

VERDANT HEALTH COMMISSION
PUBLIC HOSPITAL DISTRICT NO. 2 OF SNOHOMISH COUNTY, WASHINGTON
BOARD OF COMMISSIONERS
Regular Meeting
A G E N D A
January 27, 2021
8:00 a.m. to 9:20 a.m.

Due to the Governor's Proclamation 20-28 et seq that temporarily waives and suspends sections of the Open Public Meetings Act, the January 27, 2021 Board of Commissioners meeting is NOT being held in person and will be held by remote participation only. The public can join via Zoom by visiting <https://us02web.zoom.us/j/81170706793>
Meeting ID: 811 7070 6793 Passcode: 871927 or the call-in number is 253 215 8782
Meeting ID: 811 7070 6793 Passcode: 871927

	<u>ACTION</u>	<u>TIME</u>	<u>PAGE</u>
A. Call to Order	---	8:00	---
B. Approval of the Minutes			
a) December 16, 2020 Board Meeting	Action	8:01	3-7
C. Introduction of Kara Turner, HR Consultant	Information	8:02	
D. State Audit Report	Information	8:03	---
a) Michel Melseaux, WA State Auditor's Office			
b) Kirk Gadbois, WA State Auditor's Office			
c) Kristina Baylor, WA State Auditor's Office			
E. Pediatric Inpatient Feasibility Study Presentation	Information	8:13	---
a) Frank Fox, PhD – Principal Health Trends			
F. Superintendent Report	Information	8:33	---
a) Verdant Operations update			
b) Community Outreach update			
G. Executive Committee Report	Information	8:35	---
H. Finance Committee Report			
a) Review financial statements and cash activity	Information	8:37	8-12
b) Authorization for payment of vouchers and payroll	Action	8:40	13
c) Resolution 2021:01 Fixed Asset Disposition	Action	8:45	14-17
d) Resolution 2021:02 Appointing Tammy Keuser as Auditor	Action	8:48	18-19
e) Floating Employee Holiday	Information	8:50	
I. Program Committee Report			
a) Conflicts of Interest	---	8:52	
b) Program investment recommendations	Action	8:54	20
c) Status of Verdant grants + COVID-19	Information	9:02	
d) Program Presentation	Information	9:10	21
e) Verdant Program and Marketing Highlights	Information	9:14	22-23

J. Public Comments (please limit to three minutes per speaker)	---	9:17	---
K. Commissioner Comments	---	9:19	---
L. Adjournment	---	9:20	---

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

BOARD OF COMMISSIONERS

Regular Meeting

via Zoom

January 27, 2021

**Commissioners
Present**

Dr. Jim Distelhorst, Secretary (via Zoom)
Karianna Wilson, Commissioner (via Zoom)
Deana Knutsen, Commissioner (via Zoom)
Fred Langer, Commissioner (via Zoom)

**Excused
Absence**

Bob Knowles, President

Staff

Lisa Edwards, EdD, Superintendent (via Zoom)
Jennifer Piplic, Marketing Director (via Zoom)
Sue Waldin, Community Wellness Program Manager (via Zoom)
Sandra Huber, Community Engagement Manager (via Zoom)
Nancy Budd, Community Social Worker (via Zoom)
Zoe Reese, Director of Community Impact (via Zoom)
Tammy Keuser, Director of Finance and Operations (via Zoom)
Michele Fettel, Interim Executive Assistant/Office Manager (via Zoom)
Erica Ash, Ash Consulting (via Zoom)

Guests

Michel Melseaux, WA State Auditor's Office (via Zoom)
Kirk Gadbois, WA State Auditor's Office (via Zoom)
Kristina Baylor, WA State Auditor's Office (via Zoom)
Frank Fox, PhD, Principal Health Trends
Anonymous members of the public (via Zoom)

Call to Order

The Regular Meeting of the Board of Commissioners of Public Hospital District No. 2, Snohomish County, was called to order at 8:02 a.m. by Secretary Distelhorst.

**Approval of
Minutes**

Motion was made, seconded and passed unanimously to approve the minutes of the regular board meeting on December 16, 2020. (E:01:21)

**Introduction of
Kara Turner, HR
Consulting**

Dr. Edwards introduced Kara Turner of Turner Consulting, as the new HR consultant. Kara gave a brief description of her background. She will help to finalize the Employee Handbook and support the team as needed.

Commissioners Meeting
January 27, 2021

**State Audit
Presentation**

Ms. Baylor, Mr. Gadbois and Mr. Melseaux of the state auditor's office reviewed the completed Verdant audit. This included an Accountability Audit and a review of the district's independent financial audit. Within the Accountability Audit, there were three specific areas reviewed: Accounts Payable, Payroll, Financial Condition. A recommendation regarding accounts payable was given to Superintendent Edwards. Payroll and Financial Condition had no recommendations. The review of the CPA Financial Statement Audit found all communications to be sufficient.

The auditors advised Verdant that they are launching a new tracking tool to help all parties follow up on audit findings. While there are no findings in this audit, they recommended that Verdant sign up so they could track any notifications related to Verdant or any other entity that they would be interested in following.

Closing remarks noted that all costs were in alignment with the estimate given. The next audit will be in fall 2021. It will again review the independent CPA firm's financial audit and conduct an Accountability Audit.

The report will be published on their website next week, and they will send a survey link for staff and commissioners to complete.

The auditor's final note was that Dr. Edwards and Erica Ash were instrumental in keeping the audit costs low with their quick responses and open communication. (E:02:21)

**Pediatric Inpatient
Feasibility Study
Presentation**

Frank Fox, PhD with Principal Health Trends presented the findings of the Verdant Health Commission Behavioral Health Feasibility Study January 2021. Frank reviewed the study findings regarding a 16-bed facility to house inpatient psychiatric patients focused on ages 5-24. He covered costs, demographics, and potential partners in this potential venture. (E:03:21)

**Superintendent/
Marketing Report**

Dr. Edwards reported on the following items:

1. The Value Village site has been re-acquired and secured. Azose property management is facilitating security patrols, there is fencing securing the entrances and the alarm system is now controlled by Verdant.
2. The position of Director of Finance and Operations has been filled by Tammy Keuser and her start date was Monday, January 25, 2021.
3. The position of Executive Assistant/Office Manager has been filled by Tammy Weenink and she starts on Monday, February 8, 2021.

Commissioners Meeting
January 27, 2021

4. Community outreach continues for COVID-19 testing and vaccine distribution. There is a very high demand for the vaccine, and there is a limited quantity. Ms. Reese has been instrumental in coordinating the efforts by our community partners in both testing and vaccinating the public. Additional operation plans will be further communicated at the February board meeting.
5. Regarding community outreach, Dr. Edwards thanked commissioners for forwarding opportunities that they discover for Verdant to be engaged.
6. Dr. Edwards advised that Verdant is in communication with Dr. Balderas and Edmonds School District regarding wrap-around services and on-site dental services for students housing projects currently being considered.

**Executive
Committee Report**

Secretary Distelhorst noted that the committee met on January 15, 2021 to review the agenda for the January 27, 2021 board meeting. No action was taken.

**Finance
Committee Report**

Commissioner Langer noted that the committee met on January 21, 2021. Ms. Ash then reviewed the financial statements and cash activity for December 2020 (E:04:21).

**Authorization for
Payment of
Vouchers & Payroll**

Warrant Numbers 14488 through 14642 for December 2020 for payment in the amount of \$132,817.19 were presented for approval (E:05:21) by Commissioner Langer. ***Motion to approve passed unanimously.***

**Resolution 2021:01
Surplus Property**

Motion to approve passed unanimously Resolution 2021:01 determining certain personal property to be surplus and no longer required for public hospital district purposes.

**Resolution 2020:02
Appointing Tammy
Keuser as Auditor
Floating Holiday**

Motion to approve passed unanimously Resolution 2021:02 appointing Tammy Keuser as auditor of the district effective February 8, 2021.

Ms. Ash shared insights into the requirement that Public Hospital Districts offer employees a floating holiday per the RCW. As a result, a floating holiday will be added to the Employee Handbook.

**Program
Committee
Update**

The Program Committee met on January 21, 2021. Commissioner Knutsen mentioned that there were no new or renewal program requests, and no conflicts of interest were reported by commissioners.

**COVID-19 Effect
on Programs**

Ms. Reese indicated that there are two modifications to contracts, five Superintendent Discretionary Fund contracts, and zero expiring contracts (E:06:21).

Commissioners Meeting
January 27, 2021

Motion to approve passed unanimously Edmonds Senior Center Enhance Wellness/PEARLS Program grant modification to rollover 2020 budget of \$10,557.79 to 2021 budget ending 12/31/2021 for additional clinical services.

Motion to approve passed unanimously Washington Poison Control's Cannabis Prevention Program grant modification to roll over \$7000.00 to 2021 to be spent by 3/31/2021 for translation of materials.

Ms. Reese mentioned the five newly funded groups from the Superintendent Discretionary Fund: \$12,060.00 to Edmonds College for Winter Quarter Student Meal and Food Pantry from 01/11/2021-04/02/2021; \$34,880.00 to Medical Teams International for Q1 community-based COVID testing from 01/11/2021-02/28/2021; \$4,126.00 to South County Fire for staffing support for community-based COVID testing from 12/15/2020-12/31/2020; \$4,300.00 to Trinity Lutheran Church for a cold weather shelter street outreach from 01/01/2021-03/31/2021; and \$10,000.00 to Mountlake Terrace Senior Center for senior meal and social support from 12/01/2020-01/31/2021.

**Verdant
Community
Wellness Center
Activities Update**

See Exhibit (E:07:21) for an update on activities at the Verdant Community Wellness Center for January 2021.

