



***Snohomish Health District
Board of Health Minutes
Regular Meeting
October 8, 2013***

Members Present

Adrienne Fraley-Monillas, Councilwoman, Edmonds
Dave Gossett, County Councilman
Karen Guzak, Mayor, Snohomish, Chair
Linda Grafer, Councilwoman, Mukilteo
John Joplin, Councilman, Brier
John Koster, County Councilman
Sean Richards, Councilman, Mountlake Terrace
Dave Somers, County Councilman
Dianne White, Mayor, Stanwood
Donna Wright, Councilwoman, Marysville
Stephanie Wright, County Councilwoman

Members Absent

Shannon Affholter, Councilman, Everett
Vern Little, Mayor, Lake Stevens
Kerri Lonergan-Dreke, Councilwoman, Lynnwood
Brian Sullivan, County Councilman

Others Present

John Amos, Snohomish County
Anne Alfred, SHD Environmental Health Specialist
Amy Blanchard, SHD Communicable Disease Program Manager
Nancy Blevins, SHD Vital Records Program Manager
Judy Chapman, SHD Accountant
Annie Costello, PTE 17
Randy Darst, SHD Environmental Health Division Director
Nancy Furness, SHD Interim Communicable Disease Division Director
Gary Goldbaum, MD, SHD Health Officer and Director
Kristin Kinnamon, SHD Communications Program Manager
Gayle Lanier, SHD VPD Outreach Program Manager
Lynn Ljungquist, SHD Program Specialist
Peter Mayer, SHD Deputy Director



Kathryn McDaniel, SHD First Steps Program Manager
Carrie McLachlan, SHD Healthy Communities Program Manager
Lorie Ochmann, SHD Executive Assistant
Carolyn Pape, SHD Interim Human Resources Manager
Charlene Shambach, SHD Community Health Division Director
Glen Svendsen, Snohomish County Senior Financial Consultant
Kelly Sylliaasen, SHD Vaccine Coordinator
Steve Uberti, Legal Counsel
Michael Whitney, Everett Tribune

Call to Order

The regular monthly meeting of the Board of Health was convened at 3:05 p.m. by Chair Karen Guzak in the Auditorium of the Snohomish Health District Rucker Building. Roll call was taken by Lorie Ochmann, who reported there was a quorum present.

Public Comment

There was no public comment.

Chair's Report

There was no Chair's Report.

Health Officer's Report

Washington State Medical Association (WSMA)

Dr. Goldbaum reported on the WSMA's annual meeting in Spokane on September 28th and 29th. The delegates voted to commit WSMA support for legislation addressing issues of public health concern. Those areas of support include: to remove the five year mandatory waiting period for eligibility for Medicaid and state insurance market places for legal immigrants, to allow public health nurses to dispense drugs or devices to prevent or treat communicable diseases or manage family planning, to prohibit sales and marketing of e-cigarettes and similar devices to minors and to prohibit use of such devices in public spaces, to require criminal background checks for firearm sales and transfers, with exceptions such as between immediate family members, and to provide "good Samaritans" who are exposed to bodily fluids the same protections afforded other first responders (e.g., firefighters, law enforcement). WSMA support means the voice of the medical community will complement the voice of public health during the legislative session.



Minutes

It was moved by Ms. D. Wright and seconded by Mr. Gossett to approve the minutes of the regular meeting held September 10, 2013. The motion carried unanimously.

Committee Reports

Mr. Mayer reported on the 2014 Budget Ad Hoc Committee. Some of the challenges in bringing forward a balanced budget proposal have been shared with the Board in previous meetings. The Ad-Hoc Committee worked with staff to refine a balanced budget proposal that minimizes impacts to staff, incorporates transition strategies and technology enhancements. A Budget Summary will be presented later in the meeting. A public hearing is planned for November, and budget adoption is proposed in December.

There were no questions regarding the monthly standing reports. Program Policy Committee and Administration Committee did not meet.

Consent Agenda

It was moved by Ms D. White and seconded by Ms. D. Wright to approve the following items on the Consent Agenda: (a) vouchers for September 2013, and (b) Resolution 13-15 authorizing September 2013 expenditures for Health District and PHEPR funds. The motion carried unanimously.

Action Agenda

Federal Government Shutdown and Impacts on the Women, Infants and Children (WIC) Supplemental Nutrition Program

The federal government shutdown that has occurred as of October 1, 2013, has impacted Washington State Department of Health programs; including WIC, the supplemental nutrition program for Women, Infants, and Children which provides specific nutritious foods, nutrition assessments and education. States have the ability to hold 1% of the funding in reserve. That reserve was anticipated to fund nine days of operations across local health jurisdictions throughout the state. In addition to the Department of Health reserves, the US Department of Agriculture (USDA) has released additional funding to sustain operations through October 31st. If the government stays shutdown, USDA will not have funding to re-allocate for services in November. District staff seeks to prepare for such a contingency and honor our collective



bargaining agreements (CBA's) and non-representative staff policies by securing Board authorization to fund 30 days of salary, wages and benefits for WIC staff that would be impacted from the curtailment of USDA funding and/or continued shutdown of the federal government. None of the District's CBA's or non-representative staff policies provides guidance on a government shutdown or suspension of contracts; however the circumstance would be approached as a "Reduction in Force". Our obligations to the staff include providing 30 days written notice of a temporary layoff to the employees affected. Staff recommends utilizing 2013 unexpended salary savings from within the Administration Division and transfer the estimated \$110,000 to the Community Health Division to support the 30 day paid notice period.

