

VERDANT HEALTH COMMISSION
PUBLIC HOSPITAL DISTRICT NO. 2 OF SNOHOMISH COUNTY, WASHINGTON
BOARD OF COMMISSIONERS
Regular Meeting
A G E N D A
October 22, 2014
8:00 AM to 9:10 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) September 24, 2014 Board Meeting	Action	8:01	1-5
b) October 14, 2014 Special Board Meeting	Action	8:02	6-7
C. Executive Committee Report	Information	8:03	---
D. Board Finance Committee Report			
a) Review financial statement and cash activity	Action	8:05	8-11
b) Authorization for payment of vouchers and payroll	Action	8:07	12
c) Public hearing on 2015 budget & revenue	Hearing	8:08	---
d) Resolution 2014:07 adopting 2015 Property Tax Levy	Action	8:20	13-15
e) Resolution 2014:08 adopting the 2015 Budget	Action	8:25	16-19
E. Program Oversight Committee Report & Recommendations			
a) Conflicts of interest	Action	8:30	---
b) Program investment recommendations	Action	8:35	20-23
F. Marketing Report	Information	8:40	24
G. Commissioner Comments	Information	8:45	---
H. Superintendent's Report	Information	8:50	---
I. Public Comments (please limit to three minutes per speaker)	---	8:55	---
J. Executive Session			
a) Discuss potential litigation related to Swedish/Edmonds	---	9:00	---
K. Open Session	---	9:10	---
L. Adjournment	---	9:10	---

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

BOARD OF COMMISSIONERS

Regular Meeting

VHC Board Room

September 24, 2014

Commissioners Present	Bob Knowles, President Deana Knutsen, Commissioner J. Bruce Williams, M.D., Commissioner Fred Langer, Commissioner
Commissioners Excused	Karianna Wilson, Commissioner
Others Present	Carl Zapora, Superintendent George Kosovich, Program Director Lisa King, Finance Director Jennifer Piplic, Marketing Director Sue Waldin, Community Wellness Program Manager Karen Goto, Executive Assistant Members of the community
Guests	Brad Berg, Legal Counsel/Foster Pepper Beth Rodriguez, Interim Marketing Director
Call to Order	The Regular Meeting of the Board of Commissioners of Public Hospital District No. 2, Snohomish County, was called to order at 8:00 a.m. by President Knowles.
Approval of Minutes	<i>Motion was made, seconded and passed unanimously to approve</i> the minutes of the regular meeting on August 27, 2014.
Executive Committee	President Knowles reported that the Executive Committee met on September 22, 2014 to review and approve the September 24, 2014 board meeting agenda. No action was taken.
Board Finance Committee	The committee met on September 19, 2014. Ms. King reviewed the financial statements and cash activity for August 2014 (E:52:14). Commissioner Williams asked for clarification on the money that is budgeted for programs but is not spent in

2014. Ms. King explained that currently there is \$1,294,036 for programs of which \$228,528 is earmarked as Superintendent Discretionary. The approximate remaining \$1 million is left to spend on programs in 2014. Ms. King clarified that any unspent program funds are returned to the general fund and will be re-allocated in the 2015 budget.

**Authorization
for Payment of
Vouchers &
Payroll**

Warrant Numbers 10784 through 10810 for August 2014 for payment in the amount of \$648,896.39 were presented for approval (E:53:14). ***Motion was made, seconded and passed unanimously to approve.***

**Resolution
2014:06
Surplus Property**

Resolution 2014:06 deeming certain personal property as surplus and no longer needed for public hospital district purposes, approving the sale of the personal property and authorizing and directing the superintendent of the District to negotiate, execute and deliver a purchase and sale agreement with respect to such personal property. ***Motion was made, seconded and passed unanimously to approve Resolution 2014:06.*** E:54:14 details the three motor vehicles that were sold to Best Auto Parts in Lynnwood, WA on September 12, 2014.

**Capital Asset
Policy**

Motion was made, seconded and passed unanimously to approve the Revised Capital Asset Policy (E:55:14).

**Program
Oversight
Committee
Update**

The Program Oversight Committee met on September 19, 2014 to review five new program funding applications and follow up on four applications. (E:56:14).

Commissioner Knutsen reported that she has one conflict of interest as she is on the board of Washington CAN which has a proposal being considered. Commissioner Knutsen reported that she has recused herself from all conversations on the proposal and receives no monetary benefit from her Washington CAN board position. She will recuse herself from voting on the proposal at this board meeting. No other conflicts of interest were reported by the remaining commissioners.