Public Comments

None

**Commissioner
Comments**

Commissioner Knutsen inquired about the complaint received by the State Auditor's Office. Dr. Edwards explained that there were four concerns by one complainant; 1) Organizations located outside the district boundaries received grants, however, both service Snohomish County and these contracts covered district residents; 2) A grant was approved after a pause on funding was put in place, however this was found to be appropriate under the circumstances; 3) A grant was modified to relocate services, and this was not a new grant as the question was raised indicated; and 4) There was a decision made by the Finance Committee that was not presented to the Board of Commissioners in July or August 2020, however there was no basis for this concern. The goal moving forward is to have greater transparency with our staff and community particularly around funding opportunities. Commissioner Distelhorst commented on the limited availability of the Moderna vaccine.


Commissioners Meeting
January 27, 2021

Commissioner Knutsen inquired if a person is still contagious if they have received the vaccine. The conclusion of the discussion that followed is that other vaccines eliminate that probability, and this vaccine is most likely similar. Commissioner Wilson mentioned that historical policies and guidelines were impacting the slow distribution of the vaccine and how data was being transferred between entities. Ms. Reese advised that new software is being researched to encapsulate patient data more efficiently. Commission Langer dismissed himself from the meeting at 9:30am


Adjournment

The meeting was adjourned at 9:47 a.m.

ATTEST BY:

DocuSigned by:

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President

DocuSigned by:

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Secretary



Office of the Washington State Auditor

Pat McCarthy

Exit Conference: Public Hospital District No. 2 of Snohomish County (DBA Verdant Health Commission)

The Office of the Washington State Auditor's vision is increased trust in government. Our mission is to provide citizens with independent and transparent examinations of how state and local governments use public funds, and develop strategies that make government more efficient and effective.

The purpose of this meeting is to share the results of your audit and our draft reporting. We value and appreciate your participation.

Audit Reports

We will publish the following report:

- Accountability audit for January 1, 2019 through December 31, 2019 – see draft report

Audit Highlights

We would like to extend our appreciation to the District's staff for their help and cooperation during the audit process. We would especially like to thank Lisa Edwards, Superintendent, and Erica Ash, Interim Director of Finance for their support, patience, and flexibility throughout the audit.

Recommendations not included in the Audit Reports

Exit Items

We have provided exit recommendations for management's consideration. Exit items address control deficiencies or non-compliance with laws or regulation that have an insignificant or immaterial effect on the entity, or errors with an immaterial effect on the financial statements. Exit items are not referenced in the audit report.

Work of Other Auditors

A financial statement audit was performed by Moss Adams LLP of the Hospital District. Professional audit standards require us to evaluate relevant work done by other auditors and communicate certain matters to the governing body.

- We performed procedures to ensure we could rely on the work of the external auditors and reference their audit in our audit report. These procedures included consideration of attendance at key meetings, evaluation of the firm's last peer review report, review of the other auditor's work, review of the other auditor's results and communications with the other auditor.
- We did not become aware of any instance in which the work of the other auditors gave rise to concern about the quality of their work.
- There were no limitations that restricted our analysis of the other audit.
- We did not become aware of any instance in which a material misstatement of the financial statements has or may have resulted from fraud or suspected fraud.

Finalizing Your Audit

Report Publication

Audit reports are published on our website and distributed via e-mail in an electronic .pdf file. We also offer a subscription service that allows you to be notified by email when audit reports are released or posted to our website. You can sign up for this convenient service at: <https://portal.sao.wa.gov/SAOPortal/>

Management Representation Letter

We have included a copy of representations received from management.

Audit Cost

At the entrance conference, we estimated the cost of the audit to be \$12,500 plus travel costs and other expenses of approximately \$500. Actual audit costs will approximate that amount.

Your Next Scheduled Audit

Your next audit is scheduled to be conducted in 2021 and will cover the following general areas:

- Review of independent CPA firm financial audit
- Accountability for Public Resources

The estimated cost for the next audit based on current rates is \$2,000 plus travel expenses for the review of the CPA working papers, and \$12,500 plus travel expenses of approximately \$1,500 for the accountability audit.

These preliminary estimates are provided as a budgeting tool and not a guarantee of final cost

If expenditures of federal awards are \$750,000 or more in any fiscal year, notify our Office so we can schedule your audit to meet federal single audit requirements. Federal awards can include grants, loans, and non-cash assistance such as equipment and supplies.

Working Together to Improve Government

Audit Survey

When your report is released you will receive an audit survey from us. We value your opinions on our audit services and hope you provide feedback.

Local Government Support Team

This team provides support services to local governments through technical assistance, comparative statistics, training, and tools to help prevent and detect a loss of public funds. Our website and client portal offers many resources, including a client Help Desk that answers auditing and accounting questions. Additionally this team assists with the online filing of your financial statements.

The Center for Government Innovation

The Center for Government Innovation of the Office of the Washington State Auditor is designed to offer services specifically to help you help the residents you serve at no additional cost to your government. What does this mean? We provide expert advice in areas like Lean, peer-to-peer networking and culture-building to help local governments find ways to be more efficient, effective and transparent. The Center can help you by providing assistance in financial management, cybersecurity and more. Check out our best practices and other resources that help local governments act on accounting standard changes, comply with regulations, and respond to

recommendations in your audit. The Center understands that time is your most precious commodity as a public servant, and we are here to help you do more with the limited hours you have. If you are interested in learning how we can help you maximize your effect in government, call us at (564) 999-0818 or email us at Center@sao.wa.gov.

Questions?

Please contact us with any questions about information in this document or related audit reports.

Kelly Collins, CPA, Director of Local Audit, (564) 999-0807, Kelly.Collins@sao.wa.gov

Tina Watkins, CPA, Assistant Director of Local Audit, (360) 260-6411 Tina.Watkins@sao.wa.gov

Kristina Baylor, Program Manager, (425) 951-0290, Kristina.Baylor@sao.wa.gov

Kirk Gadbois, Assistant Audit Manager, (425) 951-0912, Kirk.Gadbois@sao.wa.gov

Michel Melseaux, Audit Lead, (425) 948-7401, Michel.Melseaux@sao.wa.gov



Office of the Washington State Auditor
Pat McCarthy

Preliminary Draft – Please do not duplicate, distribute, or disclose.

Accountability Audit Report

Public Hospital District No 2 of Snohomish County

(Verdant Health Commission)

For the period January 1, 2019 through December 31, 2019

Published (Inserted by OS)

Report No. 1027753



Find out what's new at SAO
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your smartphone's camera



Office of the Washington State Auditor Pat McCarthy

Issue Date – (Inserted by OS)

Board of Commissioners
Verdant Health Commission
Lynnwood, Washington

Report on Accountability

Thank you for the opportunity to work with you to promote accountability, integrity and openness in government. The Office of the Washington State Auditor takes seriously our role of providing state and local governments with assurance and accountability as the independent auditor of public accounts. In this way, we strive to help government work better, cost less, deliver higher value and earn greater public trust.

Independent audits provide essential accountability and transparency for District operations. This information is valuable to management, the governing body and public stakeholders when assessing the government's stewardship of public resources.

Attached is our independent audit report on the District's compliance with applicable requirements and safeguarding of public resources for the areas we examined. We appreciate the opportunity to work with your staff and value your cooperation during the audit.

Sincerely,

A handwritten signature in black ink that reads "Pat McCarthy".

Pat McCarthy
State Auditor
Olympia, WA

Americans with Disabilities

In accordance with the Americans with Disabilities Act, we will make this document available in alternative formats. For more information, please contact our Office at (564) 999-0950, TDD Relay at (800) 833-6388, or email our webmaster at webmaster@sao.wa.gov.

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AUDIT RESULTS

Results in brief

This report describes the overall results and conclusions for the areas we examined. In those selected areas, District operations complied, in all material respects, with applicable state laws, regulations, and its own policies, and provided adequate controls over the safeguarding of public resources.

In keeping with general auditing practices, we do not examine every transaction, activity, policy, internal control, or area. As a result, no information is provided on the areas that were not examined.

About the audit

This report contains the results of our independent accountability audit of Verdant Health Commission from January 1, 2019 through December 31, 2019.

Management is responsible for ensuring compliance and adequate safeguarding of public resources from fraud, loss or abuse. This includes the design, implementation and maintenance of internal controls relevant to these objectives.

This audit was conducted under the authority of RCW 43.09.260, which requires the Office of the Washington State Auditor to examine the financial affairs of all local governments. Our audit involved obtaining evidence about the District's use of public resources, compliance with state laws and regulations and its own policies and procedures, and internal controls over such matters. The procedures performed were based on our assessment of risks in the areas we examined.

Based on our risk assessment for the year ended December 31, 2019, the areas examined were those representing the highest risk of fraud, loss, abuse, or noncompliance. We examined the following areas during this audit period:

- Accounts payable – general disbursements, credit cards and community program grants
- Payroll – gross wages, leave cash outs, leave balances and accruals
- Financial condition

RELATED REPORTS

Financial

A financial statement audit was performed by a firm of certified public accountants. That firm's report is available on our website, <http://portal.sao.wa.gov/ReportSearch>.

INFORMATION ABOUT THE DISTRICT

Public Hospital District No. 2 of Snohomish County, doing business as Verdant (Ver-dent) Health Commission, serves citizens in south Snohomish County. On September 1, 2010, the District entered into a lease and operating agreement with Swedish Health Services. Swedish now operates the acute-care hospital with 217 licensed beds, two primary care clinics, and an emergency department. The District formed the Verdant Health Commission to work with the community to provide complimentary health services and funding for priority healthcare needs within the District's service area. In January 2015, Verdant opened a Community Health & Wellness Center to serve residents of the District. All programming is free or low-cost to residents and supports healthy lifestyle choices.

