



Two Rivers
HEALTH DISTRICT

KENNEWICK PUBLIC HOSPITAL DISTRICT

**Board of Commissioners
Packet**

Wednesday, April 26, 2023

Hybrid Meeting

via Zoom and

Trios Care Center at deBit Building

320 W. 10th Ave. Kennewick, WA 99336

5:00 p.m.

Kennewick Public Hospital District
Kennewick, Benton County, Washington
Consent Agenda
April 26, 2023

All Materials under the Consent Agenda are considered routine by the Board of Commissioners and will be adopted by one motion in the form listed below. There will be no separate discussion of these items. An item may be removed from the Consent Agenda and considered separately if the board members or the public desire further discussion.

1. Approval of Minutes

a. Meeting Minutes, March 20, 2023

Minutes

Kennewick Public Hospital District
Thursday, February 23, 2023 | Hybrid Meeting
5:00 PM
February Board meeting
MINUTES

ATTENDANCE: Mark Brault, Marv Kinney, Steve Blodgett, Gary Long, Rick Reil, Wanda Briggs, Sheila Dunlop, Lee Kerr, Erica Davis, Salem Thompson, Heidi Ellerd

CALL TO ORDER

The District provided a link for parties to participate through Zoom. There were some participants who joined via Zoom.

Commissioner Brault called the meeting to order at 5:00 pm

I. District Business:

II. Regular Board Meeting Business

A. Approval of Consent Agenda

IT WAS MOVED AND SECONDED TO APPROVE THE MINUTES AS SUBMITTED. ALL IN FAVOR. NO DISCUSSION. MOTION CARRIED.

B. Public Comment –

Mr. Scott Carpenter gave public comment but submitted no written comments to include for the record.

III. NEW BUSINESS:

A. Reports

1. Lee Kerr – Superintendent, General Update - Lee joined remotely but the connection was not stable enough to provide a report.
2. Legal Report - Heidi Ellerd, Legal Counsel
 - a. Updates - Work continues on existing records requests.
3. Administrative Report, Salem Thompson, Board Coordinator
 - a. DeBit office space update – Nothing new to report.
 - b. Records work update – We have identified several boxes of records eligible to be transferred to the Archives. Review and recommendations for the online records continues.

B. Committee Reports/Recommendations

1. Finance Committee – Steve Blodgett, Finance Chair / Nathan Burt
 - a. Acceptance of January 2023 financial statements– Overview by Nathan Burt
IT WAS MOVED AND SECONDED TO APPROVE THE FINANCIAL STATEMENTS AS SUBMITTED. ALL IN FAVOR. NO DISCUSSION. MOTION CARRIED.
 - b. Approval of payments and disbursements for January 2023 –
IT WAS MOVED AND SECONDED TO ACCEPT THE PAYMENT AND DISBURSEMENTS AS SUBMITTED. ALL IN FAVOR. NO DISCUSSION. MOTION

CARRIED.

- c. Treasurer's Report – Steve Blodgett - Details given below.
- d. 2021-2022 SAO Audit – Work has been completed.
- e. 2022 Financial Audit – Work has begun, and items are being submitted for review.
- f. Richmond Trust Resolution for 2022 – Rick Reil read the resolution title.

IT WAS MOVED AND SECONDED TO APPROVE THE RICHMOND TRUST RESOLUTION 2023-1. ALL IN FAVOR. NO DISCUSSION. MOTION CARRIED.

- 2. Governance Committee Updates – Mark Brault
 - a. Election Costs and follow-ups – Lee Kerr is communicating with the County to attempt to lower our costs for elections. Heidi offered to assist with the effort if she is needed.
 - b. PDC Filing reminder for commissioners. Please file in a timely manner.
- 3. Planning Committee – Wanda Briggs
 - a. No planning meeting in February – No report this month.
- 4. Adult Day Services – General Update: Rick Reil/Steve Blodgett
 - a. General update – Negotiations with a potential long term tenant for their North building continues which is very encouraging. Census continues to grow. Financials are stable.

IV. Executive Session – NONE

V. COMMISSIONER COMMENTS –

VI. Upcoming items – NONE

VII. BOARD MEETINGS/EVENTS/EDUCATION

Next Regularly Scheduled Board Meeting – Thursday, March 30, 2023 @ 5:00p.m.

