability Legal Fees
Accounting Fees	3,225.00	Ash Consulting & Moss Adams
Consulting Fees	22,000.00	Howard Thomas - May-June
Professional Services	391.50	Workers Comp Administrator, Benefit Solutions Administrator, IT
Purchased Services	232.80	Paychex
Payroll	41,177.80	3 pay periods Plus Benefit Solutions
Payroll Taxes	14,975.65	3 pay periods
Employee Insurance	3,725.57	Regence Medical & Dental, Principal Life
Employee Retirement Contributions	5,194.02	Valic
Program Expenditures	199,346.46	Including 6 Weeks to a Healthier You Program Expenditures
Workers Compensation	44,356.85	Payments Issued by BRAC
Other Miscellaneous Expenses	12,336.43	Supplies, Rent, Canon Lease, Dues, Interest Expense
Total Disbursements	<u><u>508,517.80</u></u>	

Public Hospital District #2**Cash Activity**

Warrant Number	Transaction Date	Payee	Amount	Purpose
Warrant Activity:				
10590	6/6/2012	Ace Internet Services, Inc.	209.00	IT Support
10591	6/6/2012	Ash Consulting	975.00	May Consulting
10592	6/6/2012	Awards Service Inc	65.70	Nameplates for board meeting
10593	6/6/2012	Electronic Business Machines	725.12	Copy Machine
10594	6/6/2012	Evergreen Print Solutions	238.00	Zapora Business Cards
10595	6/6/2012	Foster Pepper	2,275.00	Legal
10596	6/6/2012	Fowler Portraits	246.38	Commissioner Photo
10597	6/6/2012	Moss Adams - Audit	2,250.00	Accounting and Audit
10000	6/14/2012	Bank of America Credit Card	2,901.11	Misc
10001	6/14/2012	Benefit Solutions Inc	11.50	FSA Administration Monthly Fee
10002	6/14/2012	Berkley Risk Administrators Co	171.00	Workers Compensation Administration
10003	6/14/2012	Institute for Fitness and Health	91.82	6 Weeks to a Healthier You - Joe Piscetella Costs
10004	6/14/2012	Thomas & Associates	22,000.00	May & June Consulting Retainer
10005	6/14/2012	Edmonds Chamber of Commerce	175.00	Annual Membership
10006	6/20/2012	Canon Financial Services	301.13	Copy Machine Lease
10007	6/20/2012	Fusionspark Media, Inc.	250.00	Social Media Strategy Workshop
10008	6/20/2012	Lynnwood Convention Center	10,562.97	6 Weeks to a Healthier You - Conference Rental
10009	6/20/2012	Staples	97.46	Supplies
10010	6/27/2012	Banc of America Leasing	114,171.30	Lease payment
10011	6/27/2012	Lynnwood PFD	3,220.00	Rent and Janitorial
10012	6/27/2012	Principal Financial Group	600.27	Employee Life Insurance
10013	6/27/2012	Regence Blueshield	3,125.30	Employee Medical & Dental Insurance
		Total Warrants	<u>164,663.06</u>	

Workers Compensation Claims Activity:

205648-205697	June 2012	Various Claimants/Vendors	<u>44,356.85</u>	Administered by Berkley Risk
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Warrant Number	Transaction Date	Payee	Amount	Purpose
Wire/ACH Activity:				
	6/1/2012	Comerica	45,109.42	Octagon Professional Liability (Sedgwick)
	6/1/2012	US Bank	3,922.15	1999 LTGO bond interest (LOC)
	6/1/2012	Payroll	14,256.56	ACH payroll transfer
	6/1/2012	Department of Treasury	5,174.61	Payroll taxes for 5/26/12 pay period ending
	6/1/2012	Paychex	80.30	Fee for payroll processing
	6/1/2012	Valic	1,743.34	Payroll 401(a)/457 Deposit
	6/15/2012	Payroll	13,311.34	ACH payroll transfer
	6/15/2012	Department of Treasury	4,921.97	Payroll taxes for 6/9/12 pay period ending
	6/15/2012	Paychex	72.00	Fee for payroll processing
	6/15/2012	Valic	1,725.34	Payroll 401(a)/457 Deposit
	6/29/2012	Payroll	13,135.35	ACH payroll transfer
	6/29/2012	Department of Treasury	4,879.07	Payroll taxes for 6/23/12 pay period ending
	6/29/2012	Paychex	80.50	Fee for payroll processing
	6/29/2012	Valic	1,725.34	Payroll 401(a)/457 Deposit
	6/15/2012	Boys & Girls Club of Snohomish County	8,161.00	Program Payment
	6/15/2012	City of Edmonds Parks & Recreation	17,325.00	Program Payment
	6/15/2012	City of Lynnwood	42,030.67	Program Payment
	6/15/2012	Community Health Center of Snohomish Co	8,333.33	Program Payment
	6/15/2012	Edmonds School District No. 15	25,475.00	Program Payment
	6/15/2012	Edmonds Senior Center	2,000.00	Program Payment
	6/15/2012	Jeremiah Center	5,200.00	Program Payment
	6/15/2012	Little Red Schoolhouse	22,000.00	Program Payment
	6/15/2012	Lutheran Community Services NW	8,000.00	Program Payment
	6/15/2012	Parent Trust for WA Children	2,083.33	Program Payment
	6/15/2012	Project Access Northwest	6,666.67	Program Payment
	6/15/2012	Providence Hospice & Home Care Foundation	12,916.67	Program Payment
	6/15/2012	Puget Sound Christian Clinic	6,250.00	Program Payment
	6/15/2012	Senior Services of Snohomish County	20,166.67	Program Payment
	6/15/2012	YWCA of Seattle, King and Snohomish Co	2,083.33	Program Payment
	6/5/2012	Benefit Solutions Inc	38.46	FSA Payments
	6/7/2012	Benefit Solutions Inc	313.16	FSA Payments
	6/11/2012	Benefit Solutions Inc	24.71	FSA Payments
	6/14/2012	Benefit Solutions Inc	1.00	FSA Payments
	6/15/2012	Benefit Solutions Inc	14.05	FSA Payments

<u>Warrant Number</u>	<u>Transaction Date</u>	<u>Payee</u>	<u>Amount</u>	<u>Purpose</u>
Wire/ACH Activity:				
	6/18/2012	Benefit Solutions Inc	40.00	FSA Payments
	6/19/2012	Benefit Solutions Inc	4.71	FSA Payments
	6/19/2012	Benefit Solutions Inc	38.46	FSA Payments
	6/11/2012	Harland Clarke Check Co	179.38	Order Wells Fargo Checks
	6/30/2012	Wells Fargo	15.00	Bank Service Fee
		Total Wires/ACH Transactions	<u>299,497.89</u>	
		Total Disbursements	<u>\$ 508,517.80</u>	

<u>Date</u>	<u>Payer</u>	<u>Amount</u>	<u>Purpose</u>
Deposits:			
6/1/2012	Tulalip Resort Casino	82.13	Refund for unused hotel room
6/1/2012	Value Village	26,222.92	Monthly lease
6/5/2012	Swedish/Edmonds	618,000.00	Monthly lease
6/8/2012	PFD - Copies	78.75	Reimbursement for Copies
6/11/2012	Snohomish County	149,219.70	Tax levy deposit
6/14/2012	Superintendent	109.49	Reimbursement for Personal Charges
6/20/2012		1,000.00	Refund to Sedgwick
6/21/2012	Joe Piscatella	63.20	Reimbursement for UPS Mailing
6/25/2012	Healthcare Realty Services, Inc.	4,166.67	Lease payment
6/30/2012	Comerica Bank	0.45	Interest Income
6/30/2012	Wells Fargo Bank	1.98	Interest Income
	Total Deposits	<u>\$ 798,945.29</u>	

VERDANT HEALTH COMMISSION
PUBLIC HOSPITAL DISTRICT #2
SNOHOMISH COUNTY, WASHINGTON

WARRANT APPROVAL

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 have been received and that Warrant Numbers 10590 through 10597 and 10000 through 10013 have been issued for payment in the amount of \$164,663.06. These warrants are hereby approved.