New Funding Applications:

Motion was made, seconded and passed by three commissioners with one abstention by Commissioner Knutsen to approve \$110,000 on a one time basis, with \$10,000 of the funds designated to match Robert Wood Johnson Foundation funding on a program evaluation for the Washington CAN Insurance Enrollment Outreach program. Mr. Will Pittz of Washington CAN explained the effectiveness of the strategy for ACA enrollment that they use which included door-to-door outreach. Mr. Pittz estimates that there are 20,000 people in this district who are eligible but still not enrolled in health insurance and they have knocked on 90% of the doors of households likely eligible for expanded Medicare.

Motion was made, seconded and passed unanimously to approve funding up to \$170,500 per year for three years to be paid out on the number of lesson vouchers redeemed for the Cities of Lynnwood, Mountlake Terrace, and Edmonds 3rd Grade Swim Lessons.

Motion was made, seconded and passed unanimously to approve \$29,000 per year for two years for the Snohomish County Music Project Music Futures Program for men suffering from depression and/or PTSD. Commissioner Williams inquired as to the availability of a mental health professional as part of this program. Mr. Kosovich stated that the music therapist is also a licensed mental health professional.

Not recommended for funding:

Mountlake Terrace Friends of the Arts, Art of the Terrace Display Panels; Washington State Family & Community Engagement Trust, Parent Leadership Training Institute; American Heart Association, Creating a Culture of Health; and Free Range Health, Expanded Low Cost Acupuncture Services.

Proposals for follow-up:

Snohomish County Health Leadership Coalition, YMCA of Snohomish County as Fiscal Sponsor. The Program Committee is recommending that the Coalition make a presentation to the board sharing the project results to-date and future goals. A board special meeting will be scheduled in the near future.

Swedish Foundation: the \$50,000 foundation request for the 2014 Gala will be forwarded to the Superintendent for consideration out of his discretionary fund. Commissioner Langer noted that the board would not take action on the \$1 million request because Commissioner Wilson is not in attendance and there are not enough voting members in attendance at this board meeting.

**Marketing
Report**

Ms. Piplic introduced Ms. Beth Rodriguez as the interim marketing director from December 2014 through February 2015.

**Commissioner
Comments**

Commissioner Williams commented on the need to support mental health services for young moms and their babies.

**Superintendent's
Report**

Superintendent Zapora reported on three items:

1. Welcome to Beth Rodriguez
2. Superintendent's Discretionary Fund will be used to fund the \$50,000 request for the 2014 Gala per the request recommendation from the Program Committee. Superintendent was assured by Swedish/Edmonds that this is one-time only given that 2014 is the 50th anniversary of the hospital.
3. The Verdant Partner Roundtable met on September 22, 2014. This group consists of organizations providing health & wellness in the public hospital district and many received funding from Verdant for their programs. A board member from the Boeing Employee Community Fund presented to the group.

**Public
Comments**

Ms. Rowena Miller of the League of Women Voters Snohomish County commented that mental health issues are important to the League as well. The League also appreciates the thoughtfulness of the commissioners when considering the distribution of funds to support district residents, and Ms. Miller appreciates that board members are speaking loudly at the meetings.

Drs. Brian Orr and Aaron Smith of the Interactive Health Clinic introduced themselves as naturopathic doctors who are gathering information on the community and how they can get involved.

**Executive
Session**

President Knowles recessed the regular meeting at 8:32 a.m. into Executive Session to discuss potential liability as it relates to personnel matters with our attorney, Brad Berg.

President Knowles stated that the board would reconvene at 8:50 a.m. and no action would be taken in Executive Session.

President Knowles extended the Executive Session from 8:50 a.m. adjournment to 9:05 a.m.

President Knowles once more extended the Executive Session from 9:05 a.m. adjournment to 9:20 a.m.

Open Session

President Knowles adjourned the Executive Session at 9:20 a.m. into Open Session.

Commissioner Knowles resigned from the Strategic Collaboration Committee effective 9.24.2014 and a replacement board member will be appointed at the next regularly scheduled board meeting.

The Superintendent has been tasked with creating the parameters around the formation of a sub-committee of commissioners designated to take action on program-related issues related to Swedish/Edmonds and Providence.

Adjourn

There being no further business to discuss, the meeting was adjourned at 9:25 a.m.

ATTEST BY:

President

Secretary

PUBLIC HOSPITAL DISTRICT NO. 2 OF SNOHOMISH COUNTY, WASHINGTON

SPECIAL MEETING

October 14, 2014

5:30 p.m.

