

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

**BOARD OF COMMISSIONERS**

**Regular Meeting**

**Hybrid: In-Person at Verdant Community Wellness Center and via Zoom**

**May 24, 2023**

**8:00 a.m.-10:00 a.m.**

**Commissioners  
Present**

Jim Distelhorst, MD, President  
Karianna Wilson, Commissioner  
Deana Knutsen, Commissioner  
Carolyn Brennan, Commissioner  
Bob Knowles, Commissioner

**Staff**

Dr. Lisa Edwards, Superintendent  
Riene Simpson, CPA, Director of Finance  
Leslie Silverman, Interim Director of Community Impact &  
Grantmaking  
Kaysi Caballero, Executive Assistant/Office Manager  
Nancy Budd, Community Social Worker  
Kirk Mathis, Digital Marketing & Communications Manager  
Sandra Huber, Community Engagement Manager  
Monika Star, Wellness Center Assistant  
Erin Boehm, Interim Grants Manager

**Guests**

Matthew Stopa, Moss Adams  
Mary Wright, Moss Adams  
Christina Bernard, PHPDA  
Dominique Ongaro

**Call to Order**

The regular meeting of the Board of Commissioners of Public Hospital District No. 2, Snohomish County, was called to order at 8:00 a.m. by President Distelhorst.

**Land and  
Enslaved People's  
Acknowledgement**

President Distelhorst read the acknowledgement.

**Consent Agenda**

***Commissioner Knutsen made a motion to approve all items included on the consent agenda, Commissioner Wilson seconded. Motion passed.***

Consent Agenda (E:34:23)

1. Approval of Minutes:
  - a. April 26, 2023 Regular Board Meeting
2. Resolution 2023:05 Swedish Hospital Asset Disposal
3. Grant Financial Review Guidelines

**Public Comments**

Ms. Caballero read one public comment submitted in writing:

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Guillermina Gonzalez: "They are beneficiaries of the fruit and vegetable coupons. They are very grateful to receive these vouchers as it really helps their family financially – the money they would have been spending on healthy food they can now spend on other necessities. They have prediabetes and the doctor recommends that they eat more fruits and vegetables, also for their children. Her son loves strawberries, and they can be very expensive sometimes. They appreciate the help with these food vouchers and please continue to give them out."

**Executive  
Committee Report**

President Distelhorst reported that Executive Committee met on May 17<sup>th</sup> to approve the agenda for today's meeting. No action was taken at the Executive Committee meeting.

**Presentation:  
Moss Adams  
Annual 2023 Audit**

Ms. Simpson introduced the two senior auditors from Moss Adams, Matthew Stopa and Mary Wright, who were involved in the 2023 annual audit. Mr. Stopa began his presentation (E:35:23) by walking through the five required communications with Commissioners as they completed their annual audit. The audit concluded with an unmodified opinion, which is a clean audit. There were significant changes to 2021 and 2022 with the new lease accounting standard implemented for 2021. You can see how this impacted the total assets and net position for 2021 and 2022. For every \$1 in District expenses, Verdant is spending \$0.69 towards Programmatic expenses (internal and external). This comes to a total of \$43 million invested back into the community over the past five years (2018-2022).

President Distelhorst asked Mr. Stopa to clarify the findings of the audit.

- Mr. Stopa reiterated that the audit was clean, there were no internal control matters of note, and the District passed the annual audit.

Commissioner Brennan asked Mr. Stopa to repeat his statement about the amount of money the District has put back into the community.

- He clarified that yes, the figure of \$43 million invested in the community is just over the past five years.

Commissioners thanked the auditors for their presentation.

**Organizational  
Capacity Status  
Report**

Dr. Edwards presented a slideshow outlining the fourth strategic priority of Verdant's 2023-2024 plan (E:36:23). She spoke about the progress so far and goals for future implementation.

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Ms. Silverman spoke about the goals for making the grantmaking priorities and procedures more transparent to the community. Over the next 12-18 months this also includes making grantmaking more equitable, diversifying Verdant's grantmaking portfolio, and creating opportunities to test new ideas around funding and collaboration with our community partners.

Ms. Simpson spoke about the work underway to maintain the integrity of the District's largest capital assets – its properties. It has been critical that Verdant staff are engaging more heavily with our Property Manager to take the extra facility workload off the Director of Finance and Superintendent (roughly 30-40% of time per week).

