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MINUTES OF THE BOARD OF DIRECTORS' MEETING
September 24, 2026, 5:00pm
Burlington Public Library (with Teams hybrid optioni)

In attendance:
Members of the Board:

Public Sector:
Melissa Beaton – present
Ron Wesen – present
Danny Hagen – not present
Ash Gregorius – present
Elli Haddick – present

Private Sector:
Kate Bennett – present
Silvia Reed – present
Gregg Davidson – present
Morgan Curry – not present
Carl Young – present

Client Sector:
Kati Ortiz – present
Heather Wallace – present
Loly Gomez – not present
Katya Matsko – not present
VACANT

Staff: Bill Henkel, Sandi Phinney

I. CALL TO ORDER

Vice President Carl Young called the meeting to order at 5:09 pm (delayed due to technical issues, being hybrid).

QUORUM PRESENT

II. CONSENT AGENDA

Minutes from the May 28, 2026 Board of Directors Meeting
Minutes from the June 18, 2026 Board of Directors Meeting
Summary of the Agency Risk Assessment
Correspondence: Meals on Wheels Day 1 Update Upper Skagit Library in Concrete with new Director Skagit Council on Aging to Operate Mount Vernon and Burlington Senior Centers 2026 HUD NOFO Update Tina Tate board resignation email Trump Administration Escalates Campaign to Dismantle Head Start 2027 Budget update from County Cash strapped Burlington-Edison School District to see increased state oversight Community Action & Skagit Friendship House Partnership

Division Reports: Melissa Self, Jazmin Flores and Sandi Phinney, Michele Metcalf, and Karsyn Hanson

Motion to approve the Consent Agenda made by Melissa, seconded by Silvia. Passed unanimously.

III. DISCUSSION AGENDA

6. Finance; Beaton

As Ayumi is on her way back from Leadership Skagit retreat, Melissa reviewed the September Finance Report (through the month of July, as each report runs two months behind). Melissa went through some of the items that were not in line with monthly percentage projections, such as Donations (which are ahead of schedule), and Program Expenses (which were higher than anticipated, because of the purchase of the E Van for Energy). We remain well in positive territory for the year, though the month was negative, largely due to direct service payments for $$ received upfront, such as flood response supports. Our days' cash on hand is 65, which is trending upward from previous month.

We were hoping for the audit report presentation this evening, but will have to reschedule for our October Board meeting, as the auditor requested some last minute reconciling, especially for the in-kind food donations at the Food Distribution Center. And because that in-kind amount was above a certain threshold dollar value, they also are requesting additional information for some federal funding sources that flow through the Center. Though we already had been presented a draft of a clean audit, we will need to wait on reconciliation, and the presentation at the October Board.

Motion to approve the September Finance Report (through July) made by Gregg, seconded by Eli. Passed unanimously.

7. State of the Agency; Henkel

Prior to reviewing the monthly Dashboard (item 7), Bill went through a few additional items, such as the revised Executive Director Succession plan that was part of the Consent Agenda. The main change has to do with Melissa, our Deputy Director, retiring. Her position was named in our current Plan as the interim Executive Director in case of a temporary or permanent absence of the Executive Director. We are now changing that to the Chief Strategy Officer as the interim. The updated Success Plan also identifies who fills in for other key positions, such as HR, IT, Finance and Facilities.

Bill expressed sadness that Tina had to resign from the Board, as she now needs to focus on her work at Habitat, which is experiencing some financial issues. He also celebrated that Lolly was recently appointed ED of Upper Skagit. In addition, there are lots of significant changes of agency leadership staff internally, including Melissa's position (as she will be departing for her retirement, likely in late November). We are in the midst of interviews now for that Director level position, and grateful that we have strong candidates. Karsyn also recently stepped into her role as our new Community Engagement Director, after Liz's departure to care for her mother. Also, as we get ready for Kulshan Vista Village, we have several areas of adjustment and additions to staffing, such as hiring a new full time Community (rental) Manager, as well as a Resident Services Coordinator to support both sites. As our Finance Department was already thin, we expect we'll need another finance person to support the finance side of housing management, as well as dedicated facilities/maintenance support (which would likely save money compared to contracting for facility support). Lastly, with Michele focusing more on the operations side of housing, we'll likely need someone to focus on the development/pipeline side of housing development. The cash flow between the two sites supports most of these functions, and the developer's fee associated with Kulshan Vista capital fundraising should allow us to hire a development focused position, though we will need to sustain that through future project activities.

Bill then provided an overview of the Dashboard, starting with trends in needs and services. One issue focus highlighted in our 2026 work plan was looking at our role in serving seniors, potentially expanding from our current modest footprint. We garnered some higher level observations provided by a panel at a recent Population Health Trust meeting, with two local experts in issues related to older Skagitionians, Renee Cochran from Skagit County, and Dr. Connie Davis, from Skagit Regional Health. They shared that our community is seeing increasing challenges for seniors, including in retaining housing, accessing and keeping up with technology, general navigation of resources, increasing employment well beyond typical retirement age, belonging and loneliness, and basic nutrition. Heather shared a story of a senior she knows who is struggling with health insurance, plus transportation challenges. We're hearing more stories of people coming in needing more navigation. We have been discussing the idea of having a point person, such as an identified Care Specialist focused on assisting seniors, to help assess seniors, and work to connect them to support and respond to comprehensive senior needs. Heather also explained how the new work requirements related to Medicaid changes are affecting people.

