

VERDANT HEALTH COMMISSION
PUBLIC HOSPITAL DISTRICT NO. 2 OF SNOHOMISH COUNTY, WASHINGTON
BOARD OF COMMISSIONERS
Regular Meeting
A G E N D A
April 25, 2012
8:00 AM to 9:30 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) March 28, 2012 regular Board meeting	Action	8:01	2-4
C. Executive Committee Report a) Retreat Update	Information	8:05	
D. Board Finance Committee Report a) Moss Adams 2011 financial statement audit presentation by Josh Lewis	Information	8:15	
b) Review financial statement and cash activity	Action	8:25	5-12
c) Authorization for payment of vouchers and payroll	Action	8:30	13
d) Purchasing & expenditure policy	Action	8:32	14-15
e) Resolution 2012:05 Wells Fargo Bank adoption	Action	8:35	16-19
E. Program Oversight Committee Report & Recommendations a) Conflicts of interest	Action	8:40	
b) Program investment recommendations	Action	8:42	20-22
c) Snohomish Health District grant	Information	8:45	20
F. Marketing Report	Information	8:50	
G. Commissioner Comments	Information	8:55	
H. Superintendent's Report a) "Six Weeks to a Healthier You" event	Information	9:00	23
I. Public Comments (please limit to three minutes per speaker)	---	9:05	---
J. Executive Session a) Review ongoing litigation	---	9:10	---
b) Review worker's comp and liability claims	---	9:11	---
c) Review Superintendent's 2012 goals	---	9:15	---
K. Open Session a) Approve Superintendent's 2012 goals	Action	9:25	---
L. Adjournment	---	9:30	---

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

BOARD OF COMMISSIONERS

Regular Meeting

VHC Board Room

March 28, 2012

Commissioners Present	Fred Langer, President Bob Knowles, Secretary Deana Knutsen, Commissioner J. Bruce Williams, M.D., Commissioner Karianna Wilson, Commissioner
Others Present	Carl Zapora, Superintendent Karen Goto, Executive Assistant George Kosovich, Program Director Lisa King, Finance Director Jennifer Piplic, Marketing Director Howard Thomas, Consultant Members of the Community
Call to Order	The Regular Meeting of the Board of Commissioners of Public Hospital District No. 2, Snohomish County, was called to order at 8:05 a.m. by President Langer.
Approval of Minutes	<i>Motion was made, seconded and passed unanimously to approve</i> the minutes of the Regular meeting on February 22, 2012. <i>Motion was made, seconded and passed unanimously to approve</i> the minutes of the Special Meeting/Study Session on March 14, 2012.
Board Executive Committee	President Langer reported that the Executive Committee met on March 15, 2012 to review the agenda for the March 28 th Board meeting and to discuss the Board retreat. President Langer stated that the retreat is voluntary and Superintendent Zapora will share the information with any commissioner who is not able to attend. President Langer also stated that the Superintendent evaluation will be shared in Executive Session.
Board Finance Committee	Commissioner Knowles reported that the Finance Committee met on March 22, 2012 to review the financial statements and other ongoing issues.

Profit & Loss Statement	Ms. King reported on the financials for February 2012 (E:13:12)
Authorization for Payment of Vouchers & Payroll	Warrant Numbers 10479 through 10505 for February 2012 for payment in the amount of \$211,220.25 were presented for approval (E:14:12). <i>Motion was made, seconded and passed unanimously to approve.</i>
Program Oversight Committee Report & Recommendations	<p>Commissioner Knutsen reported that the Program Oversight Committee met on March 22, 2012 to review six proposals (E:15:12).</p> <p>No conflicts of interest with any of the six proposals were reported by any of the five commissioners.</p> <p>The Committee recommended funding four of the six proposals. <i>Motion was made, seconded and passed unanimously to approve</i> funding of \$155,000 per year for three years for the Providence Hospice & Home Care Foundation. Dr. Williams commented that he would like Hospice to present their progress to the board.</p> <p><i>Motion was made, seconded and passed unanimously to approve</i> funding of \$1,200 on a one-time basis for the Lynnwood Food Bank.</p> <p><i>Motion was made, seconded and passed unanimously to approve</i> funding of \$25,000 per year for three years for the YWCA Children's Domestic Violence Program.</p> <p><i>Motion was made, seconded and passed unanimously to approve</i> funding of \$2,000 on a one-time basis for the Edmonds Senior Center Healthy Living Fair.</p> <p>The Committee is not recommending for funding at this time the TeamChild Community Advocacy Project. The program committee plans to meet with TeamChild to answer some of their questions.</p> <p>The Committee is not recommending for funding the City of Lynnwood International Farmer's Market.</p>
Marketing Report	Ms. Piplic reported on the 6 Weeks to a Healthier You program (E:16:12). There are 317 registrants as of March 28, 2012. President Langer complimented the staff on the excellent development of this program.
Commissioner Comments	None.
Superintendent's Report	Superintendent Zapora reported that a tentative plan for future Study Sessions for the board may be done at every