An elected, five-member Board of Commissioners governs the District. Commissioners serve staggered, six-year terms. The Board appoints a Superintendent to oversee the District's daily operations and its employees. For fiscal year 2018, the District had operating costs of \$11.68 million.

Contact information related to this report

Address:	Verdant Health Commission 4710 196th Street SW Lynnwood, WA 98036
Contact:	Lisa Edwards, Superintendent
Telephone:	(425) 582-8577
Website:	www.verdanthealth.org

Information current as of report publish date.

Audit history

You can find current and past audit reports for the Verdant Health Commission at <http://portal.sao.wa.gov/ReportSearch>.

ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the Washington State Constitution and is part of the executive branch of state government. The State Auditor is elected by the people of Washington and serves four-year terms.

We work with state agencies, local governments and the public to achieve our vision of increasing trust in government by helping governments work better and deliver higher value.

In fulfilling our mission to provide citizens with independent and transparent examinations of how state and local governments use public funds, we hold ourselves to those same standards by continually improving our audit quality and operational efficiency, and by developing highly engaged and committed employees.

As an agency, the State Auditor's Office has the independence necessary to objectively perform audits, attestation engagements and investigations. Our work is designed to comply with professional standards as well as to satisfy the requirements of federal, state and local laws. The Office also has an extensive quality control program and undergoes regular external peer review to ensure our work meets the highest possible standards of accuracy, objectivity and clarity.

Our audits look at financial information and compliance with federal, state and local laws for all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits and cybersecurity audits of state agencies and local governments, as well as state whistleblower, fraud and citizen hotline investigations.

The results of our work are available to everyone through the more than 2,000 reports we publish each year on our website, www.sao.wa.gov. Additionally, we share regular news and other information via an email subscription service and social media channels.

We take our role as partners in accountability seriously. The Office provides training and technical assistance to governments both directly and through partnerships with other governmental support organizations.

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Other ways to stay in touch

- Main telephone:
(564) 999-0950
- Toll-free Citizen Hotline:
(866) 902-3900
- Email:
webmaster@sao.wa.gov



**Office of the Washington State Auditor
Pat McCarthy**

November 9, 2020

Board of Commissioners
Verdant Health Commission
Lynnwood, Washington

Contracted CPA Firm's Audit Report on Financial Statements

We have reviewed the audit report issued by a certified public accounting (CPA) firm on the financial statements of the Verdant Health Commission for the fiscal year ended December 31, 2019. The District contracted with the CPA firm for this audit and requested that we accept it in lieu of performing our own audit.

Based on this review, we have accepted this report in lieu of the audit required by RCW 43.09.260. The Office of the Washington State Auditor did not audit the accompanying financial statements and, accordingly, we do not express an opinion on those financial statements.

This report is being published on the Office of the Washington State Auditor website as a matter of public record.

Sincerely,

Pat McCarthy
State Auditor
Olympia, WA

Americans with Disabilities

In accordance with the Americans with Disabilities Act, we will make this document available in alternative formats. For more information, please contact our Office at (564) 999-0950, TDD Relay at (800) 833-6388, or email our webmaster at webmaster@sao.wa.gov.



January 27, 2021

Office of the Washington State Auditor
15129 Main Street, Suite C102
Mill Creek, WA 98012

To the Washington State Auditor's Office:

We are providing this letter in connection with your audit of Public Hospital District No. 2 of Snohomish County (DBA Verdant Health Commission) for the period from January 1, 2019 through December 31, 2019. Representations are in relation to matters existing during or subsequent to the audit period up to the date of this letter.

Certain representations in this letter are described as being limited to matters that are significant or material. Information is considered significant or material if it is probable that it would change or influence the judgment of a reasonable person.

We confirm, to the best of our knowledge and belief, having made appropriate inquiries to be able to provide our representations, the following representations made to you during your audit. If we subsequently discover information that would change our representations related to this period, we will notify you in a timely manner.

General Representations:

1. We have provided you with unrestricted access to people you wished to speak with and made available requested and relevant information of which we are aware, including:
 - a. Financial records and related data.
 - b. Minutes of the meetings of the governing body or summaries of actions of recent meetings for which minutes have not yet been prepared.
 - c. Other internal or external audits, examinations, investigations or studies that might concern the objectives of the audit and the corrective action taken to address significant findings and recommendations.
 - d. Communications from regulatory agencies, government representatives or others concerning possible material noncompliance, deficiencies in internal control or other matters that might concern the objectives of the audit.
 - e. Related party relationships and transactions.
 - f. Results of our internal assessment of business risks and risks related to financial reporting, compliance and fraud.
2. We acknowledge our responsibility for compliance with requirements related to confidentiality of certain information, such as HIPAA requirements, and have notified you whenever records or data containing information subject to any confidentiality requirements were made available.
3. We acknowledge our responsibility for compliance with applicable laws, regulations, contracts and grant agreements.

4. We have identified and disclosed all laws, regulations, contracts and grant agreements that could have a direct and material effect on the determination of financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
5. We have complied with all material aspects of laws, regulations, contracts and grant agreements.
6. We acknowledge our responsibility for establishing and maintaining effective internal controls over compliance with applicable laws and regulations and safeguarding of public resources, including controls to prevent and detect fraud.
7. We have established adequate procedures and controls to safeguard public resources and ensure compliance with applicable laws and regulations.
8. We have no knowledge of any fraud, allegations of fraud or suspected fraud involving management, employees or others.
9. In accordance with RCW 43.09.200, all material events and transactions have been properly recorded in the financial records.

DocuSigned by:
Lisa Edwards
A5B8D38758774CD...

Lisa Edwards, Superintendent

DocuSigned by:
Karianna Wilson
D981C56982B44D4...

Karianna Wilson, Finance Committee

Tracker

shows you where your audit issues stand



Office of the
Washington
State Auditor
Pat McCarthy

New Audit Status Tool: What you need to know

The Office of the Washington State Auditor has created a tool for following the status of audit findings and corrective actions. This tool is called Tracker. Local governments will follow the same basic process for responding to audit findings, but Tracker will make information about findings and corrective action status easily accessible in a single location. The goals for this tool are to improve the usability of information regarding the status of audit issues and to give governments a way to quickly share their plans for resolving those issues.

Benefits of Tracker

Using Tracker, your government can:

- **Get up to speed more quickly when turnover occurs.** Employees who are new or in new positions will have one stop access to prior audit issues and corrective actions, rather than having to search multiple websites and contact their auditors. This also will help ease transitions with new leaders.
- **Be clear about its current audit status.**
- **Better and more quickly prepare for upcoming audits.**
- **More easily identify and resolve issues** before the audit is conducted or the audit report published.
- **Enter a status update at the time of the change.** It is easier to note details about a change when they are top of mind instead of waiting for months to capture that information ahead of the next audit.
- **Show quickly that it resolved an issue – and get the credit for that expedient resolution.** This could be useful for governments trying to manage perceptions regarding their stewardship of public funds.

“Our vision is to increase trust in government, and Tracker does that by meeting the public’s increasing expectation of government transparency.”

Pat McCarthy
State Auditor





Increased transparency

The Tracker tool will take information that is already available and improve the usability.

Update at your convenience

We think you will find that using Tracker to check and update your audit status at your convenience improves efficiency, accuracy, preparation and staff transitions. The designated representative or representatives for your government can update submitted information.

Timeline

Our plan is for the Tracker system for local governments to begin operating in March, and to become publicly accessible by the end of 2019.

Questions?

If you have questions or concerns, please feel free to contact your local audit team.



Office of the Washington State Auditor
Pat McCarthy



Exit Recommendations
Public Hospital District No. 2 of Snohomish County
(DBA Verdant Health Commission)
Audit Period Ending: December 31, 2019

We are providing the following exit recommendations for management's consideration. They are not referenced in the audit report. We may review the status of the following exit items in our next audit.

Accountability:

Community Program Grants

In November 2019, the District announced it would no longer review new community grant applications and instead only review and renew existing grant agreements for the foreseeable future. However, in February 2020, the District received, reviewed and awarded an \$88,000 grant to a new agency because they believed residents within the District's boundaries could lose access to the services the agency provided. While the grant agreement was allowable, the District did not announce to the public that it would start reviewing new applications. The District expects to start reviewing new applications soon, in early 2021.

We recommend the District ensure it follows an equitable process for all potential community grantees by either allowing grant applications for review and award or suspending awards for all new grantees.

Verdant Health Commission Behavioral Health Feasibility Study

Prepared by Health Trends

January 2021

Frank G Fox, PhD
Jonathan F Fox, PhD
Hunter Plumer, MHA

AGENDA

1

Executive Summary

Key Findings

2

Market Analysis

Market Definition and Characteristics, including Psychiatric Utilization, Buildout, and Occupancy Statistics

3

Financial Feasibility

Capital Costs, Payer Mix, and Overall Evaluation of Feasibility
Potential Partners

4

Q&A

Questions & Answers

Summary and Key Findings

16-bed Behavioral Health Hospital

3

1 Planning Area Definition

Snohomish County is the defined Planning Area for this analysis, with specific focus on age groups 5-11 and 12-17, but includes analysis and models that also include 18-24 year-olds.

2 Top Providers Treating Residents

Residents of Snohomish County age 5 to 24 tend to use one of three hospitals (Smokey Point, Seattle Children's, and Fairfax Kirkland). Children age 5-11 appear to almost exclusively use Seattle Children's Hospital

3 Sufficient Demand 16-Bed Facility

Snohomish residents age 5 to 17 exhibit utilization rates that would fully utilize a 16-bed psychiatric facility under an 80% occupancy standard, which further increases if the 18 to 24 age cohort is included. Recent expansions of adult inpatient psychiatric beds also suggests there is pent-up demand.

Summary and Key Findings

16-bed Behavioral Health Hospital

4

4 Capital Costs Estimated to be \$16.4M

This figure includes \$9.9M in buildout costs (construction + design), \$3.0M equipment, and \$3.5M in land.

