

King County Public Hospital District No. 2  
Evergreen Healthcare  
Special Meeting & Public Hearing on 2012 Budget  
Evergreen Hospital Medical Center, Kirkland, WA  
November 11, 2011  
Minutes

Comms. Present: Comms. DeYoung, Greenfield, Hirt, Kempf and Pilcher

Medical Staff

Leadership: T. Pheifer, MD; K. Clinch, MD; J. Petrich, MD

Others Present: B. Malte; L. Burton, N. Johnson, T. Martin, K. Taylor, J. Tomlin, MD,  
C. Yamada, T. Anderson, E. Ash, L. Laboda

Legal Counsel: J. Fitzgerald

Guest: Bob Yoder

Comm. DeYoung, Chair of the Board of Commissioners, called the Special Meeting to order at 7:10 a.m. Ms. Burton noted that the Special Meeting had been duly and properly publicized and notice provided as required by law. The purpose of the Special Meeting, as stated in the public notice, was to hold a public hearing on and for consideration of adoption of the proposed 2012 Budget of King County Public Hospital District No. 2 and for the Board to take action to review and adopt the same.

**2012 Budget**

Chrissy C. Yamada, Senior Vice President and Chief Financial Officer, presented the 2012 Budget, a draft of which had been previously filed in the Administrative office on October 28, 2011 for public viewing. Copies were distributed to the Commissioners on November 1, 2011.

Ms. Yamada reviewed the Budget Assumptions regarding gross revenue, contractual adjustments, other operating revenue, operating expenses, construction projects, program focus and total margin. She also reviewed key statistics and the consolidated income statement. She presented an analysis of FTEs (full-time equivalent employees), additional details in the 2012 Capital Budget, cash flow, and the levy funds allocation.

Ms. Yamada concluded her presentation by acknowledging and thanking her team for its hard work in preparing the 2012 Budget. Despite the ongoing challenges in healthcare, the process went well and is continuing to improve.

The Commissioners discussed and asked questions about various aspects of the 2012 budget. Ms. Yamada and other team members

present answered the questions posed by each Commissioner. The Commissioners then complimented Ms. Yamada and her entire staff for the preparation of this budget and the level of detail. Comm. DeYoung noted that careful attention must be paid (and has been paid) to the budget detail, as the Board Delegation policy allows hospital administration to proceed with the initiatives outlined in the budget without further Board approval, unless otherwise noted or modifications to the programs and expenditures of a certain magnitude are made per the policy.

## **PUBLIC HEARING**

Comm. DeYoung opened the Public Hearing on the 2012 Budget, and asked if there were any members of the public present who would like to address the Commissioners regarding the 2012 Budget.

Mr. Bob Yoder, a Redmond resident, addressed the Board. He stated that he was nearly 61 years old and the owner of two properties in the District, thus the tax levy is very important to him and his comments would focus on that. He made several suggestions with an emphasis on "communication" and "transparency" and thanked both Superintendent Malte and Mr. Martin, who also serves as Chair of the Redmond Chamber Board, for striving for and acknowledging the importance of "transparency." Mr. Yoder stated that for clarity purposes, levy dollars allocated for community programs be presented as distinctly separate from levy funds allocated for retirement of debt on facilities. He suggested increasing the detail in the levy-funded services budget on a line-item basis, with comparisons to prior years. In addition, he made recommendations regarding the Levy Funded Services Charter, the Board Bylaws and the Board Delegation Policy.

Mr. DeYoung and the other Commissioners thanked Mr. Yoder for his comments. Mr. DeYoung asked if there was anyone else present who would like to address the Board. There being none, he closed the Public Hearing at 8:40 a.m.

## **Presentation of Budget Resolutions**

Mr. Fitzgerald presented Resolution Nos. 839-11 and 840-11, and provided an explanation of provisions added to Resolution No. 839-11 for the 2012 Budget year. Section 4 constitutes a directive from the Board with respect to funds collected for payment of the 2004 General Obligation Bonds which exceed the requirements for payment of principal and interest, asking the Chief Financial Officer or her designee to consult with the King County Assessor's office in order to assure that such funds are properly returned to the taxpayers.

In addition, Mr. Fitzgerald pointed out "Recital K" and Section 6 of Resolution No. 839-11, which address the possible need for and process of reallocation of levy funds for community programs.

**ACTION ITEMS**

**Resolution No.  
839-11**

Comm. Kempf made a motion to adopt Resolution No. 839-11:

**A RESOLUTION of the Board of Commissioners of King County Public Hospital District No. 2 establishing the District's final budget for the calendar year 2012, and approving the District's property tax levies for the calendar year 2012.**

Comm. Greenfield seconded the motion.

The motion carried unanimously.

**Resolution No.  
840-11**

Comm. Kempf then made a motion to adopt Resolution No. 840-11:

**A RESOLUTION of the Board of Commissioners of King County Public Hospital District No. 2 authorizing the 2012 Property Tax Levy in conformance with adoption of the District's 2012 Budget.**

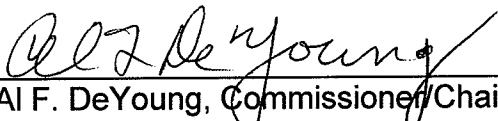
Comm. Greenfield seconded the motion.

The motion carried unanimously.

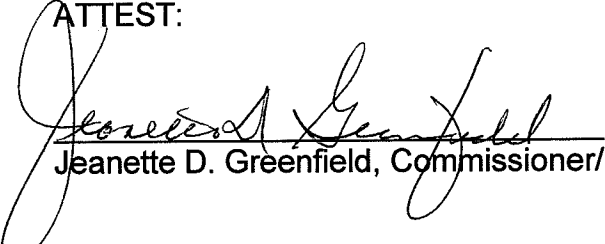
**Adjourn**

The November 11, 2011 Special Meeting of the Board of Commissioners for King County Public Hospital District No. 2 was adjourned at 8:41 a.m.

SUBMITTED:

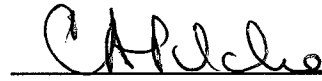
  
Al F. DeYoung, Commissioner/Chair

ATTEST:

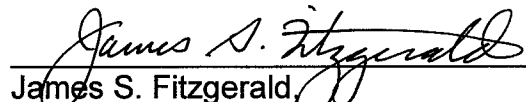
  
Jeanette D. Greenfield, Commissioner/Secretary

  
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Rebecca D. Hirt, Commissioner

  
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R. August Kempf, Commissioner

  
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Charles A. Pilcher, Commissioner

Approved as to content and form:

  
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James S. Fitzgerald  
District General Counsel