

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 25, 2022**

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

**Commissioners  
Present**

Jim Distelhorst, MD, President  
Karianna Wilson, Secretary  
Deana Knutsen, Commissioner  
Carolyn Brennan, Commissioner  
Bob Knowles, Commissioner (*excused from the meeting at 9:30am*)

**Staff**

Dr. Lisa Edwards, Superintendent  
Nancy Budd, MSW, Community Social Worker  
Riene Simpson, CPA, Director of Finance  
Zoe Reese, MPA, Director of Community Impact & Grantmaking  
Kaysi Kelly, Executive Assistant/Office Manager  
Maggie Konstanski, Grants Manager  
Kirk Mathis, Digital Marketing & Communications Manager  
Monika Star, Wellness Center Assistant  
Sandra Huber, Community Engagement Manager

**Guests**

Cherry Cayabyab, KAYA Strategik  
John Kim, PHPDA  
Shannon Smith, Sound Pathways  
Brittany Castro, Providence-Swedish Hospital  
Tom Laing, LETI  
LETI (group participants)  
Joe Alonzo, Cocoon House  
Carrie Johnson, Snohomish County Legal Services  
Pa Ousman Joof

**Call to Order**

The regular meeting of the Board of Commissioners of Public Hospital District No. 2, Snohomish County, was called to order at 8:04 a.m. by President Distelhorst.

**Approval of  
Minutes**

***Motion was made by Commissioner Wilson, seconded by Commissioner Brennan and passed unanimously to approve*** the minutes of the regular Board Meeting on, April 27, 2022 (E:39:22).

**Public Comments**

None.

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**Superintendent  
Report:**

Dr. Edwards expressed her gratitude to the Verdant staff who pulled together to plan and execute a successful grand re-opening event at the Verdant Community Wellness Center on May 13<sup>th</sup>. She also provided thanks to Commissioner Distelhorst, Commissioner Brennan, and Commissioner Wilson who were able to attend the grand re-opening event.

She reported that we have been receiving very positive feedback from groups who use our facility space. Dr. Edwards has participated in meetings with community partners to apply for ARPA funding with the City of Lynnwood and Snohomish County. The Verdant team participated in the Edmonds School District's Health & Fitness Expo on Saturday, May 21<sup>st</sup> and they will also participate in C3 and LETI's BIPOC Health Fair on Saturday, May 28<sup>th</sup>.

The Community Perspectives Survey is well underway and thanks to the hard work of our grants team, Zoe Reese, and Maggie Konstanski, we have surpassed our goal of 300 responses and are now over 400 responses. The survey will remain open until May 31, 2022.

**Presentation:  
Cherry Cayabyab,  
KAYA Strategik –  
Verdant's DEI  
Priorities**

Ms. Cayabyab presented her final report of the Diversity, Equity, & Inclusion (DEI) consultation she provided for Verdant. Her process included interviews of 8 staff, 18 community partners, and 14 organizations to assess Verdant's DEI work. From that feedback, she was able to determine themes and create actionable recommendations for Verdant. Her process resulted in five key short-term DEI recommendations for 2022, some of which are already underway:

1. Outreach and Engagement – engage 6-8 Community Health Workers (CHW)
2. Community Relationships – host two facilities open house and Meet & Greets at VCWC
3. Grants and Resources – promote a Community Health Needs Assessment to gather data to inform program and operational planning
4. Operational Plan - create a 2023 operational plan with clear implementation goals and budget
5. Leadership – promote personal and professional growth, relationship, and team building

The estimated budget impact of these DEI recommendations ranges from \$37,000 to \$43,000. At the end of her report, Ms. Cayabyab included a few best practice case studies from several nonprofit organizations, as well as the interview questions she asked staff during her process.

**Commissioner  
Comments**

Commissioner Brennan spoke about the AWP/WSHA conference last week where there was a very powerful DEI

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speaker. She understands that Verdant staff is working full-time and exposed to this DEI work every day and that the Commissioners will need to include this in their strategic plan. Commissioners Distelhorst and Knutsen attended the annual Step-Up conference which spoke about racial equity.

Commissioner Wilson would like to better analyze equity in the community before adopting the DEI report recommendations.

Commissioners are interested in having a study session prior to their strategic planning meeting to focus specifically on DEI work. In addition, the Board committees will also be discussing these DEI efforts at their upcoming committee meetings.

**Executive  
Committee Report**

President Distelhorst reported that the Executive Committee met on Wednesday, May 18, 2022 to review the agenda for the May 25, 2022 board meeting. No action was taken at this time.

**Finance  
Committee  
Report:**

The Finance Committee met on May 12 and May 24, 2022 to review warrants and financial reports for the May 25<sup>th</sup> board meeting.

**Review of  
Financial  
Statements**

Ms. Simpson reviewed the financial statement and cash activity for April 2022 and noted any transactions out of the ordinary from the warrants payment list (E:41:22). There were some 12/31/21 adjustments needed before the annual audit. These adjustments resulted in a favorable \$400,000 impact for the District. April included a couple surprise expenses, one of which was ~\$75k in security expenses that needed to be booked to one month. Other month-to-month variances will show in reporting. There are two vacancies at Kruger Clinic which result in a rental income loss.

Program expenses fell below the 80% goal (77%) due to "All Other Operating Expenses" not being included in the pie chart visual previously. This was an omission from Ms. Simpson's predecessor and will be corrected going forward. The grant payment cycles also make the program expense figure fluctuate – so falling below the 80% goal is not a permanent trend.

Commissioner Wilson commented that the work Ms. Simpson is doing to reconcile and cleanup the District's financial reporting is remarkable and greatly appreciated.

