

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

BOARD OF COMMISSIONERS

Special Meeting

Hybrid: In-Person at Verdant Community Wellness Center and via Zoom
October 25, 2022
6:00 p.m.- 8:30 p.m.

**Commissioners
Present**

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

Staff

Dr. Lisa Edwards, Superintendent
Riene Simpson, CPA, Director of Finance
Kaysi Kelly, Executive Assistant/Office Manager
Nancy Budd, Community Social Worker
Leslie Silverman, Interim Director of Community Impact & Grantmaking

Guests

Margot Helphand, Facilitator

Call to Order

The special meeting of the Board of Commissioners of Public Hospital District No. 2, Snohomish County, was called to order at 6:09 p.m. by President Distelhorst.

**Land and
Enslaved People's
Acknowledgement**

President Distelhorst read the acknowledgement.

**Review of
Operating
Agreement**

Ms. Helphand explained that the Operating Agreements are different than the Bylaws and are meant to be working agreements between the Commissioners themselves and Commissioners and the Superintendent.

Commissioner Knutsen added that the Board initially started discussing these operating agreements to build trust with each other and work closer together in committees. Some places the Board has had the most issues were between the Board and the Superintendent, regarding roles and powers.

Ms. Helphand walked Commissioners through each section of the Operating Agreement document, making edits along the way (E:106:22).

II. Governance Principles:

- Bullet #5: Commissioner Knutsen commented that copying the Superintendent on correspondence between

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each other and staff only works if there is an understanding of roles between the Superintendent and the Board.

- Bullet #5: Commissioner Wilson asked what the agreement is between our HR consultant, Kara Turner, and the Board if there is an issue with the Superintendent or staff. Dr. Edwards clarified that it is within Ms. Turner's contract to communicate with the Executive Committee on such matters.
 - Dr. Edwards suggested we could have Ms. Turner come back to Verdant quarterly for office hours to give staff an opportunity to talk with her about any concerns they might have with the Superintendent.

III. Conflict of Interest Principles:

- Bullet #1: Commissioner Brennan suggests spending more time with new Commissioners regarding Conflicts of Interest and what constitutes it.

IV. Board Meeting Operational Agreements:

- Bullet #1: Ms. Helphand asked Commissioners if they feel they are receiving the meeting materials with enough time to be prepared for the meeting?
 - Dr. Edwards commented that the goal as staff is to provide the regular meeting packet to the Board the Friday before the regular Wednesday meeting. She suggests for 2023 if we can come up with the regular committee meeting schedule and stick to it, this helps us prepare for the monthly Board meeting materials in advance.
- (New Addition) Consent Agendas: Ms. Helphand explained these are used for routine actions that everyone can review on their own time, such as meeting minutes. The Executive Committee would add minutes, asset surplus, etc. to the consent agenda, then at the Board meeting someone makes a motion to approve the consent agenda. Anyone is allowed to remove an item from the consent agenda.
- (New Addition) Master Calendar framework: Dr. Edwards is hoping to create a master 2023 calendar, including special meetings for larger discussions for the full Board such as reviewing annual budget, Superintendent performance review, Board self-assessment, annual review of strategic plan. Previously, these larger annual review items happened at a retreat over an entire weekend. We will explore this as an option in Fall 2023.

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V. Communication Agreements:

- Bullet #2: Commissioner Brennan wants to make sure Commissioners are unified in how they speak with the community about funding decisions (i.e. talking points).
- Bullet #6: Commissioner Wilson asked how we are supposed to answer questions from the public, such as in our Community Forums, when Commissioners are not supposed to speak on behalf of the entire Board.
 - Dr. Edwards clarified that there were talking points provided to the Board during the strategic planning process and staff is developing FAQs from the first community forum that Commissioners can review for future community forums.

VI. Annual Planning and Evaluation:

- Bullet #2: Commissioner Knutsen commented that there hasn't been priorities set for regular professional development.
 - Dr. Edwards added that Board members have participated in WSHA, AWPMD, and MRSC trainings and their annual performance review with Margot in 2021.

VII. Orientation of New Board Members:

- Commissioner Brennan suggested to revise this bullet to "Assure ongoing orientation of new Board members."