third board meeting after the business portion of the meeting is complete. He also reported that he was invited to join the advisory board of the University of Washington Bothell Campus.

**Public
Comments:**

Mr. Rutledge commented on how well the Verdant name is getting out to the community. The Edmonds Food Bank will be at a car show at Top Foods Edmonds on July 24, 2012 and Verdant may want to participate. Ms. Rowena Miller of the League of Women Voters commented on the upcoming League of Women Voter's general meeting on April 19, 2012 on Domestic Minor Sex Trafficking in Snohomish County. Ms. Miller would also like to have available a hard-copy of the full meeting packet at each board meeting. Ms. Miller also requested information on the board retreat budget.

**Executive
Session**

President Langer recessed the regular meeting at 8:38 a.m. into Executive Session to review ongoing litigation and discuss the Superintendent Performance Evaluation for 2011 (E:17:12).

President Langer stated that no action would be taken in this Executive Session and the board would reconvene in approximately 40 minutes.

Open Session

President Langer reconvened into open session at 9:30 a.m. Resolution 2012-04 passed with Commissioner Wilson abstaining. First Amendment to Employment Agreement for Superintendent base salary to be increased to \$175,100 effective April 1, 2012 passed with Commissioner Wilson abstaining. Commissioner Wilson requested that the Executive Committee review fees with Thomas & Associates.

Adjourn

There being no further business to discuss, the meeting was adjourned at 9:35 a.m.

ATTEST BY:

President

Secretary

Public Hospital District #2, Snohomish County

Balance Sheet

As of March 31, 2012

	<u>Dec 31, 2011</u>	<u>Mar 31, 2012</u>	<u>\$ Change</u>	<u>Comments:</u>
ASSETS				
Current Assets				
1 Total Cash Balance	1,527,547	37,970	(1,489,577)	CPE Payment/P&R Transfer
2 Total Accounts Receivable	143	95	(48)	
Other Current Assets				
3 Total Current Assets	4,167	2,917	(1,250)	
4 Total Investments & Limited Use Assets	36,416,633	36,844,585	427,952	Close unnecessary sinking fund
5 Total Other Miscellaneous Receivables	580,358	1,042,547	462,189	M&O Tax Levy Recv
6 Total Prepaid Expenses & Others	27,033	17,744	(9,288)	
7 Total Other Current Assets	<u>37,028,190</u>	<u>37,907,793</u>	<u>879,603</u>	
8 Total Current Assets	38,555,880	37,945,858	(610,022)	
9 Total Fixed Assets	31,218,748	29,968,020	(1,250,728)	Depreciation Expense
10 Total Financing & Lease Costs	367,814	364,291	(3,523)	
11 Total Other Assets	<u>3,762,072</u>	<u>3,762,072</u>	<u>-</u>	
TOTAL ASSETS	<u>73,904,514</u>	<u>72,040,241</u>	<u>(1,864,273)</u>	