Verdant Health Commission Board Room

Commissioners Present	Bob Knowles, President J. Bruce Williams, MD, Secretary Deana Knutsen, Commissioner Fred Langer, Commissioner (via telephone) Karianna Wilson, Commissioner
Staff	Carl Zapora George Kosovich Jennifer Piplic Lisa King Sue Waldin
Guests	Scott Forslund – Snohomish County Health Leadership Coalition
Call to Order	The Special Meeting of the Board of Commissioners was called to order by President Knowles at 5:36 p.m.
Snohomish County Health Leadership Coalition presentation	Mr. Kosovich introduced Scott Forslund. Mr. Forslund made a presentation (E:57:2014). Questions were asked by the commissioners and answered by Mr. Forslund. President Knowles moved to add the item to the next regular board meeting on October 22, 2014.
Joint Finance Committee/ Program Committee meeting re: 2015 budget	Ms. King and Mr. Kosovich presented the 2015 budget, focusing on the program budget (E:58:2014). Discussion occurred and many questions were asked by the commissioners and answered by staff. President Knowles requested the amount of budget available to spend if renewal of every expected grant due to expire in 2015 occurs and assuming a 10% increase in funding. Mr. Kosovich will provide via email.
Discussion on program requests when multiple commissioner have a conflict of interest	President Knowles stated that we met with General Council, Brad Berg, at the last board meeting on September 24, 2014 in an attempt to be proactive and not reactive. He noted that we will re-address this issue at our board retreat.
Update on hospital conference	Dr. Williams provided a short update on the Providence Health Services conference he attended in Los Angeles which had a healthy communities focus.

Update on board retreat

A reminder that the annual board retreat will be held November 7 and 8, 2014 at the Tulalip Resort.

Executive Session

President Knowles recessed into executive session at 6:45 p.m. for 10 minutes to discuss potential litigation related to Swedish Edmonds. President Knowles stated that no action would be taken in Executive Session.

Adjourn

President Knowles adjourned the Executive Session at 6:55 p.m. into Open Session. Ms. Knutsen announced that she has been nominated for the federal reserve board as a representative of this District. She stated that her bio includes references to her work at Verdant.

There being no further business to discuss, the meeting was adjourned at 7:00 p.m.

Attest By:

President

Secretary

Balance Sheet
As of September 30, 2014

	A	B	C	D
	Dec 31, 2013	Sept 30, 2014	\$ Change	Comments:
1 ASSETS				
2 Current Assets				
3 Cash Balance	2,579,704	4,600,852	2,021,148	
4 Other Current Assets	30,029,953	30,547,948	517,995	Includes Investments
5 Total Current Assets	32,609,657	35,148,800	2,539,143	
6 Total Long-term & Fixed Assets	45,756,307	45,336,821	(419,485)	Depreciation
7 TOTAL ASSETS	78,365,964	80,485,622	2,119,658	
8 LIABILITIES & EQUITY				
9 Liabilities				
10 Current Liabilities	2,039,484	1,504,111	(535,372)	
11 Long-term Liabilities	5,689,038	5,642,515	(46,522)	2012 LTGO Bonds
12 Total Liabilities	7,728,521	7,146,627	(581,894)	
13 Total Equity	70,637,443	73,338,995	2,701,553	Annual Net Income
14 TOTAL LIABILITIES & EQUITY	78,365,964	80,485,622	2,119,658	

Profit & Loss
September 2014

	A	B	C	D	E	F
	Sept Actual	Sept Budget	Fav/(Unfav)	YTD Actual	YTD Budget	Fav/(Unfav)
1 INCOME						
2 Ordinary Income	811,012	811,197	(185)	7,119,425	7,115,554	3,870
3 EXPENSES						
4 Operating Expenses	132,119	192,483	60,365	1,244,497	1,422,914	178,417
5 Depreciation Expense	262,869	262,843	(26)	2,623,983	2,623,648	(335)
6 Program Expenses	282,299	562,500	280,200	3,237,495	5,062,500	1,825,005
7 Total Expenses	677,287	1,017,826	340,540	7,105,975	9,109,062	2,003,087
8 OTHER INCOME/(EXPENSE)						
9 Total Other Income/(Expense)	111,926	221,566	(109,640)	2,688,103	1,991,575	696,528
10 NET INCOME	245,651	14,937	230,714	2,701,553	(1,932)	2,703,485

Monthly Highlights
September 2014

Verdant received dividends payments of \$28,770 and an unrealized loss of (\$93,609) on our investment portfolio in September for an ending market value of \$29,625,216.

Annual program commitments total \$5,550,313 and \$4,740,712 for 2014 and 2015, respectively. \$1,199,687 remains available to spend in 2014, of which \$177,513 is earmarked as Superintendent Discretionary.

Additional income of \$107,386 and expenses of \$28,898 from the Kruger Clinic were incurred, netting to an additional operating income of \$79,968 in September.