Board Members discussed the timing of notifying staff of temporary layoffs. A notification date was not identified.

It was moved by Mr. Somers and seconded by Mr. Joplin to authorize staff to transfer \$110,000 in unexpended salary savings from the SHD Administration Division to the Community Health Division in the event of an impending curtailment of state or federal WIC funding to support no more than 30 days of salary, wages and benefits for impacted WIC staff. The motion carried unanimously.

Program Briefings

2014 Budget Summary

Pete Mayer introduced the 2014 Budget Summary and provided an overview of the budget process, an agency summary and divisional budgets with decision packages. The goal has been to create a balanced and sustainable budget in 2014 and beyond. The transition approach is comprised of near term and long term objectives. The near term, defined as 2013-2014, SHD will ensure all current functions are justified. To do that, all services will be reviewed with additional focus on services supported by the General Fund. Fee and grant supported services will be evaluated to ensure they are self-sustaining. The agency will evaluate attrition opportunities and new revenues will be considered with the goal of achieving a balanced budget in 2014, but by no later than the 2015 budget. For long-term planning (2015-2020), staff will update the SHD Strategic Plan, develop performance standards for use of state flexible funds, identify and direct funding to foundational public health programs, services, and functions, and facilitate transfer of other programs, services, and functions to community partners. Additionally, succession planning, staff training, and technology enhancements are important investments for our workforce development. Staff remains committed minimizing impacts on staff, creating an organizational structure that supports a culture of transparency and accountability and avoids long-term reliance on passive tools such as attrition throughout the budget process.

Judy Chapman discussed both known and unknown factors considered in developing the proposed budget, including labor and benefit costs. Staffing costs represent 82% of the 16.5



million dollar budget in 2014. There are no significant changes to the health coverage options. There are increases to the cost of dental coverage and PERS retirement contributions. Staff anticipates minimal impacts from the federal sequester and state flexible finds. Some grant revenue has increased. The budgetary effects of Medicaid Administrative Match, county mental health sales tax, Public Health Standards and Accreditation, third party billing and federal shutdown issues remain unknown.

Charlene Shambach presented an overview of the Community Health Division revenue and expenditures. Eighty-eight percent of the funding for Community Health comes from grants and contracts from the State Department of Health, State Department of Social Health Services and Snohomish County. Two grants were successfully concluded and youth tobacco funding was eliminated. Non-personnel expenditures for the division were reduced by \$50,000 in this budget proposal without reduction in services. A reduction in staffing reflective of a reduced WIC caseload is also proposed, for a total Community Health budget reduction of \$238,702.

Nancy Furness provided an overview of the Communicable Disease Division and Public Health Emergency Preparedness and Response (PHEPR). The Communicable Disease Division receives over four million dollars in grants and state revenue, including 1.6 million from the county for TB and other communicable disease control. New in the 2014 budget is enhanced Medicaid revenue for immunizations, TB home visits, and physician services for TB clients. Participation in the Patient Assistance Program, which provides free vaccines to SHD from pharmaceutical companies for low income individuals, represents substantial saving to SHD. These savings combined with scrutiny of other program spending resulted in a \$97,000 reduction in supply expenditures. In summary, the division proposes a budget reduction of \$397,242 achieved through the elimination of management positions and consolidation of the leadership structure between Communicable Disease and PHEPR, a reduction in administrative support, and increased technology investments.

Randy Darst reviewed the revenue and expenditures for the Environmental Health Division. Licenses and permits represent 59% of the divisional revenue. Grant and contract funding has been stable with one grant expanding. Permitting and inspection activity remains high and revenues are strong in all program areas. Seventy-five percent of divisional expenditures are staffing costs. Other major expenses include software licensing and legal counsel. Restructuring and implementing efficiencies have decreased staffing needs. The Environmental Health Division proposes the elimination of three vacant positions at a savings of \$126,006.

Pete Mayer discussed the Administration Division budget. Like the other divisions, the majority of the expenses are related to labor costs. Other expenses include equipment rentals, such as copiers, building expenses, and legal services. Administration receives \$191,000 in rental revenue from one tenant, the IRS. Costs saving initiatives in Administration include the elimination of a management position, administrative, and administrative support positions, realignment of staff resources to support business and analysis functions, renewed focus on external communications and outreach, and greater reliance on technology investments. These measures would result in a savings of \$231,273.

At the November 12th Board meeting staff will present a Six Year Financial Forecast and a 2013 Budget Adjustment request. The 2014 Preliminary Budget Book will be distributed. There will also be follow-up discussion of divisional budgets, a Capital Program overview, and one-time



requests from Fund Balance. The November meeting will also include a Public Hearing. Adoption of the 2014 Final Budget is proposed for the December 10th Board Meeting.

Information Items

A calendar for scheduled meetings in October and November 2013 was provided to Board Members in their packets.

The Program Policy Committee meeting scheduled for October 24th and the Administration Committee Meeting scheduled for November 4th are both cancelled.

Adjournment

The meeting was adjourned at 4:39 PM.

Karen Guzak, Chair

Gary Goldbaum, M.D., M.P.H., Secretary