Public Hospital District #2, Snohomish County

Balance Sheet

As of March 31, 2012

	<u>Dec 31, 2011</u>	<u>Mar 31, 2012</u>	<u>\$ Change</u>	<u>Comments:</u>
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
12 Total Accounts Payable	93,706	102,811	9,104	
13 Total Credit Cards	277	1,772	1,495	
Other Current Liabilities				
14 Total Accrued Salary & Benefits	1,240,384	63,337	(1,177,048)	
15 Total Estimated 3rd Party Settlements	1,619,754	720,000	(899,754)	SFY2010 Interim CPE Payment
16 Total Other Payables & Accruals	813,792	772,709	(41,083)	Prof Liability & Work Comp Settlements
17 Current Portion of L-T Debt	<u>2,114,247</u>	<u>2,114,247</u>	<u>-</u>	
18 Total Other Current Liabilities	<u>5,788,178</u>	<u>3,670,293</u>	<u>(2,117,885)</u>	
19 Total Current Liabilities	<u>5,882,161</u>	<u>3,774,876</u>	<u>(2,107,285)</u>	
Long-term Liabilities				
20 Total Long-term Debt - Operations	6,890,790	6,560,232	(330,558)	
21 Total Other Long-term Liabilities	<u>565,649</u>	<u>565,649</u>	<u>-</u>	
22 Total Long-term Liabilities	7,456,439	7,125,881	(330,558)	
23 Total Liabilities	<u>13,338,600</u>	<u>10,900,757</u>	<u>(2,437,843)</u>	
24 Total Equity	<u>60,565,915</u>	<u>61,139,484</u>	<u>573,570</u>	Net Income
TOTAL LIABILITIES & EQUITY	<u>73,904,514</u>	<u>72,040,241</u>	<u>(1,864,273)</u>	

Public Hospital District #2 of Snohomish County

Profit Loss

March 2012

		<u>Feb 2012</u>	<u>Mar 2012</u>	<u>\$ Change</u>	<u>Comments:</u>
	Ordinary Income/Expense				
1	Total Income	815,788	815,197	(591)	
	Expenses				
	Operating Expenses				
2	Total Salaries & Benefits	83,388	71,109	(12,279)	Feb includes McCary; Mar includes Incentive Pay
3	Total Workers Comp	199	3,893	3,695	
4	Total Depreciation	416,909	416,909	-	
5	Total Insurance	2,193	2,193	-	
6	Total Interest Expense	17,128	15,949	(1,179)	
7	Total Other Amortization	1,317	1,317	-	
8	Total Professional Services	23,551	39,163	15,613	Includes Moss Adams Audit of 2011
9	Total Purchased Services	811	1,217	406	
10	Rent Expense	2,900	2,900	-	
11	Total Other Expenses	796	2,342	1,546	
12	Total Supplies	378	592	214	
13	Total Taxes	-	-	-	
14	Total Utilities	570	967	398	
15	Total Operating Expenses	<u>550,139</u>	<u>558,552</u>	<u>8,413</u>	
	Program Expenses				
16	Total Program Expenses	<u>97,694</u>	<u>176,450</u>	<u>78,756</u>	
17	Total Expense	647,833	735,002	87,169	
18	Net Ordinary Income	167,955	80,195	(87,760)	
	Other Income/Expense				
	Other Income				
19	Total General Obligation Bonds	5,108	4,747	(361)	
20	Total Non Operating Revenue	<u>12,357</u>	<u>(22,128)</u>	<u>(34,484)</u>	
22	Total Other Income/Expense	<u>17,465</u>	<u>(17,381)</u>	<u>(34,845)</u>	
	Net Income	<u>185,419</u>	<u>62,814</u>	<u>(122,605)</u>	

Public Hospital District #2 of Snohomish County

Profit Loss Budget vs. Actual

January - March 2012

	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>
	<u>Jan-Mar 2012</u>	<u>Budget</u>	<u>Over/(Under) Budget</u>	<u>% of Budget</u>
Operating Revenues				
1 Other Operating Income	49	-	49	100.0%
2 M&O Tax Levy	510,744	508,734	2,010	100.4%
3 Rental Income	1,923,717	1,921,710	2,007	100.1%
4 Pavilion Ground Lease Income	11,677	11,676	1	100.0%
5 Total Operating Revenues	2,446,187	2,442,120	4,067	100.2%
Operating Expenses				0.0%
6 Salaries	180,778	132,580	48,198	136.4%
7 Benefits	26,266	32,679	(6,413)	80.4%
8 Workers Comp	4,477	13,314	(8,837)	33.6%
9 Insurance	6,578	6,963	(385)	94.5%
10 Interest Expense	49,378	63,341	(13,963)	78.0%
11 Amortization	3,950	3,950	0	100.0%
12 Rent Expense	8,700	8,700	-	100.0%
13 Consulting	62,833	65,000	(2,167)	96.7%
14 Legal	6,654	10,000	(3,346)	66.5%
15 Accounting/Auditing	21,741	25,000	(3,259)	87.0%
16 Other Professional Services	1,166	1,250	(84)	93.3%
17 Purchased Services	4,241	11,995	(7,754)	35.4%
18 Supplies	2,475	4,500	(2,025)	55.0%
19 Taxes	-	500	(500)	0.0%
20 Utilities	2,026	1,445	581	140.2%
21 Miscellaneous Expenses	4,881	12,175	(7,294)	40.1%
22 Total Operating Expenses	386,145	393,392	(7,247)	98.2%
23 Community Program Investments	393,304	1,025,000	(631,696)	38.4%
24 Net Ordinary Income	1,666,738	1,023,728	643,010	162.8%
Other Income/(Expense)				0.0%
25 2003 GO Tax Levy	16,029	-	16,029	100.0%
26 Investment Income	232,906	270,000	(37,094)	86.3%
27 Unrealized G/L on Investment	(91,649)	-	(91,649)	100.0%
28 Other Income (Expense)	275	-	275	100.0%
29 Total Other Income/(Expense)	157,560	270,000	(112,440)	58.4%
30 Net Income (Before Depreciation)	1,824,298	1,293,728	530,570	141.0%
31 Depreciation	1,250,728	1,250,727	1	100.0%
32 Net Income (After Depreciation)	573,570	43,001	530,569	1333.9%