Public Hospital District #2

<u>Warrant Number</u>	<u>Transaction Date</u>	<u>Payee</u>	<u>Amount</u>	<u>Purpose</u>
Warrant Activity:				
10811	09/03/2014	Comprehensive Health Education Foundation	1,035.00	GK, JP, SW attend conference
10812	09/03/2014	Benefit Solutions Inc.	23.00	FSA Administration
10813	09/03/2014	City of Lynnwood - Utilities	249.11	Water, Sewer
10814	09/03/2014	Economic Alliance Snohomish County	395.00	Dues
10815	09/03/2014	Foster Pepper	4,078.10	Legal
10816	09/03/2014	Puget Sound Energy	38.50	Natural Gas
10817	09/03/2014	Sound Publishing, Inc.	42.00	Legal Notices
10818	09/03/2014	Comcast	359.58	Internet
10819	09/03/2014	Lynnwood Convention Center	340.00	Partner Roundtable
10820	09/03/2014	City of Edmonds Utilities	-	VOID
10821	09/03/2014	City of Lynnwood - Utilities	239.46	Water, Sewer
10822	09/03/2014	Ash Consulting	1,472.63	Accounting Consulting
10823	09/10/2014	Ankrom Moisan	8,372.99	VCWC Architecture
10824	09/10/2014	Falkin Associates, Inc.	4,247.50	VCWC Project Management
10825	09/10/2014	Moss Adams - Cost Report	400.00	Accounting Consulting
10826	09/10/2014	US Postal Service	116.00	Post office box
10827	09/10/2014	Eberle Vivian	3,843.75	4Q14 Workers Compensation Administration
10828	09/10/2014	Electronic Business Machines	513.04	3Q14 Copy machine maintenance
10829	09/10/2014	Healthcare Realty	3,194.38	Property Management at KC
10830	09/17/2014	Ace Internet Services, Inc.	477.25	IT Support
10831	09/17/2014	Archbright	199.00	KG to attend Managing Leave Laws class
10832	09/17/2014	Lowe Graham Jones PLLC	206.50	Legal Re: Trademark
10833	09/17/2014	Mayes Testing Engineers, Inc.	250.00	VCWC Inspection
10834	09/17/2014	Lynnwood PFD	101.26	Janitorial
10835	09/17/2014	Lynnwood Convention Center	230.61	Partner Roundtable
10836	09/24/2014	MJ Takisaki, Inc.	479,028.00	VCWC Construction
10837	09/24/2014	Premera Blue Cross	3,782.54	EE Medical & Dental Insurance
10838	09/24/2014	Principal Financial Group	884.41	EE Life Insurance
10839	09/24/2014	Staples	88.90	Supplies
10840	09/24/2014	Wells Fargo	573.78	Misc.
10841	09/24/2014	Wells Fargo	1,286.69	Misc.
10842	09/24/2014	Lynnwood PFD	3,045.00	Rent
10843	09/30/2014	Canon Financial Services	328.64	Copy Machine Lease
10844	09/30/2014	Consolidated Landscape Maintenance, Inc.	217.91	Landscaping at VCWC
10845	09/30/2014	Sound Publishing, Inc.	42.00	Legal Notices
10846	09/30/2014	Ankrom Moisan	4,158.50	VCWC Architecture
10847	09/30/2014	Benefit Solutions Inc.	23.00	FSA Administration
10848	09/30/2014	Krames Staywell	3,000.00	4Q14 Website Content
10849	09/30/2014	Snohomish County PUD	197.39	Electricity
10850	09/30/2014	Aukema & Associates	211.50	Website consultation
10851	09/30/2014	Comcast	358.63	Internet
10852	09/30/2014	Fine Solutions	577.50	CRM Implementation Project
		Total Warrants	528,229.05	