Close of Meeting 5:29 pm

Kennewick Public Hospital District
Wednesday, April 26, 2023 | Hybrid Meeting

5:00 PM

April Board meeting

AGENDA

I. District Business:

II. Regular Board Meeting Business

A. Approval of Consent Agenda*

B. Public Comment –

III. NEW BUSINESS:

A. Reports

1. Lee Kerr – Superintendent, General Update
2. Legal Report - Heidi Ellerd, Legal Counsel
 - a. Updates
3. Administrative Report, Salem Thompson, Board Coordinator
 - a. DeBit office space update
 - b. Records work update

B. Committee Reports/Recommendations

1. Finance Committee – Steve Blodgett, Finance Chair / Nathan Burt / Erica Davis
 - a. Acceptance of March 2023 financial statements* – Overview by Nathan Burt / Erica Davis
 - b. Approval of payments and disbursements for March 2023*
 - c. Treasurer’s Report – Steve Blodgett
 - d. 2021-2022 SAO Audit – update
 - e. 2022 Financial Audit – update
2. Governance Committee Updates – Mark Brault
 - a. General update
 - b. Election filing deadlines
3. Planning Committee – Wanda Briggs
 - a. General update
4. Adult Day Services – General Update: Rick Reil/Steve Blodgett
 - a. General update

IV. COMMISSIONER COMMENTS

V. Upcoming items –

VI. BOARD MEETINGS/EVENTS/EDUCATION

Next Regularly Scheduled Board Meeting - Thursday, May 25, 2023 @ 5:00p.m.

Close of Meeting

Financials

Management Reports

Kennewick Public Hospital District
For the period ended March 31, 2023

Prepared by

Epic Tax Solutions a Subsidiary of Epic Trust Financial Group

Prepared on

April 5, 2023

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These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them. Additionally, management has chosen to omit formal notes to these interim monthly financial statements. However, district leadership have provided explanations on select accounts below.

Financial Statement Explanation of Terms

The District's Financial documents use bookkeeping and accounting terms and phrases that have the following meanings:

Account 200 Community Care Agreement under the "Cost of Goods Sold" Section—This section represents the accounting software category designated for payments required by the Community Care Agreement to RCCH Trios to provide healthcare services which include charity care, reimbursements and on-going hospital operations.

Account 1020 Health Initiative Fund—Funds held to pursue the acquisition of a Recovery Center facility as well as to pursue other unmet healthcare needs in the District. These funds originated from the sale of Lifepoint's interest in the Tri-City Cancer Center. Lifepoint donated the proceeds of the sale to the District. Lifepoint Health, Inc. owns and operates Trios Hospital.

Account 1040 Worker's Compensation Account—This is a pass-through account with funds received from Trios RCCH to benefit pre-petition employees who are receiving workman's compensation benefits. It is beyond the requirements of the Community Care Agreement and provided by Trios RCCH to benefit prior and continuing employees.

Account 2001 Richmond Trust Account—This is a Legacy Trust with an income interest donated to the District by Mrs. Richmond. Baker Boyer Bank acts as the trustee.

Account 2100 Adult Day Services Loan Account—The District borrowed funds from ADS in mid-2019 to satisfy a long-term debt owed to the Kennewick Liquidation Trust. Principal and interest payments are made quarterly on a 10 year amortization schedule. The amortization schedule was shortened in October 2022 following a large, additional principal payment of \$120,000. The loan is now expected to be paid off in October, 2025.

Account 3000 Auburn Building Account—After the 2018 bankruptcy, the District retained ownership of a building located in the Kennewick Medical Center, which for a time was used as office space. It was listed for sale in 2021 and sold in May 2022.

Statement of Activity With Year to Date

March 2023

	Mar 2023	Total Jan - Mar, 2023 (YTD)
REVENUE		
100 Property Tax Revenue	102,114.33	153,559.90
Total Revenue	102,114.33	153,559.90
COST OF GOODS SOLD		
200 Community Care Agreement	81,691.46	122,847.92
Total Cost of Goods Sold	81,691.46	122,847.92
GROSS PROFIT	20,422.87	30,711.98
EXPENDITURES		
305 Bank Fees	422.84	1,187.86
315 Commissioner Mtg Stipend	1,280.00	5,245.00
320 Facilities Expense		
323 Utilities	90.00	135.00
Total 320 Facilities Expense	90.00	135.00
330 Legal and Professional		
331 Attorney Fees	431.50	779.50
332 Accounting	1,457.00	4,371.00
333 Audit Expense		255.42
335 Administrative Support	2,500.00	7,500.00
336 Other Professional Fees	832.64	2,439.22
Total 330 Legal and Professional	5,221.14	15,345.14
340 Office Expenses	189.13	2,981.27
342 Public Records Request	1,600.00	2,995.00
343 Records Management		325.00
347 Public Election Costs		14,655.66
360 Superintendent Compensation	3,600.00	9,900.00
400 Travel		637.60
Total Expenditures	12,403.11	53,407.53
NET OPERATING REVENUE	8,019.76	-22,695.55
OTHER REVENUE		
900 Richmond Trust Income		3,359.25
950 Worker's Comp Reimbursements	6,642.29	20,155.06
960 Interest and Dividend Income	2,781.41	5,086.53
Total Other Revenue	9,423.70	28,600.84
OTHER EXPENDITURES		
800 Workers Comp Claims Paid	8,623.11	20,384.31
810 Interest Expense		1,701.21
Total Other Expenditures	8,623.11	22,085.52
NET OTHER REVENUE	800.59	6,515.32
NET REVENUE	\$8,820.35	\$ -16,180.23