5 Project Financially Feasible Under Moderate Utilization Assumptions

Financial model developed for three scenarios (100% equity, 50% debt / 50% equity, and 100% debt). At 70% occupancy, the project demonstrates breakeven net income except when 100% debt-financed due to interest expenses. The 100% debt-financed scenario demonstrates breakeven annual net cash flow between 70% - 75% occupancy.

6 Potential Partners

Recommend a request for information (RFI) process. Develop communications and target proposals from providers currently serving residents, including Seattle Children's, Swedish Health Services, Providence, US HealthVest, and Universal Health Services.

PHASE 1

Market Definition and Characteristics, including Psychiatric Utilization,
Buildout, and Occupancy Statistics

Market Definition and Characteristics

6

Phase 1 – Market Analysis

- Snohomish inpatient psychiatric statistics suggest highest utilization for adolescents and young adults, with much lower utilization for inpatients 5-11 years old
- Snohomish and King inpatient psychiatric facilities have been characterized by cycles of supply expansion, then **increased** utilization, leading to high occupancies
- Free-standing inpatient psychiatric facilities in Snohomish and King counties have a history of high occupancy, even shortly following expansions in supply

Snohomish Resident Statistics for Inpatient Psychiatric Services

Phase 1 – Market Analysis

Snohomish Residents	Use rate (Discharges per 1K Residents)	Average Daily Census	Bed Need (80% Occupancy)
0 to 4	0.04	0.0	0
5 to 11	1.04	1.7	2
12 to 17	10.04	11.8	15
18 to 24	5.37	9.5	12
25 Plus	3.71	80.7	101
Total	3.77	103.7	130
Total, 5 to 17	4.61	13.5	17
Total, 5 to 24	4.88	23.0	29

(1) Inpatient Psychiatric Services defined as MDC 19-Mental Diseases and Disorders, Discharge Statistics

(2) Bed need does not factor migration patterns. Outmigration would reduce demand; inmigration would increase it. It also does not factor pent up demand, i.e., the table only measures actual inpatient utilization at current facilities. This would increase demand.

Source: CHARS 2019

Snohomish Residents, Facility Use, MDC 19, Patient Days

Phase 1 – Market Analysis

8

Top Destinations

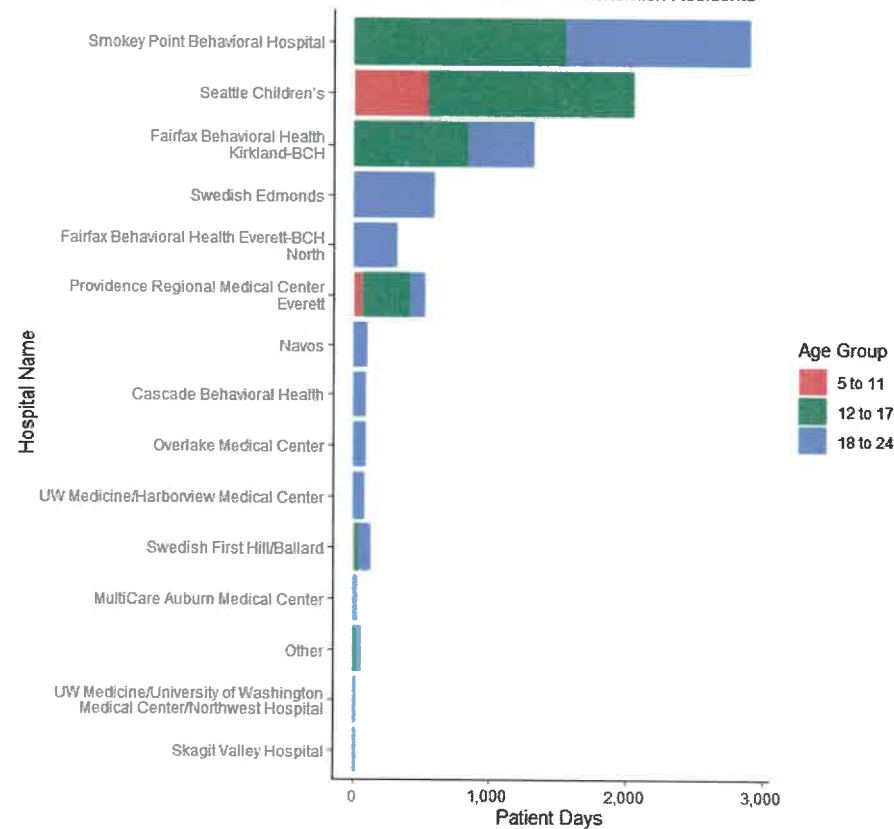
- Smokey Point
- Seattle Children's
- Fairfax Kirkland

PRMCE added 24 psychiatric beds in 2020

Fairfax Everett added 30 beds in 2020

Children age 5 to 11 treated almost exclusively at Seattle Children's

Fig 2: IP Psych Patient Days, Ages 5 to 24
Service-Based Definition for Snohomish Residents



Supply and Demand for Inpatient Psychiatric Care

9

Phase 1 – Market Analysis

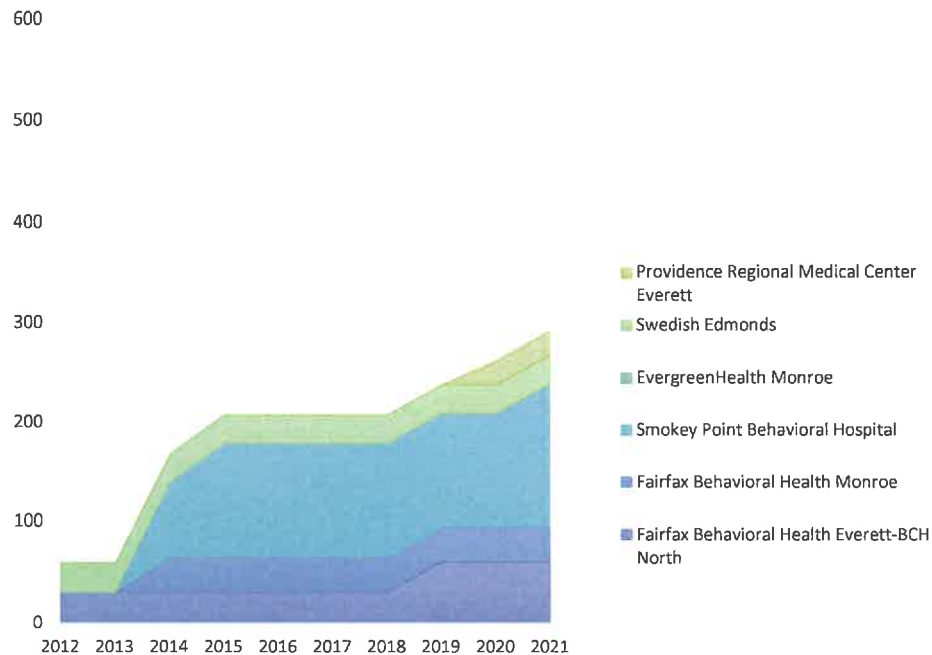
- Inpatient psychiatric capacity has expanded dramatically since 2012
 - Snohomish: 59 to 292 beds
 - King County: 402 to 580 beds
 - Mainly result of new facilities in Snohomish; expansion of existing facilities in King
 - Yet, a large majority of these beds are dedicated to the adult population
- Occupancy has remained high in both Snohomish and King Counties, especially for free-standing facilities