Warrant Transaction

Number	Date	Payee	Amount	Purpose
Wire/ACH Activity:				
	9/5/2014	Payroll	16,993.81	ACH payroll transfer
	9/5/2014	Paychex	71.61	Fee for payroll processing
	9/5/2014	Department of Treasury	5,826.36	Payroll taxes for 8/30/14 pay period ending
	9/5/2014	Valic	2,570.18	Payroll 401(a)/457 Deposit
	9/19/2014	Payroll	16,808.58	ACH payroll transfer
	9/19/2014	Paychex	65.39	Fee for payroll processing
	9/19/2014	Department of Treasury	5,702.92	Payroll taxes for 9/13/14 pay period ending
	9/19/2014	Valic	2,544.18	Payroll 401(a)/457 Deposit
	9/10/2014	Wells Fargo	949.92	Bank Service Fee
	9/15/2014	Bank of America - Fees	19.83	Bank Service Fee
	9/15/2014	American Diabetes Association	4,166.67	Program Payment
	9/15/2014	CampFire	4,166.67	Program Payment
	9/15/2014	Cascade Bicycle Club Education Foundation	4,750.00	Program Payment
	9/15/2014	Center for Human Services	13,523.67	Program Payment
	9/15/2014	ChildStrive	22,660.00	Program Payment
	9/15/2014	City of Lynnwood	15,477.25	Program Payment
	9/15/2014	Community Health Center of Snohomish Co	10,416.66	Program Payment
	9/15/2014	Domestic Violence Services Snohomish Co	1,621.08	Program Payment
	9/15/2014	Edmonds Community College	10,990.58	Program Payment
	9/15/2014	Edmonds Community College Foundation	4,396.33	Program Payment
	9/15/2014	Edmonds School District No. 15	66,892.84	Program Payment
	9/15/2014	Edmonds Senior Center	4,518.00	Program Payment
	9/15/2014	Medical Teams International	4,000.00	Program Payment
	9/15/2014	Prescription Drug Assistance Foundation	4,166.67	Program Payment
	9/15/2014	Program for Early Parent Support	3,333.33	Program Payment
	9/15/2014	Project Access Northwest	6,666.67	Program Payment
	9/15/2014	Providence Hospice & Home Care Foundation	12,916.67	Program Payment
	9/15/2014	Puget Sound Christian Clinic	9,166.67	Program Payment
	9/15/2014	Senior Services of Snohomish County	57,936.67	Program Payment
	9/15/2014	Smithwright Services	5,416.67	Program Payment
	9/15/2014	Snohomish County Fire District 1	12,035.50	Program Payment
	9/15/2014	Town of Woodway	500.00	Program Payment
	9/15/2014	Wonderland Development Center	11,250.00	Program Payment
	9/15/2014	YWCA of Seattle, King and Snohomish Co	4,166.66	Program Payment
	9/15/2014	City of Mountlake Terrace	2,940.00	Program Payment
	9/15/2014	City of Edmonds Parks & Recreation	1,356.00	Program Payment
	9/15/2014	City of Lynnwood	11,550.00	Program Payment
	9/14/2014	Benefit Solutions Inc.	10.00	FSA Payments
	9/12/2014	Benefit Solutions Inc.	181.92	FSA Payments
	9/24/2014	Benefit Solutions Inc.	148.92	FSA Payments
	9/25/2014	WA Department of Revenue	764.31	B&O tax
		Total Wires/ACH Transactions	<u>363,639.19</u>	

Warrant Number	Transaction Date	Payee	Amount	Purpose
Kruger Clinic Activity:				
112-130	Sept 2014	Various Claimants/Vendors	19,181.77	Administered by Healthcare Realty
Workers Compensation Claims Activity:				
305161-165	Sept 2014	Various Claimants/Vendors	5,878.20	Administered by Eberle Vivian
Total Disbursements			\$ 916,928.21	

	Transaction Date	Payer	Amount	Purpose
Deposits:				
	9/1/2014	Swedish/Edmonds	42,640.57	Kruger Clinic monthly lease
	9/1/2014	Swedish Edmonds Children's Clinic	18,467.31	Kruger Clinic monthly lease
	9/1/2014	Swedish/Edmonds	675,305.35	Monthly lease
	9/1/2014	City of Lynnwood	29,252.52	Refund for un-used program funds
	9/1/2014	Raymond Liu, D.D.S.	3,282.74	Kruger Clinic monthly lease
	9/1/2014	Brian Tagaki, MD	75.00	Kruger Clinic monthly storage lease
	9/1/2014	John Headley MD PS	18,571.06	Kruger Clinic Monthly lease
	9/1/2014	SJS Mechanical Services, Inc.	1,479.89	Refund
	9/2/2014	Value Village	24,428.45	Monthly lease
	9/3/2014	Puget Sound Gastro	28,352.11	Kruger Clinic monthly lease
	9/4/2014	Swedish Edmonds Children's Clinic	6,347.56	Kruger Clinic monthly lease
	9/4/2014	Swedish/Edmonds	6,680.74	Kruger Clinic monthly lease
	9/10/2014	Snohomish County	9,845.29	Levy
	9/18/2014	Best Auto	900.00	Sale of vehicles
	9/24/2014	Healthcare Realty Services, Inc.	4,166.67	Monthly ground lease
	9/17/2014	Puget Sound Gastro	132.22	Kruger Clinic monthly lease
	9/30/2014	Comerica	0.44	Interest Income
	9/30/2014	Wells Fargo	39.74	Interest Income
Total Deposits			\$ 869,967.66	

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 10811 through 10852 have been issued for payment in the amount of \$528,229.05. These warrants are hereby approved.

Attest:

Lisa M. King

Commissioner

Commissioner

Commissioner

Commissioner

Commissioner

Warrants Processed:	9-1-14 – 9-30-14		\$528,229.05
Work Comp Claims Pd:	9-1-14 – 9-30-14		5,878.20
Kruger Clinic Processed:	9-1-14 – 9-30-14		19,181.77
Payroll:	8-17-14 – 8-30-14	16,993.81	
	8-31-14 – 9-13-14	<u>16,808.58</u>	
			33,802.39
Electronic Payments:	Payroll Taxes	11,529.28	
	Paychex	137.00	
	Valic Retirement	5,114.36	
	Benefit Solutions	340.84	
	Bank Fees	969.75	
	WA State Dept Revenue	764.31	
	Program Expenditures	<u>310,981.26</u>	
			<u>329,836.80</u>
	Grand Total		<u>\$916,928.21</u>

PUBLIC HOSPITAL DISTRICT NO. 2
SNOHOMISH COUNTY, WASHINGTON

RESOLUTION NO. 2014-07

A resolution of the Commission of Public Hospital District No. 2, Snohomish County, Washington (the "District"), approving the dollar amount and percentage increase in the District's regular property tax levy for calendar year 2015.