Attest:

Lisa M. King

Commissioner

Commissioner

Commissioner

Commissioner

Commissioner

Payroll:	5-13-12 – 5-26-12	14,256.56	
	5-27-12 – 6-9-12	13,311.34	
	6-10-12 – 6-23-12	<u>13,135.35</u>	
			40,703.25
Warrants Processed:	6-1-12 – 6-30-12		164,663.06
Work Comp Claims Pd:	6-1-12 – 6-30-12		44,356.85
Electronic Payments:	Payroll Taxes	14,975.65	
	Comerica Bank – Prof Liability	45,109.42	
	Paychex	232.80	
	Valic Retirement	5,194.02	
	Benefit Solutions	474.55	
	Interest Payments – US Bank	3,922.15	
	Wells Fargo – Fees & Checks	194.34	
	Program Expenditures	<u>188,691.67</u>	
			<u>258,794.64</u>
	Grand Total		<u>\$508,517.80</u>

**Public Hospital District #2 of Snohomish County
2012 Budget**

	Total	Approved Budget	Needed Adjust	
Income				
Operating Revenues				
1	5020 · M&O Tax Levy	2,038,585	2,034,931	3,654
2	5791 · Rental Income	7,769,028	7,761,004	8,024
3	5792 · Pavilion Ground Lease Income	46,707	46,707	0
4	5793 · Other Operating Income	17,493	0	17,493
5	Total Operating Revenues	9,871,813	9,842,642	29,171
Expense				
Operating Expenses				
Salaries				
6	6010 · Salaries	471,743	468,450	3,293
7	6020 · Commissioners Wages	35,000	49,920	(14,921)
8	6011 · Payroll Tax Expense	77,183	51,500	25,683
9	Total Salaries	583,925	569,870	14,055
Benefits				
10	6111 · Accrued Vacation/Sick Leave	10,000	10,000	0
11	6155 · Health Insurance	34,026	75,570	(37,785)
12	6156 · Dental Insurance	3,755	9,372	(5,617)
13	6160 · 401(a) Retirement Expense	28,365	28,107	258
14	6130 · Workers Comp Self Insurance	23,903	23,903	0
15	6131 · Workers Comp Service Fee	17,116	27,715	(10,600)
16	6137 · Workers Comp - State fund	1,632	1,632	(0)
17	6190 · Other Employee Benefits	9,701	9,644	57
18	Total Benefits	128,497	185,943	(53,687)
Insurance				
19	6910 · Professional Insurance	11,691	11,503	188
20	6911 · Liability Claims Admin Fees	12,500	15,000	(2,500)
21	6915 · Other Insurance	-	1,538	(1,538)
22	Total Insurance	24,191	28,041	(3,850)
Interest Expense				
23	6952 · 99 LTGO Bond Fees	118,525	171,617	(53,092)
24	6953 · 99 LTGO Interest Exp	38,662	33,922	4,740
25	6956 · Banc of Amer CSA Int Exp	22,505	22,505	0
26	Total Interest Expense	179,692	228,044	(48,352)
Other Amortization				
27	6960 · Amortization - BA CSA	4,167	5,000	(833)
28	6968 · Amortization - 99 LTGO Bonds	10,800	10,800	0
29	Total Other Amortization	14,967	15,800	(833)
Other Expenses				
30	6000 · Rent Expense	34,800	34,800	0
31	6451 · Computer Hardware/Software	5,000	5,000	0
32	6829 · Meals and Entertainment	3,600	3,600	0
33	6830 · Dues and Subscriptions	4,000	2,400	1,600
34	6840 · Travel and Meetings	10,000	1,200	8,800
35	6841 · Commissioner Education	9,000	9,000	0
36	6842 · Conference Expenses	7,500	7,500	0
37	6850 · Gas/Mileage	-	400	(400)
38	6990 · Miscellaneous Expense	5,000	5,000	(0)