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

	March 2012	
	Amount	
Receipts:		
Other Rental Income	26,222.92	Value Village
Swedish/Edmonds Rental Income	618,000.00	
Snohomish County Tax Levy	32,413.33	
Ground Lease Payments	4,166.67	
Misc Reimbursements/Refunds	563.45	Reimbursements & Registration Fee for 6 Weeks Program
Total Receipts	<u>681,366.37</u>	
Disbursements:		
Debt Payment	114,171.30	Banc of America
Professional Services:		
Legal Fees	11,136.68	Litigation and Professional Liability Legal Fees
Accounting Fees	18,071.25	Ash Consulting & Moss Adams
Consulting Fees	-	
Professional Services	214.75	Workers Comp Administrator, Benefit Solutions Administrator, IT
Purchased Services	153.20	Paychex
Payroll	27,199.53	2 pay periods Plus Benefit Solutions
Payroll Taxes	9,796.22	2 pay periods
Employee Insurance	3,798.07	Regence Medical & Dental, Principal Life
Employee Retirement Contributions	3,433.34	Valic
Program Expenditures	149,899.13	Including 6 Weeks to a Healthier You Program Expenditures
Workers Compensation	7,841.73	Payments Issued by BRAC
Other Miscellaneous Expenses	7,974.09	Supplies, Rent, Canon Lease, Dues, Interest Expense
Total Disbursements	<u>353,689.29</u>	

Public Hospital District #2**Cash Activity**

Warrant Number	Transaction Date	Payee	Amount	Purpose
Warrant Activity:				
10506	3/7/2012	Benefit Solutions	11.50	FSA Administration Monthly Fee
10507	3/7/2012	Electronic Business Machines	474.43	Copy Machine Service
10508	3/7/2012	Foster Pepper	3,287.00	Legal
10509	3/7/2012	Lynnwood PFD	160.00	Janitorial
10510	3/7/2012	US Postal Service	109.00	Post Office Box Bi-annual Renewal
10511	3/15/2012	Ace Internet Services, Inc.	184.25	IT Support
10512	3/15/2012	Berkley Risk Administrators Co	19.00	Workers Compensation Administration
10513	3/15/2012	Moss Adams - Audit	18,071.25	2011 Annual Audit
10514	3/15/2012	Regence Blueshield	3,217.05	Employee Medical Insurance
10515	3/15/2012	Tulalip Resort Casino	1,200.00	Deposit on retreat space
10516	3/16/2012	Edmonds Chamber of Commerce	75.00	Membership Dues
10517	3/21/2012	Banc of America Leasing	114,171.30	Lease Payment
10518	3/21/2012	Void	-	Printer Error
10519	3/21/2012	Void	-	Printer Error
10520	3/21/2012	Bank of America Credit Card	1,350.34	Misc Charges
10521	3/21/2012	Void	-	Printer Error
10522	3/21/2012	Void	-	Printer Error
10523	3/21/2012	Void	-	Printer Error
10524	3/21/2012	Canon Financial Services	301.13	Copy Machine Lease
10525	3/21/2012	Principal Financial Group	581.02	Life Insurance - April 2012
10526	3/21/2012	Staples	349.22	Supplies
10527	3/28/2012	Institute for Fitness and Health	10,272.46	6 Weeks to a Healthier You Program
10528	3/30/2012	Pacific Art Press Inc	247.04	Printing of Postcards for 6 Weeks to a Healthier You Program
Total Warrants			<u>154,080.99</u>	
Workers Compensation Claims Activity:				
205577-205594	Mar 2012	Various Claimants/Vendors	<u>7,841.73</u>	Administered by Berkley Risk