WHEREAS, RCW 84.55.120 requires a taxing district, other than the state, that collects regular levies to hold a public hearing on revenue sources for the district's following year's current expense budget; and

WHEREAS, RCW 84.55.120 further requires the hearing to include consideration of possible increases in property tax revenues and requires that the hearing be held prior to the time the taxing district levies the taxes or makes the request to have the taxes levied; and

WHEREAS, RCW 84.55.120 authorizes the taxing district to hold a public hearing in conjunction with its annual budget hearing required by RCW 70.44.060(6); and

WHEREAS, a hearing in compliance with RCW 84.55.120 and RCW 70.44.060(6) was held on October 22, 2014; and

WHEREAS, the Board of Commissioners of the District, after hearing and duly considering all relevant evidence and testimony presented, determined that the District requires an increase in property tax revenue from the previous year, in addition to that resulting from the addition of new construction, increases in assessed value due to construction of electric generation wind turbine facilities classified as personal property, improvements to property and any increase in the value of state-assessed property, in order to discharge the expected expenses and obligations of the District; NOW, THEREFORE,

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

Section 1. The Board of Commissioners hereby determines that the District requires a regular levy in calendar year 2015 of \$2,190,000 which amount is exclusive of the additional tax revenue resulting from the addition of new construction, increases in assessed value due to construction of electric generation wind turbine facilities classified as personal property, improvements to property and any increase in the value of state-assessed property, and amounts authorized by law as a result of any refunds made, in order to discharge the expected expenses and obligations of the District.

Section 2. The Board of Commissioners hereby approves an increase in the District's regular property tax levy for calendar year 2015 in the amount of \$45,354.45, which is a percentage increase of 2.155% from calendar year 2014. This increase shall be in addition to the increase in tax revenue resulting from the addition of new construction, increases in assessed value due to construction of electric generation wind turbine facilities classified as personal property, improvements to property and any increase in the value of state-assessed property.

Section 3. The Superintendent is directed to certify to the County Assessor, no later than November 30, 2014, a copy of this Resolution showing its adoption; and to perform such other duties as are necessary or required by law to the end that the maximum levy capacity available to the District under chapter 84.55 RCW, as determined by the Washington State Supreme Court, is banked for use in future years.

ADOPTED AND APPROVED by the Board of Commissioners of Public Hospital District No. 2, Snohomish County, Washington, at an open public meeting thereof, this 22nd day of October, 2014, the following commissioners being present and voting in favor of the resolution.

President and Commissioner

Commissioner

Commissioner

Commissioner

Secretary and Commissioner

I, J. Bruce Williams, Secretary to the Board of Commissioners of Public Hospital District No. 2, Snohomish County, Washington, certify that the attached copy of Resolution No. 2014-07 is a true and correct copy of the original resolution adopted on October 22, 2014, as that resolution appears on the Minute Book of the District.

DATED this 22nd day of October, 2014.

J. Bruce Williams
Secretary to the Board of Commissioners

PUBLIC HOSPITAL DISTRICT NO. 2
SNOHOMISH COUNTY, WASHINGTON

RESOLUTION NO. 2014-08

A resolution of the Commission of Public Hospital District No. 2, Snohomish County, Washington (the "District"), approving and adopting the District's budget for calendar year 2015.

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 has prepared, filed and provided notice of the District's proposed 2015 budget, which proposed budget is attached hereto as Exhibit A (the "2015 Budget"); and

WHEREAS, the Commission held a public hearing on the 2015 Budget on October 22, 2014, in compliance with the requirements of RCW 70.44.060 and RCW 84.55.120; and

WHEREAS, the Board of Commissioners of the District, in the course of considering the budget for calendar year 2015, reviewed all sources of revenues and examined all anticipated expenses and obligations; and

WHEREAS, the Board of commissioners of the District has met and considered its budget for the calendar year 2015; NOW, THEREFORE,

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

Section 1. The Commission hereby adopts the 2015 Budget as the budget for the District for calendar year 2015.

Section 2. The Superintendent is directed to certify to the County Assessor, no later than November 30, 2014, a copy of this Resolution showing its adoption.

ADOPTED AND APPROVED by the Commission of Public Hospital District No. 2, Snohomish County, Washington, at an open public meeting thereof, held this 22nd day of October, 2014.