Dr. Edwards continued to provide an update on the remaining areas of this Organizational Capacity strategic priority – discussing keeping Verdant a great place to work, its progress toward its DEI efforts, and future opportunities to reach the goals of this strategic priority.

**Introduction of  
Dominique  
Ongaro, Master of  
Public Health  
intern**

Dr. Edwards introduced Master of Public Health Student from UW Seattle, Dominique Ongaro, who is working on a research project for Verdant as part of her masters curriculum. She will be creating a dashboard for Commissioners to keep track of progress related to its 2022 Community Perspectives Study. Part of this work will involve reaching out to community partners involved in the 2022 study and asking for status reports to see if the issues that were highlighted from the community survey have been getting better or worse.

- President Distelhorst looks forward to seeing how her work can help the Board promote an effective process in measuring its strategic goals.
- Commissioner Brennan is excited to see the collaboration between staff and our effort to review this data in a methodical and equitable manner.
- Commissioner Knutsen is excited to see the dashboard, as this is often used in hospital systems and can be a simple clear way to view a snapshot.

**Discussion about  
Nimble Grants  
with PHPDA**

Ms. Silverman introduced Christina Bernard of Pacific Hospital Preservation & Development Authority (PHPDA) who has been invited today to speak to Commissioners about their nimble grants program and how they implement it. Ms. Bernard began by explaining that PHPDA is similar to Verdant as it is a public agency with the ability to provide grantmaking dollars from the revenue it receives from its properties. They have a lean staff of

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five people and just three days ago onboarded a new Executive Director.

Their nimble grants (small grants) are under \$30,000, provided for one year, for a one-time project or capital purchase, and are not renewable. They have a nimble grant cycle three times per year and are considering going down to two times per year.

They fund just a few nimble grants per cycle. Once the recipient's nimble grant period is over and their project is complete, they are welcome to apply to PHPDA's major grant cycle (large grants) if their work can continue.

- Commissioner Wilson asked Ms. Bernard what the average length of their major grants is.
  - Ms. Bernard answered that all major grants are funded for one year, with the option to renew for up to two additional years. Major grants are not provided for more than three consecutive years. If an organization reaches year three, they are required to take a one-year break before applying for another major grant for that same program. If the organization has a new project after its three years, they can apply with a *new* project.
- Commissioner Knutsen asked Ms. Bernard if they see that these nimble grant or major grant organizations continue their projects after their one- or three-year grant term is up, or if their program ceases to continue.
  - Ms. Bernard answered that as far as they know, once PHPDA ceases its funding for major grants, the programs do continue. The nimble grants, however, mostly conclude after one year since that money goes toward more short-term initiatives.
- Commissioner Knutsen followed up asking if a nimble grant recipient changes its focus, could it then apply for one of PHPDA's major grants?
  - Ms. Bernard answered that the specific program that received the nimble grant cannot continue for funding under a major grant. However, if the organization changes its focus, they could then apply for a major grant for a *new* project.
- Commissioner Knowles asked how PHPDA handles the major grant start date and major grant renewal dates being on the same term since all the requests and renewals come in at the same time.
  - Ms. Bernard answered that yes, their first-time major grant period and renewal periods are around the same time, so it is busy. However, they

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- administer their nimble grant cycle at alternative times, so those one-year cycles are on a slightly different schedule.
- Commissioner Knutsen asked where PHPDA gets their revenue and how much they can grant.
    - Ms. Bernard explained that PHPDA owns the Pacific Tower building at the intersection of I-5 and I-90 which was the first U.S. Marine hospital in Seattle. The building is now full of tenants who pay PHPDA rent. PHPDA uses this lease revenue to provide grantmaking toward equitable healthcare access. They receive ~60 major grant applications per cycle and have a panel review process which narrows the applicants down to around 12, and they only award 6 or 7. They award 10-12 nimble grants per year.
  - Ms. Silverman asked Ms. Bernard to share how the LOI (letter of intent) process works for their funding applications.
    - Ms. Bernard explained they use these LOIs for their major grants. They are short 1–2-page letters explaining the need for their project and the organization’s goals for serving that need. PHPDA has a very competitive process with the amount of LOIs they receive and the number of projects they fund (6 or 7 per cycle). These LOIs are due in January and their funding begins July 1.
  - Ms. Silverman asked Ms. Bernard what contributes most to the success of the nimble grant program.
    - Ms. Bernard answered that the nimble grants program allows them to address urgent needs that come up but don’t fit within the major grant cycle. These nimble grants have a slightly different focus and often have a direct and immediate community impact. Nimble grants allow PHPDA to explore new work and facilitate new work in the community.