	<u>Date</u>	<u>Payee</u>	<u>Amount</u>	<u>Purpose</u>
Wire/ACH Activity:				
	3/1/2012	Comerica	7,849.68	Octagon Professional Liability (Sedgwick)
	3/1/2012	US Bank	3,707.93	1999 LTGO bond interest (LOC)
	3/9/2012	Payroll	13,011.18	ACH payroll transfer - Includes McCary
	3/9/2012	Department of Treasury	4,866.79	Payroll taxes for 3/3/12 pay period ending
	3/9/2012	Paychex	75.20	Fee for payroll processing
	3/9/2012	Valic	1,725.67	3/9 Payroll 401(a)/457 Deposit
	3/23/2012	Payroll	13,523.04	ACH payroll transfer
	3/23/2012	Department of Treasury	4,929.43	Payroll taxes for 3/17/12 pay period ending
	3/23/2012	Paychex	78.00	Fee for payroll processing
	3/23/2012	Valic	1,707.67	3/23 Payroll 401(a)/457 Deposit
	3/15/2012	Boys & Girls Club of Snohomish County	8,161.00	Program Payment
	3/15/2012	City of Lynnwood	6,455.67	Program Payment
	3/15/2012	Community Health Center of Snohomish Co	8,333.33	Program Payment
	3/15/2012	Edmonds School District No. 15	25,475.00	Program Payment
	3/15/2012	Edmonds Senior Center	2,000.00	Program Payment
	3/15/2012	Jeremiah Center	5,200.00	Program Payment
	3/15/2012	Little Red Schoolhouse	22,000.00	Program Payment
	3/15/2012	Project Access Northwest	6,666.67	Program Payment
	3/15/2012	Senior Services of Snohomish County	11,666.67	Program Payment
	3/15/2012	City of Lynnwood	5,390.00	Program Payment
	3/15/2012	American Red Cross	8,000.00	Program Payment
	3/15/2012	City of Mountlake Terrace	4,620.00	Program Payment
	3/15/2012	Parent Trust for WA Children	2,083.33	Program Payment
	3/15/2012	Puget Sound Christian Clinic	6,250.00	Program Payment
	3/15/2012	City of Edmonds Parks & Recreation	17,325.00	Program Payment
	3/1/2012	Benefit Solutions	381.33	FSA Payments
	3/2/2012	Benefit Solutions	10.00	FSA Payments
	3/5/2012	Benefit Solutions	5.80	FSA Payments
	3/9/2012	Benefit Solutions	139.09	FSA Payments
	3/27/2012	Benefit Solutions	129.09	FSA Payments
		Total Wires/ACH Transactions	<u>191,766.57</u>	
		Total Disbursements	<u>\$ 353,689.29</u>	

Deposits:	Date	Payer	Amount	Purpose
	3/1/2012	Value Village	26,222.92	Monthly rent
	3/7/2012	Swedish	618,000.00	Monthly payment
	3/9/2012	Snohomish County	32,413.33	Tax levy deposit
	3/26/2012	Healthcare Realty Services, Inc.	4,166.67	Lease payment
	3/22/2012	Superintendent	58.57	Reimbursement
	3/22/2012	Barbara Piper	49.00	6 Weeks to a Healthier You Registration
	3/22/2012	Apria Healthcare	435.07	Insurance Reimbursement
	3/7/2012	Superintendent	20.81	Reimbursement
		Total Deposits	\$ 681,366.37	

SOUTH SNOHOMISH COUNTY COMMISSION FOR HEALTH
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 10506 through 10528 have been issued for payment in the amount of \$154,080.99. These warrants are hereby approved.