President and Commissioner

Commissioner

Commissioner

Commissioner

Secretary and Commissioner

I, J. BRUCE WILLIAMS, Secretary to the Board of Commissioners of Public Hospital District No. 2, Snohomish County, Washington, certify that the attached copy of Resolution No. 2014-08 is a true and correct copy of the original resolution adopted on October 22, 2014, as that resolution appears on the Minute Book of the District.

DATED this 22nd day of October, 2014.

J. Bruce Williams
Secretary to the Board of Commissioners

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

Operating Revenue	\$ 11,686,051
Operating Expenses (excluding depreciation)	9,211,821
Maintenance and Operations Levy	2,185,157
Other Non-operating Revenue	360,000
Depreciation Expense	<u>2,670,001</u>
Net Income	<u>\$2,349,386</u>
Capital Outlay	<u>\$167,000</u>

October 2014 Program Committee Summary

Program Summary

- Four new funding applications and one follow-up from Verdant's regular grant programs.
- Twelve program requests were received under Verdant's behavioral health request for proposal. The program committee took an initial review of these proposals and will be following up with several applicants before returning to the board with recommendations.

Programs Recommended for Funding

- **Cornerstone Medical Services – Everyday Prevention & Benefits** - a program focused on Asian American residents of South Snohomish County. The program would include education on health insurance, health literacy issues (ex. nutrition, cancer prevention, fall prevention), and preventative screenings. The goal of the program is to reach 600 participants per year and the program would track insurance enrollment, and measures like increased use of preventative screenings. Cornerstone is a non-profit organization that would deliver the program out of a Lynnwood office and has experience conducting education around stomach cancer and health insurance enrollment. **The program committee is recommending fully funding the program at \$60,000 per year for three years.**
- **Holly House For Kids - Dental Supplies:** an \$11,250 one-time request to purchase dental supplies for the Holly House program. Verdant funded the project last year at \$10,000 and funds were used to supply each child with 2 tooth brushes, 2 tubes of tooth paste, a 1 minute timer, dental floss, and education information on oral health practices. **The program committee forwarded the request to the Superintendent's discretionary fund, and the Superintendent has approved the request.**

Not Recommended for Funding

- **Snohomish Health District – Growing Healthy Together:** a \$350,000 annual request to support a program for pregnant and parenting women that would include nutrition and health counseling, food preparation training, breastfeeding support and other resources. Funds would be used to support a team including a public health nurse, dietician, and other support specialist. The goal of the program would be to reduce low-birth weight deliveries, increase breastfeeding, and build on a social marketing campaign called 5210.

The program committee is not recommending the program for funding given the large request size and because the direct service pieces of the program would only serve 180 residents.

Proposals for Additional Discussion

- **Omada Health – Diabetes Prevention Program:** a concept proposal from a for-profit company that offers a diabetes prevention program that places participants into small online groups led by a professional health coach, who guides them through a 16 week curriculum with digital tools to track improvements in diet, physical activity, and weight loss. Unique to this program, Verdant would pay Omada based on the results of the program. The fee would be \$150 to \$800 per participant, which would be driven by engagement and measures like weight loss.

The program committee had some questions about the fit of this type of program with Verdant’s priorities. Committee members saw value in diabetes prevention programs, but felt like these types of programs are being implemented as part of existing efforts by insurance companies. The committee members would be most interested in exploring a project that could reach individuals who do not have similar programs offered by their employer or insurance company.

- **Snohomish County Health Leadership Coalition** – a request for additional funding for phase II and phase III of two initiatives:
 - Youth Activity Initiative, which is aimed at improving 5th grade activity levels;
 - Palliative Care Initiative: a community-based, palliative care consumer and physician/ARNP-education program.

The board heard a presentation from the applicant at a study session on October 14 and will need to decide:

1. Should Verdant provide additional funding on the project?
2. If yes, at what level? The previous grant was \$125,000 and the grant request was for \$250,000 to support two additional years of programming.

Behavioral Health Request for Proposals

Twelve program requests were received under Verdant’s behavioral health request for proposal. The program committee plans to set up in-person discussions with several applicants to answer questions about the proposals and identify the top contenders for funding.