	Total	Approved Budget	Needed Adjust
39 Total Other Expenses	78,900	68,900	10,000
Professional Services			
40 6210 · Professional Fees	30,000	5,000	25,000
41 6230 · Consulting	250,000	175,000	75,000
42 6240 · Legal	40,000	40,000	(0)
43 6250 · Accounting/Audit	70,000	70,000	0
44 Total Professional Services	390,000	290,000	100,000
Purchased Services			
45 6650 · Purchased Services	11,000	19,980	(8,980)
46 6675 · Marketing/Advertising	30,000	40,000	(10,000)
47 6697 · Network Hosting	1,618	3,000	(1,382)
48 Total Purchased Services	42,618	62,980	(20,362)
Supplies			
49 6450 · Supplies	12,000	12,000	(0)
50 6460 · Postage	5,000	5,000	0
51 6480 · Books and Publications	650	1,000	(350)
52 Total Supplies	17,650	18,000	(350)
Taxes			
53 6820 · License and Tax	500	500	0
54 6825 · WA B&O	0	0	0
55 Total Taxes	500	500	0
Utilities			
56 6550 · Garbage	1,997	1,560	437
57 6570 · Telephone	3,700	2,500	1,200
58 6575 · Internet	1,355	1,320	35
59 Total Utilities	7,053	5,380	1,673
60 Total Operating Expense	1,467,993	1,473,457	(5,464)
61 7100 · Community Programs	3,895,000	3,895,000	(0)
62 7200 · Superintendent Discretionary Fund	205,000	205,000	(0)
63 Total Program Expense	4,100,000	4,100,000	(0)
64 Net Ordinary Income	4,303,821	4,269,184	34,637
Non Operating Revenue			
65 5781 · Investment Income	1,047,918	1,080,000	(32,082)
66 5030 · Unrealized G/L on Investment	215,229		215,229
67 5500 · Other Income	686,268		686,268
68 Total Non Operating Revenue	1,949,414	1,080,000	869,414
69 Total Other Income	1,949,414	1,080,000	869,414
70 Net Other Income	1,949,414	1,080,000	869,414
71 Earnings before Depreciation	6,253,235	5,349,184	904,051
Depreciation			
72 6710 · Depr - Land Improvements	81,616	81,986	(370)
73 6720 · Depr - Building	1,347,089	1,508,904	(161,815)
74 6730 · Depr - Fixed Equipment	434,168	477,110	(42,942)
75 6740 · Depr - Major Equipment	3,092,789	3,623,033	(530,244)
76 6750 · Depr - Minor Equipment	47,252	94,694	(47,442)
77 Total Depreciation	5,002,913	5,785,728	(782,815)
78 Net Income - including depreciation	1,250,321	(436,543)	1,686,864

PUBLIC HOSPITAL DISTRICT NO. 2
SNOHOMISH COUNTY, WASHINGTON

RESOLUTION NO. 2012-06

A resolution of the Commission of Public Hospital District No. 2, Snohomish County, Washington (the "District"), approving and adopting an amendment to the District's budget for calendar year 2012.

WHEREAS, RCW 70.44.060 requires the Superintendent of the District to prepare a proposed budget of the contemplated financial transactions of the District for the ensuing year and to file the budget in the records of the Commission on or before the first day in November; and

WHEREAS, RCW 70.44.060 further requires the District to publish public notice of the proposed budget and the date and place of a hearing on the budget, which is required to be held on or before the fifteenth day of November, for two consecutive weeks in a newspaper printed and of general circulation in Snohomish County; and

WHEREAS, in compliance with the requirements of RCW 70.44.060, the Superintendent prepared, filed and provided notice of the District's proposed 2012 budget, which proposed budget is attached hereto as Exhibit A (the "2012 Budget"); and

WHEREAS, the Commission held a public hearing on the 2012 Budget on October 26, 2011, in compliance with the requirements of RCW 70.44.060 and RCW 84.55.120; and

WHEREAS, the Commission has determined that it is necessary to amend the 2012 Budget to address changes in the District's operation since the 2012 Budget was originally adopted; NOW, THEREFORE,

BE IT RESOLVED BY THE COMMISSION OF PUBLIC HOSPITAL DISTRICT NO. 2, SNOHOMISH COUNTY, WASHINGTON, that the amended budget for 2012, in the form attached hereto as Exhibit B, is hereby adopted.