Attest:

Lisa M. King

Commissioner

Commissioner

Commissioner

Commissioner

Commissioner

Payroll:	2-19-12 – 3-3-12	13,011.18	
	3-4-12 – 3-17-12	<u>13,523.04</u>	
			26,534.22
Warrants Processed:	3-1-12 – 3-31-12		154,080.99
Work Comp Claims Pd:	3-1-12 – 3-31-12		7,841.73
Electronic Payments:	Payroll Taxes	9,796.22	
	Comerica Bank – Prof Liability	7,849.68	
	Paychex	153.20	
	Valic Retirement	3,433.34	
	Benefit Solutions	665.31	
	Interest Payments – US Bank	3,707.93	
	Program Expenditures	<u>139,626.67</u>	
			<u>165,232.35</u>
	Grand Total		<u><u>\$353,689.29</u></u>

Title: Purchasing and Expenditure Policy

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

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

DEFINITIONS:

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

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

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

PROCEDURE:

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

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

5. Gifts: Employees of Verdant will not solicit gifts of any nature from current or potential vendors. Employees of Verdant will not accept unsolicited gifts, trips, meals or other offers from any vendor. However, holiday gift baskets, candy or other small gestures of kindness, which are valued under \$50, may be accepted as long as the gift is not an enticement to influence a purchasing decision.
6. Superintendent's Discretionary Fund: The Superintendent will be designated five percent of the annual program expenditure budget during the annual budget process. Expenditures shall be at the discretion of the Superintendent, but shall be reported at the monthly Finance Committee meeting and to the Board of Commissioners no later than their next regularly scheduled meeting.

Title: Purchasing and Expenditure Policy

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

APPROVAL AUTHORITY:

Operating Expenses:

Individual Approver	Routine Limit	Non-Routine Limit
Treasurer and Auditor	\$0 - \$5,000	\$0 - \$5,000
Superintendent	\$5,001 - \$120,000 (within Board approved budget) \$5,001 - \$20,000 (outside Board approved budget)*	
Board President	\$120,001 or greater (within Board approved budget), \$20,001 or greater (outside Board approved budget) All reimbursements to the Superintendent, excluding salary	

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

Payment Signing Authority, ACH and Wire Transfers:

Individual Approver	Routine Limit	Non-Routine Limit
Treasurer	\$0 - \$120,000	\$0 - \$20,000
Finance Committee Member	\$120,001 or greater (within Board approved budget), \$20,001 or greater (outside Board approved budget)	
Treasurer and Auditor	A special provision allowing the Treasurer and the Auditor, with dual approval, to schedule and execute a wire in excess of \$120,000 for the purpose of transferring funds to the District's existing investment accounts or to pay off existing bonds that come due.	

All bank reconciliations will be reviewed by the Superintendent and reconciled in the accounting system by staff. In addition, check registers or bank account reconciliations and credit card statements will be reviewed at the monthly Finance Committee meetings. Payments will be authorized in accordance with the RCWs and our commitment to organizational transparency.



April 4, 2012

Sangyoon Kwon
Wells Fargo Bank, N.A.
2801 Wetmore Avenue
Everett, WA 9201

Dear Ms. Kwon:

Thank you for your participation in the recent Request for Proposal (RFP) for a new banking relationship with Public Hospital District No. 2, Snohomish County dba: Verdant Health Commission. We are pleased to inform you that Wells Fargo is being recommended to the board to provide primary banking services to our organization.

Many qualified banks applied and the decision was not an easy one, but I believe this relationship will prove to be beneficial to both of our organizations. The Board of Commissioners of the District will meet on April 25, 2012 and we expect that they will finalize the decision and pass a resolution as to our intent to contract with Wells Fargo.

Please contact me directly to schedule a meeting to discuss the implementation of this contract. You may call me at 425.582.8543 or email me at lisa.king@verdanthealth.org. I look forward to sharing ideas and determining a plan that serves the needs of the District and allows us to provide quality services to our community.

Best regards,

Lisa King
Director of Finance

PUBLIC HOSPITAL DISTRICT NO. 2
SNOHOMISH COUNTY, WASHINGTON
RESOLUTION NO. 2012-05

A resolution of the Commission of Public Hospital District No. 2, Snohomish County, Washington (the "District"), designating and approving Wells Fargo Bank, N.A., as the depository for all funds of the District and authorizing certain actions relating thereto; approving, confirming and ratifying all prior actions taken in furtherance of the purposes of this resolution.

WHEREAS, the District is a municipal corporation organized and existing pursuant to Chapter 70.44 RCW; and

WHEREAS, under RCW 70.44.171, all funds of the District are required to be deposited in such bank or banks authorized to do business in the State of Washington as the Commission shall designate by resolution; and

WHEREAS, Bank of America, N.A., as successor to Seattle-First National Bank, is now and at all times since 1963 has been the depository for funds of the District in accordance with duly adopted resolutions of the Commission, including Resolution Nos. 63-8, 66-3 and 74-16; and

WHEREAS, the Commission has determined that it is in the best interests of the District to designate Wells Fargo Bank, N.A., as the depository for the funds of the District; NOW, THEREFORE,

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

Section 1. Effective as of June 1, 2012, Wells Fargo Bank, N.A. (the "Bank") is hereby approved and designated as the depository for the funds of the District.