Market Definition and Characteristics

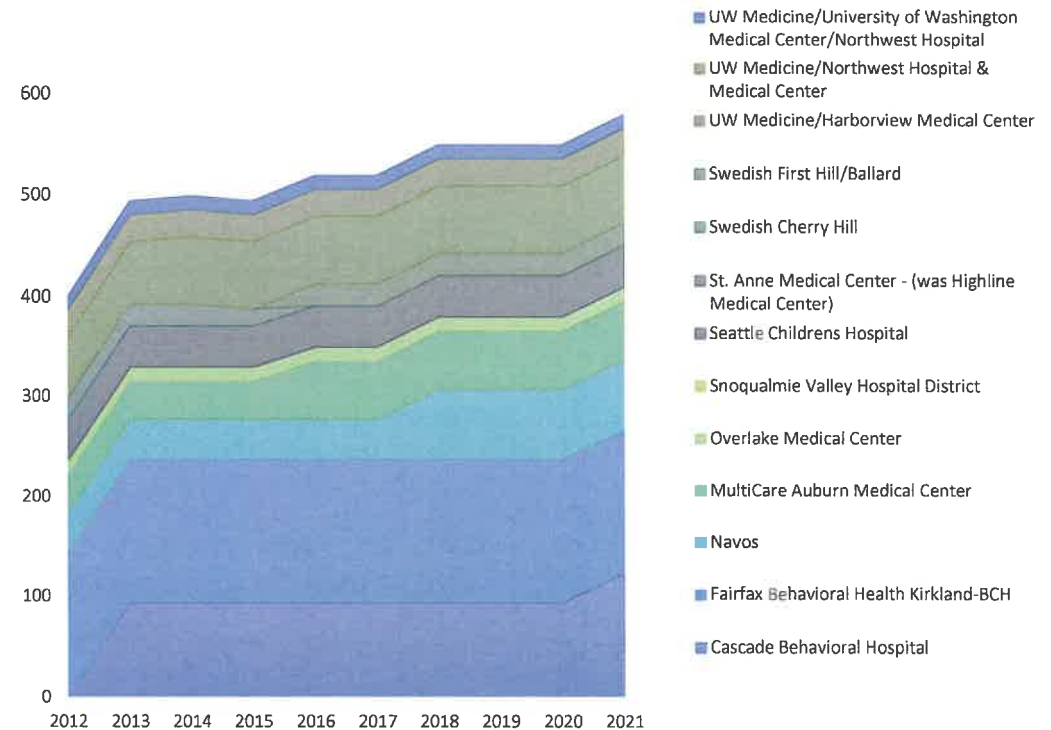
Phase 1 – Market Analysis

10

Snohomish IP Psychiatric Bed Supply

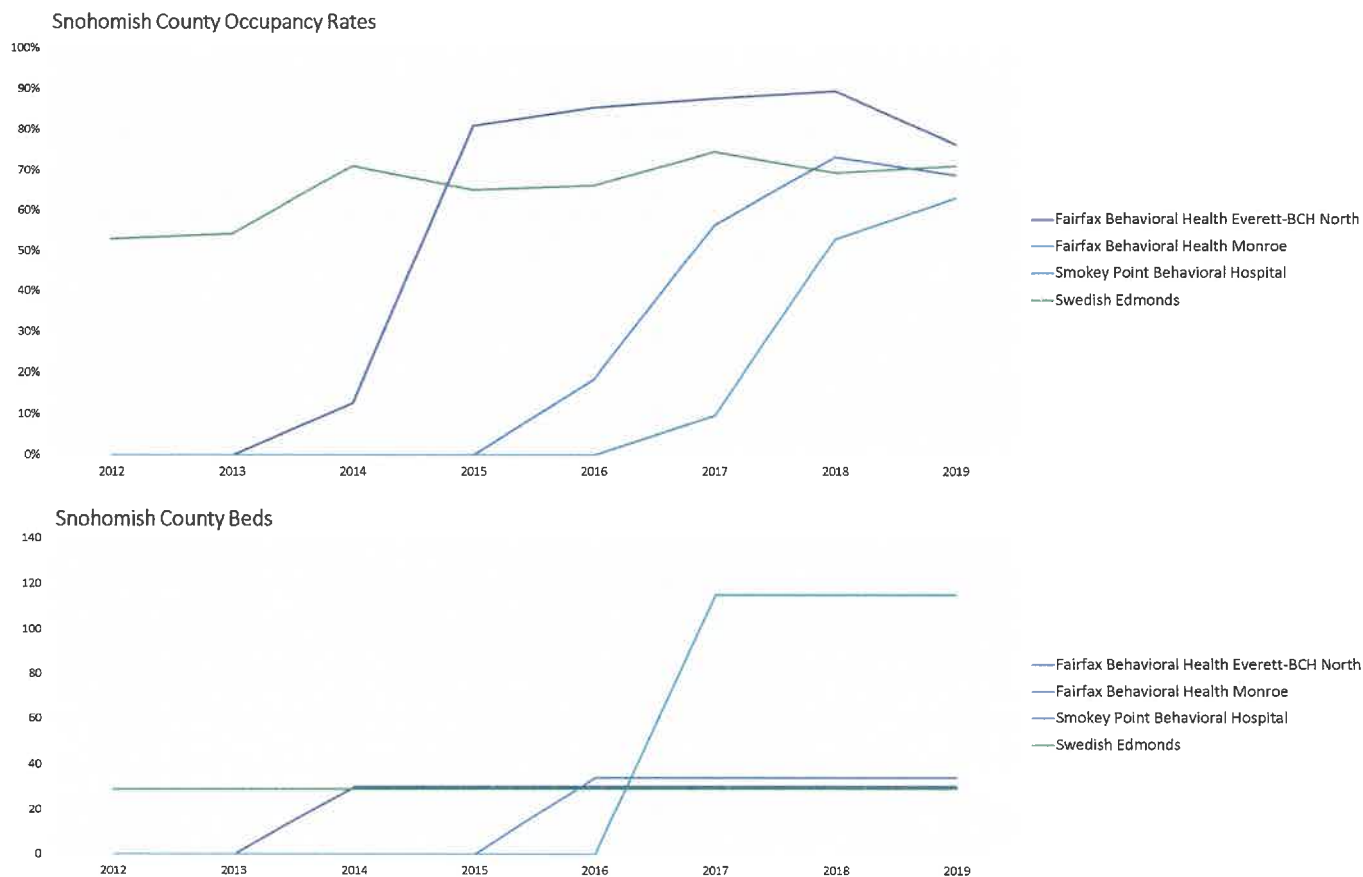


King IP Psychiatric Bed Supply



Snohomish County Occupancy Rates by Hospital-Based and Free-Standing Psychiatric Facility

Phase 1 – Market Analysis



Findings

- Snohomish facilities include 3 free-standing hospitals and 1 hospital-based unit
- Aside from Smokey Point, most Snohomish facilities relatively small (<35 beds)
- Occupancy moderately high for all facilities; about 70% in 2019
- Many facilities have recently opened, and reached high occupancy soon after
- Recent expansions at Fairfax Everett or PRMCE not reflected in figure



PHASE 2

Financial Modeling Assumptions and Outcomes

Capital Costs (\$16.4M Total)

Phase 2 – Financial Feasibility for 16-bed Behavioral Health Hospital

\$9.9M Buildout Costs (Construction + Design)

- Estimate hospital will be approximately 16,000 square feet.
- Hard construction costs of \$550 per square foot.
- Design and consultant fee estimated to be 12.50% of construction.

\$3.0M Equipment

- Estimated to be approximately 30% of buildout expenditures

\$3.5M Land

- Generally consistent with plan of 3.5 acres and \$1M per acre estimate.

Key Assumptions

Phase 2 – Financial Feasibility for 16-bed Behavioral Health Hospital

- Revenues are calculated on an average revenue per unit (per IP patient day or OP visit) basis.
- Revenues and expenses based on Pacific Northwest benchmarks and are estimated with different calculation methods (per adjusted patient day, % of net revenues, etc.).
- Benchmark payer mix adjusted to reflect target age groups (i.e., higher rates of Medicaid and commercial patients, no Medicare).

Payer Mix (% of Patients)		
	Benchmark	Revised
Medicare	38.9%	0%
Medicaid	25.7%	45%
Commercial	22.0%	45%
HMO	5.3%	5%
Self-Pay	2.9%	2%
Other	5.2%	3%

Utilization Assumptions and Impact on Net Income

Phase 2 – Financial Feasibility for 16-bed Behavioral Health Hospital

	Year 1	Year 2	Year 3	Year 4	Year 5
# of Beds	16	16	16	16	16
Occupancy Percentage (%)	55%	70%	75%	78%	80%
[Inpatient] Patient Days	3,212	4,088	4,380	4,555	4,672
Outpatient Visits	1,006	1,280	1,372	1,426	1,463

	Year 1	Year 2	Year 3	Year 4	Year 5
Net Income (100% Equity)	(402,474)	285,614	384,712	470,313	510,381
Net Income (50% Debt / 50% Equity)	(693,818)	262	105,565	197,591	244,312
Net Income (100% Debt)	(985,162)	(285,091)	(173,583)	(75,132)	(21,757)

Note: although debt-based financing leads to larger operating losses, it does not require the significant initial fund reserves needed in the 100% equity scenario.

Potential Partners

Phase 2 – Financial Feasibility for 16-bed Behavioral Health Hospital

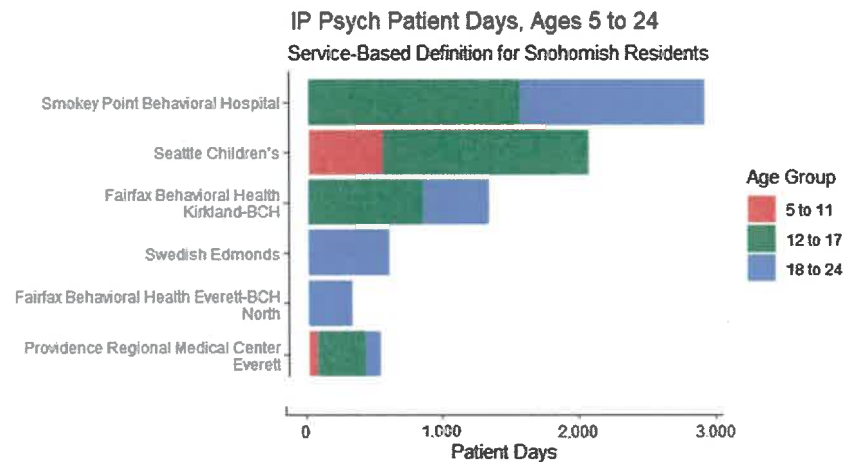
Recommend a request for information (RFI) process. Develop communications and target proposals from providers currently serving residents.

Top Destinations (Non-Profit)

- Seattle Children's
- Swedish Health Services and Providence Health & Services

Top Destinations (For-Profit)

- US HealthVest (Smokey Point Behavioral Hospital)
- Universal Health Services (Fairfax Behavioral Health)



*Top six providers. All others excluded.