ADOPTED AND APPROVED by the Commission of Public Hospital District No. 2, Snohomish County, Washington, at an open public meeting thereof, held this 25th day of July, 2012.

President and Commissioner

Commissioner

Commissioner

Commissioner

Secretary and Commissioner

I, BOB KNOWLES, Secretary to the Board of Commissioners of Public Hospital District No. 2, Snohomish County, Washington, certify that the attached copy of Resolution No. 2012-06 is a true and correct copy of the original resolution adopted on July 25, 2012, as that resolution appears on the Minute Book of the District.

DATED this 25th day of July, 2012.

Bob Knowles
Secretary to the Board of Commissioners

EXHIBIT A
Public Hospital District No 2
of Snohomish County, Washington

Other Operating Revenue	\$ 7,807,711
Maintenance and Operations Levy	<u>2,034,931</u>
Total Revenue	\$ 9,842,642
Expenses (not including depreciation)	5,573,457
Investment Income	1,080,000
Depreciation Expense	<u>5,785,728</u>
Net Income	<u><u>(\$ 436,543)</u></u>

EXHIBIT B
Public Hospital District No 2
of Snohomish County, Washington

Other Operating Revenue	\$ 7,833,228
Maintenance and Operations Levy	<u>2,038,585</u>
Total Revenue	\$ 9,871,813
Expenses (not including depreciation)	5,567,993
Investment Income	1,047,918
Other Non-Operating Revenue	901,497
Depreciation Expense	<u>5,002,913</u>
Net Income	<u><u>\$1,250,321</u></u>

July 2012 Program Summary

Summary of July Applications

- Follow-up on Lynnwood Fire Department proposal
- Three new applications received
- Request for additional funding from two existing programs

Follow-up on Previous Application

- **Lynnwood Fire Department – Emergency Cardiac Care:** The purpose of the program is to improve time to treatment for heart attack patients by: 1.) implementing ECG with transmission capabilities at Lynnwood Fire Dept., Fire District 1, and Mukilteo Fire department; and 2.) educate the public to recognize the signs of a heart attack so they seek medical attention when experiencing heart attack symptoms. **The committee is recommending funding this program at \$82,433 on a one-time basis.** The program meets the district’s funding priorities, and a recent study session helped to answer questions about the district/department’s budget and the education component of the proposal. The study session also showed that there are some potential opportunities to work with EMS to develop new programs addressing care coordination and prevention.

New Program Applications in July

- **Swedish Medical Center Foundation – 2012 Swedish Edmonds Imagine Gala and Expansion of Cardiovascular Diagnostic Imaging Center:** The foundation is raising funds to support its charity care and cardiovascular diagnostic imaging center. In 2011, the district supported a similar sponsorship request at \$10,000. **The committee is recommending funding this request at \$10,000 on a one-time basis.**
- **Snohomish County Music Project – Music Therapy Initiative:** The Snohomish County Music Project (SCMP), formerly the Everett Symphony, is seeking funding for a music therapy program that targets 1.) veterans experiencing PTSD, 2.) at-risk youth, and 3.) elderly patients suffering from various forms of dementia and depression. **The committee is not recommending funding this program at this time.** The committee had some concerns about the size of the request given the applicant’s recent financial challenges and because the program falls outside of the applicant’s historical mission. The committee also found that the proposal lacked specific and measurable health outcomes for the program.
- **Edmonds Community College – Student Health & Wellness Program:** The college is seeking funding to launch a student wellness program focused on addressing substance abuse, psychological, behavioral, and other wellness issues for students. **The committee has some follow-up questions for the applicant** to learn more about the anticipated results beyond the substance abuse pieces of the proposal. The committee did see a need for health services for EdCC students, but would like to see some more specific plans and anticipated results before making a recommendation for funding.