Section 2. The Commission hereby delegates to the superintendent of the District and the Treasurer of the District, and each acting alone, the authority to negotiate, approve, execute and deliver to the appropriate parties all agreements, resolutions and other documents required in connection with designating the Bank as the depository for the funds of the District.

Section 3. Any one of the following employees of the District, so long as they remain as employees of the District and until such time as they are removed by the Commission, are hereby designated as the District's authorized representatives in connection with instructing the Bank regarding the disposition of any District funds on deposit with the Bank:

Carl Zapora, Superintendent; and
Lisa King, Auditor; and

George Kosovich, Treasurer.

These employees shall be authorized to conduct business with the Bank on behalf of the District in conformance with applicable provisions of Washington law and shall have authority to instruct the Bank and execute such documents and instruments on behalf of the District as may be required or useful in carrying out the purposes of this resolution.

Section 4. All prior actions taken in furtherance of the purposes of this resolution are hereby approved, confirmed and ratified.

ADOPTED AND APPROVED by the Commission of Public Hospital District No. 2, Snohomish County, Washington, at regular open public meeting thereof, held this 25th day of April, 2012, the following commissioners being present and voting in favor of this resolution.

President and Commissioner

Commissioner

Commissioner

Commissioner

Secretary and Commissioner

I, Bob Knowles, Secretary of the Commission of Public Hospital District No. 2, Snohomish County, Washington, certify that the attached copy of Resolution No. 2012-05 of the District is a true and correct copy of the original resolution adopted on April 25, 2012, as that resolution appears on the Minute Book of the District.

DATED this 25th day of April, 2012.

Secretary of the Commission

April 2012 Program Oversight Committee Summary

Summary of April Applications

- Two new applications received:
 - Two address Education & Empowerment
 - Two address Prevention
 - One addresses Access to Healthcare

Programs Recommended for Funding

- **Lutheran Community Services NW - Back to School Resource & Health Fair:** Lutheran Community Services is seeking funding for a school resource & health fair. The annual event, held at Cedar Valley Elementary in Lynnwood, has historically focused on school supplies, and would be expanded this year in partnership with Community Health Center of Snohomish County to provide health exams, vision checks, immunization checks, and oral exams/fluoride varnish. **The committee is recommending fully funding the request at \$8,000 on a one-time basis.**
- **Senior Services of Snohomish County - Elder Abuse Training:** Senior Services of Snohomish County is seeking funding for a one-day conference at the Lynnwood Convention Center to increase awareness of elder and vulnerable adult abuse and promote prevention and early detection of abuse. Senior Services expects 130 of 200 participants (65%) would come from our district, and is proposing \$25 registration fee be waived for attendees from our district. **The committee is recommending fully funding the request at \$8,500 on a one-time basis.**

Programs For Additional Review

- **TeamChild Community Advocacy Project:** The committee brought the organization in for a Q&A to learn more about the proposed project. While the Q&A session helped answer some questions about the purpose of project and the background of TeamChild, some questions still remain about the detailed project plan and anticipated results. **The committee is recommending revisiting the program during our May board meeting.** This will also give the board the opportunity to discuss policy and advocacy projects at the retreat, and to have a discussion about the types of advocacy our organization should be funding.

Other: Superintendent Discretionary Fund, Pertussis Mailing

In response to the ongoing whooping cough epidemic, the Snohomish Health District is working with the family of an infant who died of pertussis last August to raise funds to mail a post card to every household in Snohomish County. Verdant Health was asked to contribute \$5,000 to the effort, which will encourage Snohomish County residents, especially those having contact with infants or pregnant women, to be vaccinated for pertussis. The Snohomish County Medical Society and the Snohomish Health District have each pledged \$5000, and the goal is to raise \$25,000. Sponsors names and logos will appear on the postcards.