Thank You

Q&A

Public Hospital District #2, Snohomish County

DRAFT

Balance Sheet
As of December 31, 2020

	A	B	C	D
	Dec 31, 2019	Dec 31, 2020	\$ Change	Comments:
1 ASSETS				
2 Current Assets				
3 Cash Balance	1,642,443	3,404,411	1,761,968	Swedish prepaid rent for January
4 Other Current Assets	53,930,005	55,996,009	2,066,004	Includes Investments & Prepaid Expenses
5 Total Current Assets	55,572,448	59,400,420	3,827,972	
6 Total Long-term & Fixed Assets	43,968,619	42,476,961	(1,491,658)	Net of Accumulated Depreciation
7 TOTAL ASSETS	99,541,067	101,877,381	2,336,314	
8 LIABILITIES & EQUITY				
9 Liabilities				
10 Current Liabilities	2,585,729	1,404,445	(1,181,284)	Swedish prepaid rent for January
11 Long-term Liabilities	-	-	-	Bond paid off on 11/24
12 Total Liabilities	2,585,729	1,404,445	(1,181,284)	
13 Total Equity	96,955,338	100,472,937	3,517,599	Annual Net Income/(Loss)
14 TOTAL LIABILITIES & EQUITY	99,541,067	101,877,381	2,336,314	

Profit & Loss
December 31, 2020

	A	B	C	D	E	F
	Dec Actual	Dec Budget	Fav/(Unfav)	YTD Actual	YTD Budget	Fav/(Unfav)
1 INCOME						
2 Ordinary Income	1,234,080	1,522,462	(288,382)	11,460,715	11,846,582	(385,867)
3 EXPENSES						
4 Operating Expenses	225,817	201,516	(24,301)	2,282,302	2,483,328	201,026
5 Depreciation Expense	130,588	129,747	(842)	1,603,979	1,601,211	(2,768)
6 Program Expenses	652,011	2,072,008	1,419,997	8,402,104	10,723,945	2,321,841
7 Total Expenses	1,008,416	2,403,270	1,394,854	12,288,385	14,808,485	2,520,100
8 OTHER INCOME/(EXPENSE)						
9 Total Other Income/(Expense)	277,535	273,750	3,785	4,345,268	2,955,000	1,390,268
10 NET INCOME/(LOSS)	503,200	(607,059)	1,110,259	3,517,599	(6,903)	3,524,501

Monthly Highlights
December 31, 2020

Verdant received dividend payments of \$37.5K, a realized gain of \$4.7K and an unrealized gain of \$13.1K on our investment portfolio which closed with an ending market value of \$55,684,399.

Program grant commitments total \$6,840,555 for 2020 excluding BHCF. Additional 2020 funding for COVID-19 programs total \$992K.

Revenue of \$130K and expenses of \$82K from the Kruger Clinic were incurred, netting to an additional operating income of \$48K.

Public Hospital District #2

Warrant Number	Transaction Date	Payee	Amount	Purpose
Warrant Activity:				
14588	12/01/2020	Armstrong Services	1,619.00	Monthly Janitorial and Daily Disinfection Service
14589	12/01/2020	Consolidated Landscape Maintenance, Inc.	440.90	December 2020 Landscaping
14590	12/01/2020	Dynamic Computing, Inc.	2,868.91	Monthly IT Support Contract, Manage Back-Ups and Back-Up storage fee
14591	12/01/2020	ELTEC Systems, LLC	291.27	December 2020 Elevator Maintenance
14592	12/01/2020	Guardian Security Systems, Inc.	265.20	Elevator & Radio Monitoring 1/1-3/31/20
14593	12/01/2020	Puget Sound Energy	56.16	Natural Gas
14594	12/01/2020	Sound Publishing, Inc.	42.00	Legal Notice 11/18/2020 Board Meeting
14595	12/01/2020	Waste Management	388.44	Garbage
14596	12/07/2020	AmeriFlex Business Solutions	28.75	December 2020 FSA Administration
14597	12/07/2020	ArlenRose Frazier	315.00	C-WC 317 - Covid 19 Counseling
14598	12/07/2020	Ash Consulting	26,037.75	November Services
14599	12/07/2020	Comcast	377.08	Telephone/Internet
14600	12/07/2020	Dynamic Computing, Inc.	10,435.35	IT Upgrade Project
14601	12/07/2020	Jason Becker Creative	827.10	Canopy Winter 20-21
14602	12/07/2020	Lowe Graham Jones PLLC	179.00	11/16 - Report Trademark Watch Service Notice
14603	12/07/2020	McKinstry Co., LLC	1,001.03	HVAC Preventative Maintenance
14604	12/07/2020	Pacific Medical Centers	269.60	WC 301 - Living Well Alliance
14605	12/07/2020	Snohomish County PUD	1,145.15	Electricity
14606	12/07/2020	Sound Dietitians LLC	2,378.58	WC 291 - Healthy Living Coaching Group & WC 292 - Nutrition Consulting
14607	12/07/2020	Sound Publishing, Inc.	47.60	Legal Notice 12/1/2020 Special Board Meeting
14608	12/07/2020	Wells Fargo	2,697.30	Credit Card payments for Karen, Lisa and Nancy
14609	12/14/2020	All Things HR	184.50	HR Services - Nov 2020
14610	12/14/2020	Armstrong Services	100.00	Changed lights
14611	12/14/2020	Audio Visual Specialists, Inc.	143.59	Installation of 2nd microphone for cooking demos & community classes
14612	12/14/2020	Azose Commercial Properties	9,720.00	October thru December Property Management
14613	12/14/2020	Claudia Avendano-Ibarra	2,000.00	Equity & Social Justice Training held on 12/2/2020
14614	12/14/2020	Comcast	575.22	Telephone/Internet
14615	12/14/2020	Consolidated Press LLC	11,588.96	Printing and mail prep of Winter 2020-21 Canopy
14616	12/14/2020	Guardian Security Systems, Inc.	657.29	Access/CCTV/Integ - Service Call
14617	12/14/2020	Margot Helphand	1,137.50	Facilitate Special Board Meeting 12/1/2020
14618	12/14/2020	PalAmerica Security Inc.	565.90	December Parking Lot Security
14619	12/14/2020	Payden & Rygel	9,266.00	11/1 - 11/30/2020 Investment Advisory Services
14620	12/14/2020	State Auditor's Office	6,295.86	2019 Audit Fees
14621	12/14/2020	Verizon	109.30	Nov 2 - Dec 1, 2020
14622	12/14/2020	Yasaura Carvajal	1,785.00	WC 293 - Promotora Lead Work
14623	12/21/2020	1st Responder Conferences	1,500.00	Webinar Sponsorship for 3 webinars for South Sno County First Responders
14624	12/21/2020	Ana Evelin Garcia	3,350.00	A-333 and A-334 - Parent Summit
14625	12/21/2020	Angelica Hildebrandt	750.00	WC 335 - Meditation & Mindfulness (2 English & 2 Spanish)
14626	12/21/2020	ArlenRose Frazier	2,000.00	C-WC 318 - Managing Difficult Emotions 8-Week Support Group

	Transaction Date	Payee	Amount	Purpose
Warrant Activity (continued):				
14627	12/21/2020	AWPHD	5,306.00	2021 Annual membership Dues
14628	12/21/2020	Dolores Reyes.	750.00	WC 306 - Spanish language delivery of educational Positive Discipline
14629	12/21/2020	Dynamic Computing, Inc.	3,367.41	Monthly IT Support Contract, Manage Back-Ups and Back-Up storage fee
14630	12/21/2020	Nariman Weaver	742.50	WC 332 - Spanish curriculum development
14631	12/21/2020	Northwest Church	150.00	COVID-19 Drive-Thru - Storing items, General Maintenance & Facility Use/Prep Work
14632	12/21/2020	Pacific Medical Centers	270.02	WC 301 - Cooking Demo on Cancer Prevention
14633	12/21/2020	Principal Life Insurance Co.	1,435.27	1019549-10001
14634	12/21/2020	Staples	129.78	Account number 6035 5178 6239 7923
14635	12/21/2020	Yasaura Carvajal	612.00	WC 329 - Promotora Lead Work
14636	12/28/2020	Electronic Business Machines	53.40	12/22-1/21/21 Copy Machine
14637	12/28/2020	Guardian Security Systems, Inc.	330.00	Confidence Testing - Assisted in FA for the Hood Inspection
14638	12/28/2020	Parsi Properties LLC	2,786.00	January 2021 - Parking lot lease
14639	12/28/2020	Puget Sound Energy	54.83	Natural Gas - Account number 220001924632
14640	12/28/2020	Regence Blueshield	6,897.69	January 2021 Medical & Dental Insurance
14641	12/28/2020	Sound Publishing, Inc.	42.00	Legal Notice 12/16/2020 Board Meeting
14642	12/28/2020	Velia Lara	6,450.00	WC 299 - 2020 Spanish Positive Discipline Parenting Programs & Parent Support Group
Total Warrants			132,817.19	

	Transaction Date	Payee	Amount	Purpose
Wire/ACH Activity:				
	12/01/2020	AmeriFlex Business Solutions	25.00	Flexible Spending - Claim Reimbursement
	12/04/2020	ADP	6,658.22	ACH Payroll Taxes
	12/04/2020	ADP	19,236.00	ACH Payroll Transfer
	12/07/2020	AmeriFlex Business Solutions	36.99	Flexible Spending - Claim Reimbursement
	12/09/2020	Valic	3,279.41	Payroll 401(a)/457 Deposit
	12/10/2020	Wells Fargo Merchant Services	145.70	Service Charge
	12/11/2020	Wells Fargo	332.70	Service Charge
	12/11/2020	ADP	87.96	Payroll Processing Fees
	12/14/2020	AmeriFlex Business Solutions	253.20	Flexible Spending - Claim Reimbursement
	12/18/2020	ADP	20,300.04	ACH Payroll Transfer
	12/18/2020	ADP	6,965.20	ACH Payroll Taxes
	12/21/2020	Valic	3,305.58	Payroll 401(a)/457 Deposit
	12/21/2020	AmeriFlex Business Solutions	7.62	Flexible Spending - Claim Reimbursement
	12/28/2020	ADP	97.96	Payroll Processing Fees
	12/28/2020	WA State Department of Revenue	724.86	November B&O Taxes
	12/29/2020	AmeriFlex Business Solutions	5,843.00	Flexible Spending - Claim Reimbursement
	12/31/2020	ADP	7,138.80	ACH Payroll Taxes
	12/31/2020	ADP	20,135.29	ACH Payroll Transfer
	12/31/2020	Valic	3,478.84	Payroll 401(a)/457 Deposit
	12/31/2020	AmeriFlex Business Solutions	19.17	Flexible Spending - Claim Reimbursement