There is around \$1 million in urgent repairs needed for the Kruger Clinic which were not budgeted. This includes the roof repair which we are already planning for but also the replacement of 19 HVAC units from the 1980s. These HVAC units will be replaced in batches over the next 20 years.

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At the bottom of the Statement of Income -Actual v Budget report, Ms. Simpson requests that the minutes reflect a clarification to her notes in the "Program Payments" table at the bottom. COVID and Superintendent's Discretionary funds are separate. Superintendent's Discretionary has a budget of \$100,000.

Commissioner Knutsen asked if we are moving forward with hiring a Treasurer and Fiscal Specialist since we are currently paying a lot of money for an accounting specialist consultant. Dr. Edwards answered that the Finance Committee is reviewing the accounting duties needed on a go-forward basis versus what is cleanup hours now as Ms. Simpson gets caught up on District financials. Commissioner Wilson said that in the past we have had an outside Treasurer, someone not in-house, and also an outside accounting firm to monitor processes. She is not comfortable hiring a new staff person until we know how much of Ms. Simpson's extra hours are dedicated to cleanup versus day-to-day duties.

**Authorization for payment of vouchers and payroll**

Authorization for payment of vouchers and payroll: Warrant references A-C for payment in April 2022 in the amount of \$293,169.86, were presented for approval. (E:42:22)

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

**Program Committee Report**

Ms. Reese, MPA, provided an overview of program activity and grantmaking for April 2022. (E:43:22)

**Conflict of Interest**

Commissioner Brennan has conflict with University of Washington.

**Grant Modification Requests**

Ms. Reese, MPA, presented one grant contract modification for Board approval.

Agency	Program	Current Grant terms	Modification Request	Committee Recommendation
Evergreen Recovery Centers	Bidirectional Substance Use Disorder Treatment	6/1/2021-9/30/2022 \$354,400	Request reduction in number of individuals served/encounters due to delay in implementation of new EHR and impact of COVID on planned community outreach. All staff have been hired, work is in progress, and insurance companies are starting to reimburse- just less volume year 1 than planned.	Approve as requested.

***Motion was made by Commissioner Wilson, seconded by Commissioner Brennan and passed to approve the grant modification request for Evergreen Recovery Center. Commissioner Knowles was not present for the vote.***

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**COVID-19 Grant Requests**

None.

**Superintendent's Discretionary**

Ms. Reese, MPA, presented two ideas in progress for Board approval. The Edmonds School District program for the SBHC site design is part of an \$11MM request going through the county. This \$5,000 in funding is just to get the site started with its utility hookup.

Agency	Program	Contract Duration	Amount	Committee Recommendation
Community Foundation of Snohomish County	Applicant Coaching and Support	6/1/22-12/31/22	\$25,000	Approve
Edmonds School District	Meadowdale Highschool SBHC Site Design	5/1/22-8/31/22	\$5,000	Approve
		<b>Total</b>	<b>\$30,000</b>	

Community Foundation of Snohomish County:

***Motion was made by Commissioner Knutsen, seconded by Commissioner Wilson and passed to approve. Commissioner Knowles was not present for the vote.***

Edmonds School District:

***Motion was made by Commissioner Knutsen, seconded by Commissioner Brennan and passed to approve. Commissioner Knowles was not present for the vote.***

Ms. Reese, MPA, presented a table showing grant applications submitted for Q2. She explained the Q2 submitted applications will be presented at the June 29<sup>th</sup> Board meeting, for a funding start date of 7/1/22.

Referring to the last column in the table for "Amount requested adjusted to new caps," Commissioner Knutsen pointed out that the Board is moving in the opposite direction of what the community requested to not limit as much the amount of basic operating expenses Verdant would cover with its grantmaking. This was a point that was brought up in KAYA Strategik's DEI analysis in their interview of community members.

**Grant Contract Start Date Standardization**

Ms. Reese, MPA, provided some background on historical grant terms and requested from the Board to approve 13 or 14-month grant periods for four organizations, to sync them up to the current quarterly grant start dates.

Commissioner Wilson agreed this is a good step to streamline the grantmaking process.

Commissioner Brennan asked if there are any organizations that don't spend all the money they receive from Verdant. Ms. Reese, MPA, explained that yes, a few organizations don't spend

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all their funds, but she works closely with them to submit no-cost extensions to give them more time to spend the money.

***Motion was made by Commissioner Knutsen, seconded by Commissioner Wilson and passed to approve the grant contract start date standardization proposal. Commissioner Knowles was not present for the vote.***

**Other Items:  
Community  
Perspectives  
Survey**

Ms. Konstanski provided a recap of the goal of our Community Perspectives Survey to support our strategies, programs, and operational priorities. In addition to the survey, Verdant also had a few ranking activities at various community events so there have been 450 touchpoints to gather this data. We are utilizing data from about 15 different community health needs data reports to determine the needs. We will identify and code responses utilizing three Verdant staff members and three non-Verdant community members. Once coding is complete, we will share the initial data with our community partners to ask if there was anything we missed. From there, we can re-review and re-code the survey with a new perspective. Ms. Konstanski will share the written steps for our survey process with all Commissioners.

Commissioner Wilson commented that Verdant's priorities right now have an expanded scope due to COVID, like focusing on housing, food security, but she would like to get back to advocacy efforts, so we can support these organizations at a higher level and weigh in on policy on behalf of these organizations who need our support.

**Commissioner  
Comments**

President Distelhorst spoke about how great it was to meet in person again and appreciates the staff's hard work. Commissioner Knutsen reiterated the well-done for the Verdant staff.

**Adjournment**

The meeting was adjourned at 10:00 a.m. by President Distelhorst.

**ATTEST BY:**

DocuSigned by:  
*JSDistelhorst*  
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President

DocuSigned by:  
*Karianna Wilson*  
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Secretary