A	B	C	D	E	F	G	H	I	J
	Program Expenses	2012	2013						
	Budget	\$4,100,000	TBD						
	Committed to date	\$1,681,772	\$1,583,985						
	Program Budget Remaining	\$2,418,228	TBD						

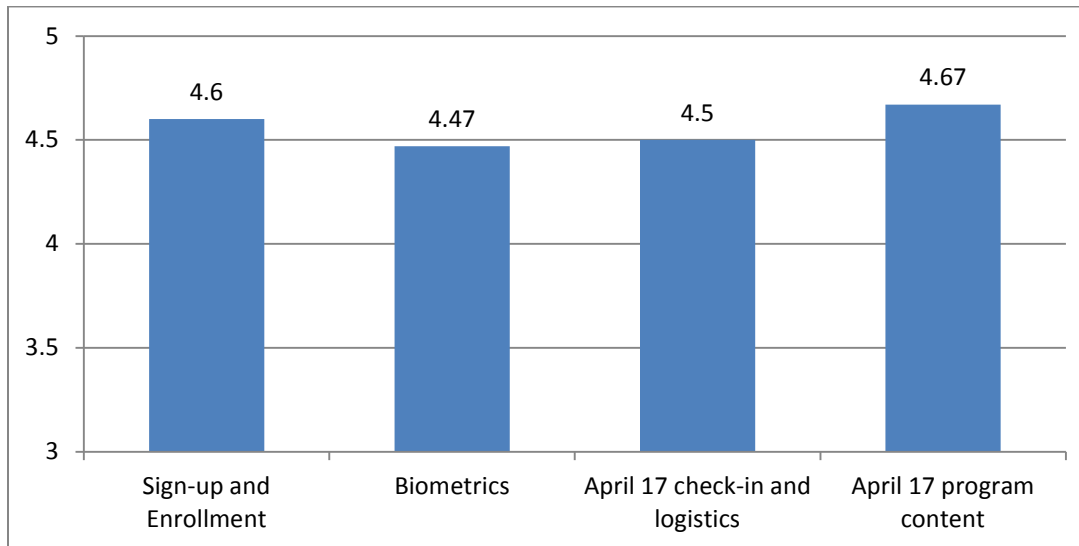
	Programs for April Review		Request for funding			Priority Area				
#	Name	Description	Year 1	Year 2	Year 3	Education & Empowerment	Prevention	Access to Healthcare	Policy & Advocacy	Primary Population Served
1	Lutheran Community Services NW - Back to School Resource & Health Fair	Lutheran Community Services (LCS) is seeking funding for a school resource & health fair. The annual event has historically focused on school supplies, and would be expanded this year in partnership with Community Health Center of Snohomish County to provide health exams, vision checks, immunization checks, and oral exams/fluoride varnish. The event is expected to serve 400 students and is scheduled for August 9, 2012 at Cedar Valley Elementary in Lynnwood.	\$8,000			X	X	X		Children & Youth
2	Senior Services of Snohomish County - Elder Abuse Training	Senior Services of Snohomish County is seeking funding for a one day conference at the Lynnwood Convention Center to increase awareness of elder and vulnerable adult abuse and promote prevention and early detection of abuse by health care providers, law enforcement, and social service providers. Senior Services expects 130 of 200 participants (65%) would come from our district, and is proposing \$25 registration fee be waived for attendees from our district.	\$8,500			X	X			Seniors
Totals			\$16,500	\$0	\$0					

Verdant Health Commission Priority Areas

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

1. How would you rate the program in the following areas? (n=203)

Poor (1) Below Average (2) Average (3) Above Average (4) Excellent (5)



Open Ended Comments About the Ratings:

Highlights:

- Joe Piscatella's speaking skills and they appreciate Joe's humor. (6)
- Clear presentation that was easy to follow. (2)
- Ended on time. (2)
- Motivating! Reasonable price for a great class, excellent speakers, kept to the time schedule, nice pacing.
- I was impressed by the kindness of all the ladies at Swedish who took my blood etc.

Improvements:

- Questions about accuracy of blood pressure readings compared to recent results. (3)
- With there be a way to access the speaker's notes on line? Would have liked more detailed notes in book for Joe and physician's presentations.(3)
- Room cramped and would like more spacing between chairs (2)
- Biometrics organization/setup and would have liked more privacy (2)

2. How did you hear about the event? (n=182)

	% of total
Employer	56%
Friend or family member	17%
Newspaper article or media	8%
Sign or poster in community	5%
Other (Edmonds CC, Church, Carl, Chamber, Leadership Snohomish County, Doctor)	14%