Transaction Date	Payee	Amount	Purpose
12/02/2020	Edmonds Senior Center	35,000.00	C-S393 - COVID-19 Senior Tech Connect Program
12/02/2020	Homage Senior Services	37,313.73	C-S394 - COVID-19 Senior Tech Connect Program
12/14/2020	Volunteers of America Western WA	9,779.31	C-S394 - COVID-19 Response Hygiene Supplies
12/15/2020	Korean Women's Association	5,000.00	C-S373 - COVID 19 Response Nutrition Program
12/23/2020	Compass Health	95,450.00	C-S395 - COVID - Embed a Mental Health Prof with Lynnwood PD
12/23/2020	Medical Teams International	30,880.00	C-S390 - COVID-19 Testing for At-Risk Populations
12/23/2020	Mountlake Terrace Senior Center	10,000.00	C-S396 - COVID-19 - Senior Food & Health Access Program
12/23/2020	South County Fire	4,128.26	C-S398 - Staffing for COVID-19 Testing
		227,551.30	

12/15/2020	Boys & Girls Club of Snohomish County	24,583.33	Program Payment
12/15/2020	Cascade Bicycle Club Education Foundation	2,666.67	Program Payment
12/15/2020	Center for Human Services	36,553.66	Program Payment
12/15/2020	ChildStrive	50,850.16	Program Payment
12/15/2020	Compass Health	12,635.58	Program Payment
12/15/2020	Concern for Neighbors Food Bank	200.00	Program Payment
12/15/2020	Domestic Violence Services Snohomish Co	8,000.00	Program Payment
12/15/2020	Edmonds School District No. 15	110,834.00	Program Payment
12/15/2020	Girls on the Run	22,500.00	Program Payment
12/15/2020	Homage Senior Services	62,436.52	Program Payment
12/15/2020	Kinderling	14,918.58	Program Payment
12/15/2020	Korean Women's Association	5,000.00	Program Payment
12/15/2020	Lynnwood Food Bank	6,389.58	Program Payment
12/15/2020	Medical Teams International	8,100.00	Program Payment
12/15/2020	Parent Trust for WA Children	5,000.00	Program Payment
12/15/2020	Prescription Drug Assistance Foundation	4,583.33	Program Payment
12/15/2020	Project Access Northwest	10,416.67	Program Payment
12/15/2020	Puget Sound Christian Clinic	14,750.00	Program Payment
12/15/2020	South County Fire	26,875.00	Program Payment
12/15/2020	Therapeutic Health Services	20,833.33	Program Payment
12/15/2020	Wonderland Child & Family Services	27,239.33	Program Payment
12/23/2020	ChildStrive	93,858.91	Program Payment
12/23/2020	Kinderling	42,765.04	Program Payment

Total Wires/ACH Transactions	937,612.53
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Transaction Date	Payee	Amount	Purpose
Kruger Clinic Activity:			
1477-1484	misc Various Claimants/Vendors	7,437.10	Administered by Azose
Work Comp Activity:			
305471 - 305476	misc Various Claimants/Vendors	2,580.96	Administered by Eberle Vivian
	Total Disbursements	1,080,447.78	

	Transaction Date	Payer	Amount	Purpose
Deposits:				
	12/01/2020	Value Village	32,217.23	Monthly Rent
	12/04/2020	Edmonds Medical Clinic	6,607.60	Monthly Rent
	12/01/2020	Raymond Liu, D.D.S.	3,898.67	Monthly Rent
	12/01/2020	Allied Dermatology Partners	9,817.57	Monthly Rent and payment of rent deferral from July and August
	12/10/2020	Edwards, Lisa	3.32	Reimbursement for credit card charges
	12/10/2020	Snohomish County	149,421.26	Levy
	12/10/2020	WA State Health Care Authority	23,587.62	NSACH
	12/17/2020	PCG	2,601.00	Still attempting to determine
	12/23/2020	Swedish/Edmonds	806,349.83	Monthly Rent
	12/23/2020	Swedish Edmonds Children's Clinic	21,919.32	Monthly Rent
	12/23/2020	Swedish Edmonds Kruger Clinic	51,282.51	Monthly Rent
	12/24/2020	Value Village	293,384.00	Early Lease Buyout - more than contracted amount
	12/29/2020	McKinstry Co., LLC	474.30	Refund for Kruger Clinic expenses
	12/23/2020	Puget Sound Gastro	37,467.77	Monthly Rent - with payment 6 of 12 for April/May/June Rent Deferral
	12/23/2020	Healthcare Realty Services, Inc.	1,796.46	Q3 Leasehold Excise Taxes
	12/23/2020	Healthcare Realty Services, Inc.	4,663.72	Monthly Rent
	12/23/2020	Healthcare Realty Services, Inc.	4,663.72	Monthly Rent
		Total Deposits	1,450,155.90	

**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 14588 through 14642 have been issued for payment in the amount of \$132,817.19. These warrants are hereby approved.

Attest:

Erica Ash
Erica Ash

DocuSigned by:

MS K...
500DBE68E8A5453

DocuSigned by: **Commissioner**

JS Distelhorst
463092731B124E1

DocuSigned by: **Commissioner**

Deana Knutsen
FD68DBA5DCD3407

DocuSigned by: **Commissioner**

Frank...
17B7773286CB47

DocuSigned by: **Commissioner**

Karianna Wilson
A28385545A4D4A...

DocuSigned by: **Commissioner**

Warrants Processed:	12-01-2020 – 12-31-2020	\$132,817.19
Work Comp Claims Pd:	12-01-2020 – 12-31-2020	2,580.96
Kruger Clinic Processed:	12-01-2020 – 12-31-2020	7,437.10
Payroll:	11-15-2020 – 11-28-2020	19,236.00
	11-29-2020 – 12-12-2020	20,300.04
	12-13-2020 – 12-26-2020	<u>20,135.29</u>
		59,671.33
Electronic Payments/ Adjustments:	Payroll Taxes	20,762.22
	Payroll Processing	185.92
	Valic Retirement	10,063.83
	FSA Payments	6,184.98
	Bank Fees and Supplies	478.40
	WA State Dept Revenue	724.86
	Program Expenditures	<u>839,540.99</u>
		877,941.20
Grand Total		<u>\$1,080,447.78</u>

PUBLIC HOSPITAL DISTRICT NO. 2
SNOHOMISH COUNTY, WASHINGTON

RESOLUTION NO. 2021-01

A RESOLUTION of the Commission of Public Hospital District No. 2, Snohomish County, Washington, determining certain personal property to be surplus and no longer required for public hospital district purposes of the District and authorizing the Superintendent or his designee to sell all or any part of such property on a negotiated basis upon the most favorable terms and conditions obtainable or to otherwise dispose of such property, and ratifying prior actions.

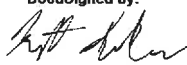
WHEREAS, certain personal property of the District is no longer required for District purposes and the Commission wishes to dispose of such property in a lawful manner as promptly as reasonably possible; NOW, THEREFORE,

BE IT RESOLVED BY THE COMMISSION OF PUBLIC HOSPITAL DISTRICT NO 2, SNOHOMISH COUNTY, WASHINGTON, as follows:

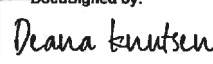
Section 1. It is hereby found, determined and declared that all of the personal property identified on Exhibit A hereto is no longer required for public hospital district purposes and such property therefore is surplus. It is further found and declared to be in the best interest of the District that such property (the "Surplus Property") be disposed of promptly as hereinafter provided.

Section 2. The Superintendent or his designee is hereby authorized and directed to sell on a negotiated basis upon the most favorable terms and conditions obtainable all or any part of the Surplus Property as soon as reasonably possible. Any Surplus Property not thus sold shall be disposed of and removed from the premises of Swedish Edmonds Hospital at the direction of the Superintendent or his designee at the least possible cost to the District.

ADOPTED AND APPROVED by the Board of Commissioners of Public Hospital District No. 2, Snohomish County, Washington, at an open public meeting thereof, this 27th day of January, 2021, the following commissioners being present and voting in favor of the resolution.

DocuSigned by:

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President and Commissioner

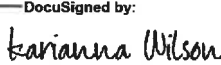
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Commissioner


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Commissioner

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Commissioner

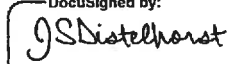
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Secretary and Commissioner

CERTIFICATE

I, the undersigned, Secretary of the Board of Commissioners of Public Hospital District No. 2, Snohomish County, Washington, certify that the attached copy of Resolution No. 2021-01 is a true and correct copy of the original resolution adopted on January 27, 2021 as that resolution appears on the Minute Book of the District.

DATED this 27th day of January, 2021.

DocuSigned by:

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Jim Distelhorst
Secretary of the Board of Commissioners

Verdant Health Commission
Fixed Asset Surplus
December 2020

Class	Number	Dept	Description	QTY	Life (months)	Acquisition Date	Cost	NBV 12/31/20	Disp Date
6	384	VCWC	Canon 5051 Image Runner Advance Equipment ID A7939	1	60	8/1/2016	8,674.20	1,011.99	1/7/2021
							<u>8,674.20</u>	<u>1,011.99</u>	

PUBLIC HOSPITAL DISTRICT NO. 2
SNOHOMISH COUNTY, WASHINGTON

RESOLUTION NO. 2021-02

A RESOLUTION of the Commission of Public Hospital District No. 2, Snohomish County, Washington, appointing and designating Tammy Keuser as Hospital District Auditor; and removing Erica Ash as Hospital District Auditor.