VIII. Role of Board Leadership:

- Bullet #3: Commissioner Wilson asked if we need to clarify the role of the Executive Committee since this agreement says they are only meant to review the meeting agendas.

IX. Expectations of the Superintendent:

- Bullet #14: Commissioner Brennan asked if Commissioners can receive the agenda ahead of time, separate from the packet, to at least notify what will be discussed before getting the full packet.
 - Dr. Edwards warns about posting the agenda online and revising it for the public too much. If we have the meeting topics ahead of time, and don't anticipate any last-minute changes, we can certainly provide the agenda to Commissioners earlier than the packet.

Commissioners agreed to move forward with these final edits and adopt the operating agreement. We will begin using the Consent Agenda at the November 16th regular Board meeting.

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BREAK 7:25-7:30pm

**Review of
Committee
Charters**

Ms. Helphand walked Commissioners through each committee charter and discussed potential revisions (E:107:22). The committee charters include Executive Committee, Finance Committee, Program Oversight Committee, Strategic Collaboration Committee, and Medical Advisory Board Committee.

Executive Committee:

- Commissioners discussed revisions to the duties of the Executive Committee to be more in line with its actual responsibilities.

Finance Committee:

- Commissioner Wilson suggests a quarterly or semi-annual meeting just to review financial reports in more depth for more than we get in the regular monthly Board meeting.
 - Dr. Edwards suggests a July mid-year review in order to have 6-months of financial data.

Program Oversight Committee:

- Dr. Edwards proposed to have the Program Committee meet every other month since there will be fewer grantmaking cycles going forward.
 - Commissioner Knutsen disagreed. Even though we are reducing the number of grant cycles, meeting monthly could give us more of an opportunity to discuss internal programs since we have been bombarded with so many external program reviews.

Strategic Collaboration Committee:

- Commissioner Wilson wants to limit the number of people on the Strategic Collaboration committee to only those who are required per the charter. Over time, Program staff had been added and sometimes Finance staff has been added. Howard Thomas was added as a mediator to the financial review. These additional attendees would be OK on an as-needed basis but not for every quarterly meeting.
- Dr. Edwards suggests we keep these committee meetings as quarterly or even twice per year and keep it open to provide discretion in who is invited.
- President Distelhorst pointed out that the charter says that the Public Hospital District and Swedish will co-chair the committee but Verdant has been leading the meetings for the past year. Commissioner Knowles said

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previously he and the Swedish chair would switch running every other meeting.

Medical Advisory Committee:

- President Distelhorst recommended removing this Charter as it has not been used in at least four years. Commissioners agreed.

Action items from today's meeting:

1. Create a master annual calendar for the Board and its committees, including a mid-year financial meeting with the full Board.
2. Develop talking points for Commissioners regarding the strategic plan and our changing funding priorities.
3. Utilize consent agendas starting with November 2022 regular Board meeting.
4. Approve the committee charters at the November 2022 regular Board meeting, with the removal of the medical advisory committee charter.
5. Approve the operating agreement at the November 2022 regular Board meeting.
6. Draft and approve a long-term financial plan, including the Reserve budget amount and the number of days cash on hand for operating the hospital.

**Future Topics for
Strategic
Collaboration
Committee and
Board Study
Sessions**

Dr. Edwards will work with staff will create a master Board calendar and bring it through November committees.

Commissioner Wilson requested to have an executive session in one of our upcoming Board meetings with our consultant Howard Thomas about the Reserve budget since there are legal implications.

- President Distelhorst would like to have a meeting with Howard Thomas before the November 15th community forum.
- Commissioner Knowles suggested maybe not to use Howard Thomas and find another consultant who can help us analyze the Reserve number.
- Dr. Edwards and Ms. Simpson recently met with Keith Klevin who would like to have a retainer of \$5,000 to present to our Board as long as we reach out to Piper Sandler if we go out for financing in the next 3 years. Piper Sandler does almost all the financing for Public Hospital Districts in Washington state. Dr. Edwards will meet with Mr. Klevin again to explore a free option for sharing this information with the board.

Adjournment

President Distelhorst adjourned the special meeting at 8:45pm

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ATTEST BY:

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JS Distelhorst

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President

DocuSigned by:

Karianna Wilson

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Secretary