

1  
2  
3 **Washington Vaccine Association**  
4 **Finance Committee Meeting**  
5 **April 7, 2022; 11:00 a.m.-12:00 p.m. (PST)**

6 **Attendance.** This meeting was conducted solely by webinar. Participating in all or part of the meeting were the  
7 following individuals:

8  
9 Directors 16 Julia G. Zell, MA., Esq., Executive Director  
10 Randy Parker, Northwest Carpenters Trusts, Chair 17  
11 Jason Farber, Davis Wright Tremaine LLP 18 Helms & Company, Inc.  
12 John Sobeck, MD, Regence 19 Patrick Miller, MPH, WVA, Administrative  
13 20 Director  
14 21 Leslie Walker, CPA, Mason+Rich, PA

15 WVA

22  
23 **I. Summary of Actions Taken and/or Recommended**

24  
25 Actions Taken

- 26 i. To approve the minutes of the February 17, 2022 Finance Committee meeting.  
27 ii. To recommend the 2022-23 WVA Vaccine Assessment Grid to the Board for adoption.  
28 iii. To approve 2022-23 WVA Annual Administrative Budget.

29  
30 Follow up Tasks/Action Items

31 Mr. Miller will adjust the grid assumptions by adding a three percent per year grid increase for FY2024 and FY2025  
32 to the model, thus increasing projected cash reserves. This will be presented for the Board of Directors' review and  
33 adoption at its April 14, 2022 meeting.

34  
35 **II. Welcome and Introductions**

36  
37 Welcome and Introductions

38 Mr. Parker called the meeting to order at 11:05 a.m. Ms. Zell gave a notice of recording.

39  
40 **III. Calendar Consent Items**

41  
42 Mr. Parker directed the Committee's attention to the draft minutes submitted for approval. There being no questions  
43 or comments, the following item was put to a vote:

44  
45 Upon motion duly made and seconded, it was unanimously

46  
47 **VOTED: To approve the minutes of the February 17, 2022 Finance Committee minutes.**

48  
49 **IV. Financial Update**

50  
51 Portfolio Update

52 Ms. Zell provided a brief overview of the WVA's cash position, supplemented by a quarterly cash management report  
53 from Polly Sidwell, the WVA's financial advisor with Morgan Stanley. Ms. Zell gave a brief summation of the bond  
54 portfolio holdings. She explained the steps the Helms and Morgan Stanley teams have taken to ensure that WVA  
55 investments remain compliant with the Investment Policy Statement. She also noted that more funds are being held at  
56 KeyBank to avoid management fees at Morgan Stanley given modest returns on the ultra-light liquidity account at  
57 this time.

58  
59 Financial Overview

60 Mr. Miller provided a financial update through February 2022, citing the unaudited financial statements. He reviewed  
61 highlights from the February 2022 ED/AD report. Financial trends are consistent with what has been forecasted. Mr.

62 Miller reviewed the administrative budget, noting that the WVA is \$128,349 ahead of budget, however, a partial spend  
63 down will occur due to printing, compensation evaluation and HR consultant costs.  
64

65 TRICARE Update

66 Ms. Zell provided an update on the renegotiation of the TRICARE settlement report rate, citing an agreement to keep  
67 the TRICARE on-going assessments at 2.5% above grid prices for the next three years.  
68

69 Proposed 2022-2023 WVA Assessment Grid and FY2023 WVA Administrative Budget

70 Ms. Zell introduced the assessment grid model. Mr. Miller reviewed the timeline, approach, and historical data as well  
71 as the WVA Administrative Budget summary. He reported that the budget-to-actuals have been consistently under  
72 budget for FY2023. Mr. Miller went through the assumptions the WVA has made regarding cash needs and how those  
73 impact the assessment grid-setting process. Brief discussions ensued regarding changes to administrative budget for  
74 FY2023 including legal costs and payroll budget. The CDC historically increases vaccine contract prices around 3%  
75 annually. The proposed WVA grid absorbs this inflation, which will hold the 2022-2023 grid steady to support the  
76 WVA's goal of reducing cash. The Department of Health (DOH) has estimated vaccine wastage to increase from 2.4%  
77 to 2.7% (primarily due to pandemic trends). The proposed model assumptions allow for the WVA to be proactive in  
78 regard to cash flow. No new vaccines will be added for FY2023. The DOH will recalculate the VFC fund source split  
79 this summer; any adjustment could have a significant impact on cash. Another potential factor in cash considerations  
80 centers upon the potential inclusion of the COVID vaccine in the Childhood Vaccine Program (CVP). The WVA will  
81 work closely with the DOH to ensure a successful roll-out.  
82

83 The Committee then discussed the future cash projections as presented. With regards to the model assumptions, the  
84 Committee asked that Mr. Miller adjust the grid assumptions by adding three percent per year grid increases for  
85 FY2024 and FY2025 to show a high balance in FY25, instead of allowing a continued burn-down with no inflation  
86 factor. These adjustments will be presented for the Board of Directors' review and adoption at its April 14, 2022  
87 meeting. The next step in the review and approval process will be for the Board to review the Finance Committee  
88 report and approve the proposed budget and assessment grid determinations at their April 14 meeting.  
89

90 Upon motion duly made and seconded, it was unanimously  
91

92 **VOTED: To recommend the 2022-23 WVA Vaccine Assessment Grid to the Board for adoption.**

93 **VOTED: To approve 2022-23 WVA Annual Administrative Budget.**  
94

95 **V. Annual Auditor Selection**  
96

97 Ms. Zell reviewed the auditor engagement letter. She shared that Clifton Larson Allen had consistently underestimated  
98 the amount of hours it would take to complete the WVA's annual audit; the firm provided several years of their  
99 projected versus actual work hour data. Due to added hours and the increase in staffing costs fee for the engagement  
100 has increased from approximately \$16,000 to \$22,500. Mr. Miller and Ms. Walker reported that they have seen similar  
101 increases in their work with other clients.  
102

103 Upon motion duly made and seconded, it was unanimously  
104

105 **VOTED: To approve CliftonLarsonAllen LLP as auditor for 2021-2022.**  
106

107 **VI. Closing**  
108

109 With no further business before the Committee, Mr. Parker concluded the meeting at 11:47 a.m.