BE IT RESOLVED by the Commission of Public Hospital District No. 2, Snohomish County, Washington, as follows:

Section 1. Tammy Keuser is found to be a person experienced in accounting and business practices and is hereby appointed and designated Hospital District Auditor as of February 8, 2021, to perform under the direction of the Superintendent the duties set forth in Article III, Section 2, of the Bylaws of the District, a municipal corporation.

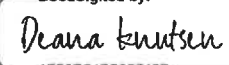
Section 2. Erica Ash is hereby removed as the Hospital District Auditor effective as of February 8, 2021. The Superintendent is authorized and directed to notify all applicable institutions in writing that Erica Ash has been removed as Hospital District Auditor.

ADOPTED and APPROVED by the Commission of Public Hospital District No. 2, Snohomish County, Washington, at a regular open public meeting thereof this 27th day of January, 2021, the following Commissioners being present and voting.

DocuSigned by:

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President and Commissioner

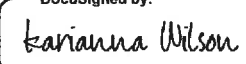
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Commissioner

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Commissioner

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Commissioner

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Secretary and Commissioner

CERTIFICATION

I, the undersigned, Secretary of Public Hospital District No. 2, Snohomish County, Washington (the "District"), hereby certify as follows:

1. The attached copy of Resolution No. 2021-02 (the "Resolution") is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Commission of the District held at the regular meeting place thereof on January 27, 2021, as that Resolution appears on the minute book of the District; and

2. A quorum of the members of the Commission of the District was present throughout the meeting and a majority of those members present voted in the proper manner for the adoption of the Resolution.

IN WITNESS WHEREOF, I have hereunto set my hand this 27th day of January, 2021.

PUBLIC HOSPITAL DISTRICT NO. 2
SNOHOMISH COUNTY, WASHINGTON

DocuSigned by:

JS Distelhorst

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James Distelhorst, Secretary of the District

Program Oversight Committee- January 2021**I. Modifications to Contracts**

Organization	Project	Time Period	Total Funding	Staff Recommendation
Edmonds Senior Center	Enhance Wellness/PEARLS	1/1/21-12/31/21	\$10,557.79	Rollover \$10,557.79 to 2021 budget ending 12/31/21 for additional clinical services.
Washington Poison Control	Cannabis Prevention	1/1/21-3/31/21	\$7,000	Roll over \$7,000 to 2021 to be spent by 3/31/21 for translation of materials.
		Total	\$17,557.79	

II. Superintendent's Discretionary

Organization	Project	Time Period	Cost
Edmonds College Foundation	Winter Quarter Student Meal and Food Pantry	1/11/21-4/2/21	\$12,060
Medical Teams International	Q1 Community-based COVID Testing	1/11/21-2/28/21	\$34,880
South County Fire	Staffing Support for Community-based COVID Testing	12/15/20-12/31/20	\$4,126
Trinity Lutheran Church	Cold Weather Shelter street outreach	1/1/21-3/31/21	\$4,300
MLT Senior Center	Senior meal and social support	12/1/20-1/31/21	\$10,000
		TOTAL	\$65,366

III. Expiring Contracts:

None

IV. 2021 Grant Process

- a. New Grant proposals to be received 2/15-2/26 with contracts starting 4/1 for successful applications.
- b. Grant materials, invitation to virtual Q&A, and applicant experience survey all live on website

2021 GOAL WORKSHEET

Name		Zoe Reese		Title: Director of Community Impact and Grantmaking	
Benchmarks for Success					
<ul style="list-style-type: none">Increased community recognition and visibility of Verdant as a trusted partner in health planning and wellness.Enhanced health outcomes for South Snohomish County residents through expanded and new partnerships.Enhanced focus on Equity, Diversity, and Inclusion in Verdant’s work					
Goal		Measurable Outcome			Target Completion Date
Streamline and improve access to Verdant Grant Process		<ul style="list-style-type: none">Implementation of Electronic Grant Management Software			September 2021
		<ul style="list-style-type: none">Host at least 1 Nonprofit Bootcamp			April 2021
		<ul style="list-style-type: none">Host at least 2 Technical Assistance Workshops			December 2021
		<ul style="list-style-type: none">Include Equity, Diversity, and Inclusion in our review, implementation, and scoring			February 2021
Position Verdant as a vital partner in healthcare planning and delivery conversations and committees		<ul style="list-style-type: none">Form 2 new partnerships that support a COVID-19 Vaccine Site in South Snohomish County that includes: Partnering with community organizations to support representative outreach and engagement efforts to increase COVID testing and vaccination (CHWs, community leaders, community organizations) and Partner with community partners to provide ongoing Community-based COVID testing and vaccination in South County with a minimum of 15 testing events and 100 vaccination events held in 2021.			December 2021
		<ul style="list-style-type: none">Join and participate in at least 3 community boards and/or committees focused on the social determinants of health			June 2021
		<ul style="list-style-type: none">Active Participation in Snohomish County Emergency Management planning and briefing meetings			December 2021
Strengthen Verdant’s relationships with organizations supporting front line health and wellness service delivery.		<ul style="list-style-type: none">Identify community partners and plan for implementation of a BH Urgent Care pilot including same-day access and inclusive of services such as crisis stabilization, medication assisted treatment, expanded intensive outpatient and partial hospitalization programs with an overarching goal of improved access, decreased ER utilization for non-emergent Behavioral Health needs, and improved health outcomes for our community.			December 2021
Planning for 2022 Community Health Needs Assessment		<ul style="list-style-type: none">Partner with UW to have at least one UW MPH Intern assigned to VerdantConduct a community gap analysis to identify critical lines of services not currently sufficiently available in South Snohomish County that could be co-located on a Verdant Health Campus.			December 2021

**Report to Commissioners
January 27, 2021**

**Verdant Community Wellness Center Report
Sue Waldin, Community Wellness Program Manager**

Addressing Food Insecurity:

- Distributed 1540 Fruit & Veg. Vouchers since April, 2020 to food insecure residents thru 8 partners.
- Started the Jan-June 2021 cohort for the DOH-funded fruit & veg voucher project with 10 families recruited from the Lynnwood Foodbank. Due to the economic impacts of COVID, many have brought in additional family members. 8 / 10 families have 6-10 people living & sharing food in their household.

Offering behavioral health resources for the community virtually:

- Extended COVID telehealth counseling for residents experiencing heightened anxiety/depression (up to 10 individualized sessions to address behavioral health issues exacerbated by COVID & social isolation)

Virtual Programming:

- Stress & Food Choices – what is the connection? 1.12.21 14 participants
(RDN sharing strategies to make healthy choices with stress eating & drinking on the rise during the pandemic)
- Cooking Demo – Budget-friendly Recipes featuring Eggs 1/14/21 17 participants
(Learn from an RDN how eggs are an economical and healthy option to stretch food dollars)
- Navigating Diabetes Today – monthly support group 1/20/21 8 participants
(Certified Diabetes Educator/RDN sharing tips about managing weight while controlling blood sugar)
- Cooking Demo – Soups & Stews 1/21/21 13 participants
(2 RDNs sharing techniques to make healthy, satisfying recipes focused on increasing vegetables & plant proteins)

Recruiting for *Preventing Type 2 Diabetes 12-week Series*. Co-sponsoring this event with PHD#3.

Note: Sue Waldin is assisting with efforts to support the cold weather shelter including working with them to offer a 30-day outreach program to help unsheltered individuals know how the shelter works during the pandemic and to research hepa filters and COVID-approved cleaning services to improve. Sue is also the Verdant staff lead supporting the bilingual Community Resource Advocate in partnership with VOA and Edmonds College.

**Verdant Community Social Worker Highlights: December 2020
Nancy Budd, Community Social Worker**

- Special Provider Training: Equity and Social Justice working towards Diversity, Equity, and Inclusion (DEI). This is a four-part eight-hour series specifically prepared for behavioral health providers. All of the four modules have been completed. 22 of 24 participants attended all sessions. Several attendees commented “This was perhaps the best prepared and presented social justice training I have participated in”.
- Hosted a Mental Health First Aid full day class. Attendees included local clergy, and the cities of Edmonds and Lynnwood staff. Twenty-one attendees.

- Case Management – continuing support for 13 clients with complex medical and behavioral health conditions. I obtained 3 new clients during this period. These clients were referred by Swedish Edmonds (2) and Feldman and Lee, Lynnwood’s contracted public defender. Each client has multiple needs surrounding substance use, mental illness, housing, etc.
- CHART – recommended 3 new clients for active CHART participation, to the Social Services team. In process of obtaining additional needed information in order to contact clients to offer them this service program.
- This past month included the staff retreat, two staff meetings facilitated by Margot, new weekly team check ins, marketing and grant update meetings, a one-and-a-half-day conference on Trauma and Addictions, new staff interviews and debriefs.

Multicultural Report – January 2021

Sandra Huber, Community Engagement Manager

Verdant Sponsored Programs

Weekly Parent Support Group	Tuesdays 10:30am	18 parents
Weekly Community Health Boards Coalition	Thursdays 6-8pm	37 participants
Monthly Women’s Support Group	Third Wednesday of the month	21 participants

Community Collaborations

Con Confianza y En Comunidad: Hablando sobre COVID-19 y temas que nos afectan	Tues 5-7:30pm	73 participants
Snohomish County Latino Coalition (SCLC)	1x month- 6-7:30pm	33 participants

Marketing Report – January 2021

Jennifer Piplic, Director of Marketing and Communications

During January 2021, we posted the RFP for website redesign services and look forward to receiving proposals before the end of February. We have also helped facilitate conversations with communications staff from various Snohomish County organizations and agencies around the COVID-19 vaccine. In partnership with the health district, county, and other agencies, we will be connecting regularly to see if there are opportunities to collaborate around outreach strategies. During our first two gatherings, there has been interest in more targeted work to support access and uptake in underserved populations. We are eager to see how these discussions will evolve and happy to help support this effort.