Requests for Expanded Funding

- The Edmonds School District would like expand its Move 60! before/after school activity program from the 8 pilot schools to all elementary schools in the district. **The committee would like to examine some additional outcome data from the program before recommending additional funding.**
- Jeremiah Center is seeking additional funding to sustain its counseling program and increase the number of counseling hours it can provide. The program was initially funded for one year (through December 2012) and the organization would like to increase its funding level and extend the agreement through the end of 2014. **The committee is recommending waiting until later in the year to decide on increasing funding or extending the program.** Jeremiah Center is going through a leadership transition and potential agency facility change, and the committee would like to monitor these issues before deciding to extend the program.

Verdant Health Commission Priority Areas

- 1. Education & Empowerment:** We support programs that educate and empower residents to live healthy lives. These include programs that give people the tools to take ownership of their health, increase their knowledge of health issues and availability of resources, and provide motivation to improve their well-being.
- 2. Prevention:** We support prevention programs, including those that promote health and wellness and that provide early detection and treatment. Of particular interest are programs that increase healthy behaviors, support necessary health screenings, and prevent injuries.
- 3. Access to Healthcare Services:** Too many residents in our area go without needed healthcare services. We support programs that increase access to medical, dental, and behavioral healthcare services. Of particular interest are programs that serve pregnant or parenting mothers and fathers and the uninsured or underinsured community members.
- 4. Policy and Advocacy:** We support programs that employ advocacy and public policy improvements to health systems, communities, and organizations to better meet the health and wellness needs of our residents.

A	B	C	D	E	F	G	H	I	J
	Program Expenses	2012	2013						
	Budget	\$4,100,000	TBD						
	Committed to date	\$1,603,342	\$1,609,985						
	Program Budget Remaining	\$2,496,658	TBD						

Programs for July Review		Request for funding			Priority Area				Primary Population Served	
#	Name	Description	Year 1	Year 2	Year 3	Education & Empowerment	Prevention	Access to Healthcare	Policy & Advocacy	
1	Lynnwood Fire Department Emergency Cardiac Care	The purpose of the program is to improve time to treatment for heart attack patients by: 1.) implementing 12 lead ECG with transmission capabilities at Lynnwood Fire Dept, Fire District 1, and Mukilteo Fire department to speed diagnostics and reduce false positives/negatives; and 2.) educate the public to recognize the signs of a heart attack so they seek medical attention when experiencing heart attack symptoms.	\$82,433			X	X	X		People at risk of heart attack
2	Swedish Medical Center Foundation	2012 Swedish Edmonds Imagine Gala and Expansion of Cardiovascular Diagnostic Imaging Center	\$10,000					X		N/A
3	Snohomish County Music Project - Music Therapy Initiative	The Snohomish County Music Project (SCMP), formerly the Everett Symphony, is seeking funding for a music therapy program that targets 1.) veterans experiencing PTSD, 2.) at-risk youth, and 3.) elderly patients suffering from various forms of dementia and depression.	\$194,500	\$194,500	\$194,500	X	X	X		Youth and Seniors
4	Edmonds Community College - Student Health and Wellness Program	Edmonds Community College is seeking funding to launch a student wellness program focused on addressing substance abuse, psychological, behavioral, and other wellness issues for students.	\$140,547	\$131,887	\$59,693	X	X	X		Students and Adults
Total New Programs			\$427,480	\$326,387	\$254,193					
Supplemental Funding Requested										
1	Edmonds School District	A before/school program that promotes physical fitness and healthy nutrition. The district is seeking additional funding to expand from 8 to 23 schools.	\$0	\$35,000*	\$179,150	X	X			Children & Youth
2	Jeremiah Center Counseling Services	Counseling program for adolescents and their families that are uninsured or cannot afford typical counseling fees.	\$21,463	\$83,863	\$83,863			X		Youth
Total			\$21,463	\$118,863	\$263,013					

*Assumes \$51,000 of year 1 unspent funding carries over to year 2