**Superintendent’s Report**

Dr. Edwards is working with Verdant staff and Commissioners to explore opportunities to fund an additional supply of Narcan nasal spray to Lynnwood Police and South County Fire. Emergency responders are using up their Narcan supply at an alarming rate, whereas it is taking 4-6 doses of 8mg to bring someone back from an opioid overdose.

Verdant is partnering with the City of Lynnwood, Edmonds School District, Lift Every Voice Legacy, and Project Girl to put together a fun Juneteenth event on June 19<sup>th</sup> from 10am-3pm at Cedar Valley Community School.

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Verdant has hired a new Social Media Intern, Zayna Jawo, and we will introduce her at the next Board meeting. Mr. Mathis will be working with two Digital Scholars interns from UW Bothell on more social media projects. One will help us with our LinkedIn profile, and the other will get Verdant active on TikTok. Verdant will be posting some volunteer roles on our website next week to provide additional event coverage, office support, and photography.

Verdant is entering its "community outreach season" (summertime) and staff will be busy promoting Verdant in the community. We have a new outreach event this year at the Alderwood Mall on Saturday, July 22<sup>nd</sup>.

**Program  
Committee Report**

Conflicts of Interest     None.

Superintendent's Discretionary     Ms. Silverman reported that two organizations were recently awarded funding from the Superintendent's Discretionary fund. The Asian Service Center received \$10,000 and Inside Health Institute received \$13,000.

Swim Vouchers     Ms. Silverman reported that Verdant recently got word that two municipal entities, City of Mountlake Terrace, and City of Lynnwood, have agreed to begin providing financial support of the drowning prevention program which provides swim vouchers to school-aged children. Verdant will provide \$10,000 matching funding to each entity. We are still waiting to hear if City of Edmonds would like to participate in funding the effort. Verdant will be issuing a joint press release soon to notify the community of this partnership and our combined efforts to promote drowning education and safe swimming in our communities.

**Finance Report**

Review Financial Statements & Cash Activity

Ms. Simpson presented the financial reports for April 2023 (E:37:23), noting any transactions out of the ordinary, compared to prior month periods. This month's reports you will see the grant payments go out with the 4/1/23 start date.

- Commissioner Wilson asked Ms. Simpson if there is a way we can show a breakdown of the different revenue streams (income from Swedish Edmonds, Kruger Clinic, ground lease, etc.) so the community can better see where the 20% we are sending to our reserve account comes from.

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- Ms. Simpson will look at this over the next month and present a couple of alternative views of the revenue breakdown at the June Finance Committee meeting.

Authorization of Payments of Vouchers and Payroll

Authorization for payment of vouchers and payroll: Warrant numbers 16030 through 16070, J2100 through J2129, 305555 through 305557 for April 2023 for total warrant payments in the amount of \$182,786.33 were presented for approval (E:38:23).

***Motion was made by Commissioner Knowles, seconded by Commissioner Wilson and passed unanimously to approve the warrants.***

**Public Comments**

None.

**Commissioner Comments**

Commissioner Knutsen thanked everyone for their hard work and got lots of thoughtful information about nimble grants.

Commissioner Wilson liked hearing the information about the nimble grant program of a similar organization to Verdant.

Commissioner Knowles would like to see what PHPDA’s criteria are for their nimble grants. He thinks Verdant should notify the public about what we are doing to fight the opioid epidemic.


Commissioner Brennan is interested in learning more about PHPDA’s panel review process and their timing of grantmaking throughout the year. She made a call out to the recent Narcan trainings Verdant held and the important advocacy our Community Social Worker Nancy is doing.

**Adjournment**

The meeting was adjourned at 9:39 a.m. by President Distelhorst.

**ATTEST BY:**

DocuSigned by:  
  
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 President

DocuSigned by:  
  
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 Secretary