Applications Received

#	Name	Project Description	Funding Request
1	ChildStrive - Preventing Adverse Childhood Experiences	Focus on families in pregnancy or parents of young children, link parents to support programs like Promoting First Relationships, Parents as Teachers	\$272,354 per year 3 years
2	Sea Mar Community Health Center - Positive Parenting Program for Latino Families with Adolescents	Support program for Latino families using parenting program	\$241,000 year 1 \$138,500 year 2 \$138,500 year 3
3	Community Health Center of Snohomish County - Behavioral Health Integration Project	Integrating mental health supports at Community Health Center	\$339,385 year 1 \$342,985 year 2
4	Therapeutic Health Services (THS) - Integrated Cognitive Therapy Program	Substance abuse and behavioral health prevention for youth	\$250,000 per year 3 years
5	Open Door Theatre	Trainings to school staff and youth to recognize signs of abuse	\$8,000 per year 3 years
6	Guided Pathways - Support for Youth & Families	Parent peer support, teen and family events, wellness trainings	\$60,000 per year 1 year

#	Name	Project Description	Funding Request
7	Compass Health - Community Behavioral Health Educators	Train community members in Mental Health First Aid, other preventative concepts	\$236,450 per year 3 years
8	Cocoon House - Project Safe	Support families and youth that are at-risk or homeless	\$25,000 per year 3 years
9	Thrive City	Support program for disenfranchised youth	\$218,229 per year 3 years
10	Volunteers of America Western Washington - Care Crisis Chat	Online chat for individuals in distress	\$155,319 year 1 \$159,042 year 2 \$165,545 year 3
11	Cornerstone Medical Services - Everyday Smoking Prevention	Smoking cessation	\$30,000 per year 3 years
12	OMF Community Outreach (OMF Cares) - After the Hug Campaign & Ready to Serve Volunteer	Support for veterans to connect them up to resources, volunteer efforts	\$85,000 year 1 \$70,000 year 2 \$60,000 year 3

Verdant Health Commission Proposal Summary October 2014

	A	B	C	D	E	F	G	H	I
Funding Requests			Request for funding			Priority Area			
#	Name		Year 1	Year 2	Year 3	Education & Empowerment	Prevention	Access to Healthcare	Policy & Advocacy
1	Snohomish Health District - Growing Healthy Together	A support program for pregnant and parenting women that would include nutrition and health counseling, food preparation training, breastfeeding support and other resources. Funds would be used to support a team including a public health nurse, dietician, and other support specialist. The goal of the program would be to reduce low-birth weight deliveries, increase breastfeeding, and build on a social marketing campaign called 5210. The program would serve 180 district residents.	\$350,663	\$350,663	\$350,663	X	X	X	
2	Cornerstone Medical Services - Everyday Prevention & Benefits	A program targeting Asian American residents of South Snohomish County. The program would include education on health insurance, health literacy issues (ex. nutrition, cancer prevention, fall prevention), and preventative screenings. The goal of the program is to reach 600 participants per year and the program would track insurance enrollment, and measures like increased use of preventative checkups.	\$60,000	\$60,000	\$60,000	X	X	X	
3	Omada - Prevent Diabetes Prevention Program	A concept proposal from a for-profit company that offers a diabetes prevention program that places participants into small online groups led by a professional health coach, who guides them through a 16 week curriculum with digital tools to track improvements in diet, physical activity, and weight loss. Unique to this program, Verdant would pay Omada based on the results of the program.	Max cost per participant based on outcomes is \$800 ea. Minimum is \$150 ea. at enrollment. Minimum for 500 enrollees \$75,000; max would be \$400,000.			X	X	X	
4	Holly House For Kids - Dental Supplies	Holly House is a program that provides holiday gifts for children in the Edmonds School District. Gifts typically include socks, underwear, hats, scarves, pajamas, blankets, toiletries, stockings, stuffed animal and toys. Holly House is requesting funding to provide dental supplies (toothbrushes, floss, mouthwash) for 2,000 low-income children and 250 homeless students in the Edmonds School District. Verdant provided a one-time grant in 2013 of \$10,000.	\$11,250				X		
5	YMCA of Snohomish County, Fiscal Sponsor for the Snohomish County Health Leadership Coalition	The Snohomish County Health Leadership Coalition is seeking additional funding for phase II and phase III of two initiatives: 1.) Youth Activity Initiative, which is aimed at improving 5th grade activity levels. 2.) Palliative Care Initiative: an integrated, community-based, palliative care consumer- and physician/ARNP-education program.	\$250,000 for phase II & III			X	X		

October 2014 Marketing Report

The Canopy

The fall/winter edition of The Canopy will be mailed to homes mid-November. This newsletter will feature:

- Adult dental access,
- Opening of the Verdant Community Wellness Center,
- Washington Healthplanfinder open enrollment resources and information,
- Calendar of classes and events,
- Additional program highlights and more.

6 Weeks to a Healthier You Reunion

The 6 Weeks to a Healthier You reunion programming has begun.

- **Biometrics** took place Friday, Oct. 17 and Saturday, Oct. 18. Open to anyone who had previously participated in the 6 Weeks program, 138 registered for biometrics.
- **Session with Joe Piscatella** and guest speakers Megan Ellison, RD from Swedish/Edmonds and Terry Huffer, fitness instructor with the YMCA of Snohomish County, is taking place Tuesday, Oct. 28 from 6:30-8:00 p.m. at the Lynnwood Convention Center. To date, 133 people have registered.