Bill highlighted that the County has projected a 30% (approx. $47k) cut to the Concrete Center contract starting January 1, and the Skagit County General fund will also be in its third year of cuts (to 25%, a reduction from approx. $200k to just below $50k in 2027). We're in conversations to identify how to fill that gap.

Within Community conversations, Bill noted that partnership with Jason Wells and Friendship House, and thanked all who participated in our recent Anacortes Resource Center tour. SCOG helped to fund our new resource guide. CREAT hosted meetings with a number of local elected officials, such as state Rep Alex Ramel, and council members from Sedro Woolley and Burlington. A group of us also had a great conversation with the interim Skagit Valley College president, Tom Keegan, to discuss a potential partnership around phase two of Kulshan Vista Village. We will schedule follow up meetings in October and November with him and his team to explore further.

Note that the summary of the results of a recent Agency Risk Assessment is in the Board packet and has been presented to the board. We conduct these assessments regularly, following the requirements of our federal Organizational Standards. Among the suggestions emerging from this Risk Assessment is to seek legal review of more complex federal or state contract, such as the recent WSDOT contract. The full summary is in the Board packet, item 3.

Board Committee focus: Housing Work Group and CREAT; Davidson

Gregg provided an overview and status report on two Board committees he serves on or chairs, the Housing Work Group and CREAT.

Housing Work Group

The Housing Work Group was created when the agency began to develop affordable housing, and is currently chaired by former Board member, Richard Brocksmith, who was instrumental in our earliest stages of housing development. It is time for a committee refresh, to ensure the connection to our Board is strong (likely with a chair who is an active Board member), and to re-focus on future-looking strategy (while a separate committee may be appropriate that includes our various contractors, to monitor and guide the progress of projects, especially leading up to and during construction). In addition, the committee would benefit with expanded membership, especially as one of its central members, Tina Tate, had to step down to focus on her work at Habitat. The committee should have an important role in developing a 3-5 year business plan for housing development. This includes defining more clearly our target tenant populations, and thus the type of partnerships, locations and opportunities to focus on – as well as the staffing and committee structure necessary to sustain and grow our efforts. In the meantime, the committee has been busy on project-related items, such as seeking impact fee deferrals and waivers on Kulshan Vista, and launching our efforts to line up phase two funding and support. A group of us also met with Skagit Valley College president, Tom Keegan, to explore a possible partnership around Kulshan Vista phase two

Carl mentioned that BP&E has been working on recruiting committee members, not just board members. Gregg suggested restructuring the Housing Work Group as an initial step, then recruiting people to join. Elli counseled us to be aware of the broader implications of waiving impact fees, especially for local school districts whose budgets

are already strapped. Melissa explained the different type of impact fees, and that the school district itself would have to endorse the impact fee waiver for the portion that goes to schools.

CREAT

Gregg shared that our advocacy and policy group, CREAT, continued to meet through summer and hosted several conversations with local and state elected officials, as Bill mentioned earlier. Here, too, we hope to expand committee membership, though we're grateful that Jason Wells from Friendship House and Jeremy Moselle have both joined. In lobbying and advocating for issues and policies central to Community Action's mission, we rely heavily on the lead of our state Community Action association, WSCAP, as well as the National Community Action Foundation, NCAF, to help us steer and focus our work on the state and federal level. A major focus of CREAT's work is to prepare for the next state Legislative session, which officially begins next January 11. Many of our state partners are counseling us to focus on preserving our existing funding, not search for new funding, as the state budget is challenged on several fronts – though capital funding for housing development may remain strong. In CREAT's commitment to bring client voice to the table, we need to do some pre-work to help support and prepare those voices. CREAT also has an important role with capital funding for Kulshan Vista phase 2. Another priority issue is preparing for and addressing the impacts federal changes and cuts to Medicaid.

On the topic of preparing low income voices to participate in the work of CREAT, Sandi noted that one of our Shriver Fellows would love to be engaged in advocacy, especially for families. Also, two other states have been able to negotiate direct legislative allocations to support Whole Family Approach work. Even if this is not the year to expand that type of funding, in other states it took developing relationships and a few years to make it happen.

Board Planning and Engagement Committee; Young and Phinney

Carl and Sandi shared that Board Planning & Engagement met two days prior, and received helpful guidance and input into focusing Board Work Plan priorities. The group also reviewed the October Board retreat draft agenda thus far, and offered some ideas on the focus of the bigger picture strategic discussion at the retreat. The possible discussion topics suggested included affordable housing and our niche, the agency's role in supporting seniors, preparing for the "white water" of changing times, legislative and policy strategies within the challenging funding horizon, how to continue to expand our work with the Whole Family Approach, as well as the agency's approach in investing in and dealing with AI. Though there was an extensive conversation of the latter, the consensus was to focus that portion of the conversation on reviewing an AI policy (in process), as a guard rail to how we use AI, and creating safety and confidentiality for our clients and staff therein.

Ash gave examples of our AI policy placing safeguards, and suggested we don't need to go so deep into the weeds. Kati suggested a focused discussion on leadership and priorities for advocacy. Housing was also suggested by Gregg and others as a good second topic, especially as we look to develop a 3-5 year housing business plan, which will need to align with our overall strategic plan.

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Sandi promised to bring our draft AI policy to the retreat, and provide a brief update on our AI work thus far, and it will be continue to be on our yearly Work Plan.

IV. ADJOURN: Meeting adjourned at 6:41pm

BOARD REVIEW & APPROVAL: ☐ Approved as submitted ☐ Approved with changes noted below

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■ Board Secretary ☐ Acting Board Secretary Date Signed