



**Board of Commissioners
Special Meeting Minutes
February 22, 2024**

The special meeting of the Board of Commissioners of Olympic Medical Center was called to order in Linkletter Hall at 3:04 pm by Board President Thom Hightower, RN, and was opened with The Pledge of Allegiance. In attendance were Commissioners Phyllis E. Bernard, JD, Phil Giuntoli (virtual), Ann Henninger, BSN, RN (virtual), Thom Hightower, RN, Jean Hordyk; Chief Executive Officer Darryl Wolfe; Chief Operating Officer Ryan Combs, Chief Financial Officer Lorraine Cannon (virtual); staff, public members and Executive Assistant to the CEO and Board Gay Lynn Iseri. Commissioners John Nutter and Tom Oblak were excused.

STATE AUDIT EXIT CONFERENCE – The exit conference was presented by Christine MacIntyre, Associate State Auditor, and Amy Stralka, CPA, Program Manager from the Office of the Washington State Auditor. The Accountability Audit Results were presented for January 1, 2022 through December 31, 2022.

It was noted that in most of the areas examined, District operations complied with applicable state laws, regulations, its own policies, and provided adequate controls over the safeguarding of public resources. The following areas were examined: cash receipting – timeliness and completeness of deposits, accounts payable – traveling nurses and physicians, payroll – overtime and bonus and incentive payments, open public meetings – compliance with minutes, meetings and executive session requirements and financial condition – reviewing for indications of financial distress. There were areas identified and recommended where the District could make improvements.

The District reported operating revenues and operating expenditures of \$244 million and \$262 million, respectively, in fiscal year 2022. The District reported an operating loss of \$17.7 million in fiscal year 2022, and reported a year-to-date loss of \$25 million as of November 2023. The District's available cash on hand based on its unrestricted cash and investments was determined to be 59 days at fiscal year-end 2021, 32 days at fiscal year-end 2022, and 12 days as of November 30, 2023.

The District did not comply with the minimum debt ratio requirements of its 2018 general obligation bonds. For fiscal year-end December 31, 2022, the District's debt ratio was 0.16, which did not meet the minimum debt ratio of 1.25.

Discussion ensued regarding the method of calculation used for determining cash on hand, and whether investment funds were included in that calculation. The method used creates a dramatically different result. Further discussion ensued about preparing a statement for the public should they want more information about the different methods used to calculate cash position.

It was announced the next audit process will begin in the fall of 2024.

There being no further business, the special meeting was adjourned at 3:33 pm.

APPROVED AND ADOPTED this 20th day of March, 2024.

ATTEST:

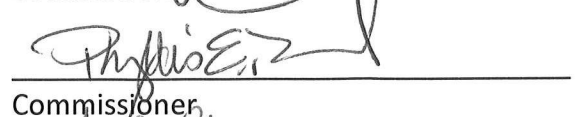
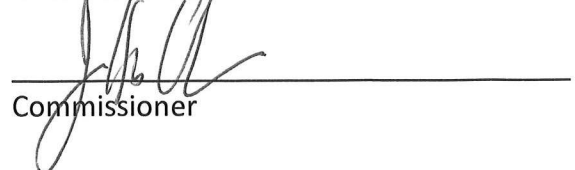


Secretary



Commissioner

Commissioner


President
Commissioner
Commissioner
Commissioner