Statement of Financial Position

As of March 31, 2023

	Total
ASSETS	
Current Assets	
Bank Accounts	
1010 US Bank Checking 4037	334,733.47
1020 Health Initiative Reserves 2765	2,000.00
1030 US Bank 6221	100.00
1040 Key Bank Worker's Comp	11,213.20
Total Bank Accounts	348,046.67
Other Current Assets	
1105 Tax Receivable	705.00
Total Other Current Assets	705.00
Total Current Assets	348,751.67
Other Assets	
2001 Richmond Trust (Restricted)	569,724.75
2008 Local Government Investment Pool	684,994.79
Total Other Assets	1,254,719.54
TOTAL ASSETS	\$1,603,471.21
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2020 Accounts Payable	124,879.42
2021 AP - ADS	3,240.00
Total Accounts Payable	128,119.42
Credit Cards	
2024 U.S. Bank CC (4195)	279.13
Total Credit Cards	279.13
Total Current Liabilities	128,398.55
Long-Term Liabilities	
2100 Loan from ADS	100,902.79
Total Long-Term Liabilities	100,902.79
Total Liabilities	229,301.34
Equity	
3200 Net Position	479,625.35
3210 Restricted - Expendable	341,000.00
3220 Restricted - expendable Richmond Trust	569,724.75
Net Revenue	-16,180.23
Total Equity	1,374,169.87
TOTAL LIABILITIES AND EQUITY	\$1,603,471.21

Statement of Cash Flows - Last Month

March 2023

	Total
OPERATING ACTIVITIES	
Net Revenue	8,820.35
Adjustments to reconcile Net Revenue to Net Cash provided by operations:	
2020 Accounts Payable	82,890.32
2024 U.S. Bank CC (4195)	-4.38
Total Adjustments to reconcile Net Revenue to Net Cash provided by operations:	82,885.94
Net cash provided by operating activities	91,706.29
INVESTING ACTIVITIES	
2008 Local Government Investment Pool	-2,756.71
Net cash provided by investing activities	-2,756.71
NET CASH INCREASE FOR PERIOD	88,949.58
Cash at beginning of period	259,097.09
CASH AT END OF PERIOD	\$348,046.67

Check Detail

March 2023

Date	Transaction Type	Num	Name	Memo/Description	Clr	Amount
1010 US Bank Checking 4037						
03/06/2023	Bill Payment (Check)	1664	Advantage IT		R	-1,665.28
						-1,665.28
03/06/2023	Expenditure		U.S.Bank CC (4195)	ACH Debit(s)	R	-283.51
				ACH Debit(s)		-283.51
03/08/2023	Expenditure		EFT Payments (See Detailed List)	ACH Debit(s)	R	-7,380.00
				Dunlop, Kinney, Blodgett, Briggs		1,280.00
				Salem Snowdy		2,500.00
				Lee Kerr		3,600.00
03/14/2023	Expenditure		US Bank	Miscellaneous Fee(s)	R	-115.44
				Miscellaneous Fee(s)		115.44
03/16/2023	Expenditure		Epic Tax Solutions	ACH Debit(s)	R	-1,457.00
				ACH Debit(s)		1,457.00
1040 Key Bank Worker's Comp						
03/31/2023	Expenditure		Workers Comp		R	-8,623.11
						8,623.11
03/31/2023	Expenditure		KeyBank		R	-307.40
						307.40

ACH Report

Kennewick Public Hospital District

From 3/1/2023 to 3/31/2023



Source Code	Date	Debit	Credit	Description	Status
Direct Deposit					
	3/8/2023	7,380.00		Payroll Number: 3	
	3/10/2023		768.00	Steve Blodgett	
	3/10/2023		128.00	Wanda Briggs	
	3/10/2023		3,600.00	Leland Kerr	
	3/10/2023		256.00	Marv Kinney	
	3/10/2023		2,500.00	Salem Snowdy	
	3/10/2023		128.00	Sheila K Dunlop	
	Total:	7,380.00	7,380.00		
	Grand Total:	7,380.00	7,380.00		