



Two Rivers
HEALTH DISTRICT

KENNEWICK PUBLIC HOSPITAL DISTRICT

Board of Commissioners Packet

Thursday, Nov. 21, 2024
Hybrid Meeting

via Zoom and

Trios Care Center at Vista Field
521 N. Young Street Kennewick, WA 99336

5:00 p.m.

Kennewick Public Hospital District

**Thursday, Nov. 21, 2024 | Hybrid Meeting
with Zoom Remote**

5:00 PM

AGENDA

I. District Business:

A. Approval of Consent Agenda*

B. Public Comment –

II. NEW BUSINESS:

A. Reports

1. Lee Kerr – Superintendent, General Update
2. Legal Report - Heidi Ellerd, Legal Counsel
 - a. Updates – Records Requests
3. Administrative Report, Salem Thompson, Board Coordinator

B. Committee Reports/Recommendations

1. Finance Committee – Gary Long/Erica Davis
 - Acceptance of October 2024 financial statements* – Overview by Erica Davis
 - a. Approval of October 2024 payments and disbursements*
 - b. Treasurer's Report – Gary Long
 - c. Audit updates
2. Governance Committee Updates – Mark Brault
 - a. ADS board discussion
 - b. District meeting location discussion
3. Planning Committee – Wanda Briggs
 - a. Communications update
4. Adult Day Services – General Update: Rick Reil/Spencer Harris
 - a. 2025 budget work

III. COMMISSIONER COMMENTS

IV. Upcoming items – NONE

V. BOARD MEETINGS/EVENTS/EDUCATION

Next Regularly Scheduled Board Meeting – Thursday, December 19, 2024 @ 5:00p.m.

Close of Meeting

Kennewick Public Hospital District
Kennewick, Benton County, Washington
Consent Agenda
November 21, 2024

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, October 31, 2024.

Kennewick Public Hospital District
Thursday, October 31, 2024, | Hybrid Meeting
Trios Care Center 521 N. Young St. Kennewick, WA 99336
5:00 PM
MINUTES

Attendance: Mark Brault, Sheila Dunlop, Gary Long, Marv Kinney, Spencer Harris, Wanda Briggs, Rick Reil, Lee Kerr, Heidi Ellerd, Erica Davis, Salem Thompson

I. District Business:

A. Approval of Consent Agenda

1. Approval of Consent Agenda and Meeting Minutes of Regular meeting held September 26, 2024.

IT WAS MOVED AND SECONDED TO APPROVE THE CONSENT AGENDA INCLUDING THE SEPTEMBER 26, 2024, MINUTES. ALL IN FAVOR. NO DISCUSSION. MOTION CARRIED.

B. Public Comment –NONE

II. NEW BUSINESS:

A. Reports

1. Lee Kerr – Superintendent, General Update – Lee Kerr reported on pending litigation. He also updated the board on the meeting with the health department.
2. Legal Report - Heidi Ellerd, Legal Counsel
 - a. Records Requests (updates) – Nothing new to report.
3. Administrative Report, Salem Thompson, Board Coordinator – Nothing new to report.

B. Committee Reports/Recommendations.

1. Finance Committee – Gary Long
 - a. Acceptance of the September 2024 financial statements – Overview by Erica Davis
IT WAS MOVED AND SECONDED TO APPROVE THE SEPTEMBER 2024 FINANCIAL STATEMENTS AS PRESENTED. ALL IN FAVOR. NO DISCUSSION. MOTION CARRIED.
 - b. Approval of the September 2024 payments and disbursements
IT WAS MOVED AND SECONDED TO APPROVE THE SEPTEMBER 2024 PAYMENTS AND DISBURSEMENTS. ALL IN FAVOR. NO DISCUSSION. MOTION CARRIED.
 - c. Gary Long did an update on L&I payments and bank accounts.
 - d. 2023 Audit Status – Gary reported the audit work is still ongoing. He also reported that the District will likely move from one-year audits to an audit every two years.
2. Governance Committee Updates – Mark Brault
 - a. It was reported that the packet that was available to the public to pick up for review of the budget for 2025 had the wrong address on the cover sheet. It indicated the meeting today was at 521 S. Young instead of 521 N. Young. Salem Thompson drove to 521 S. Young at 5:00 pm to ensure that no public had driven to that location to give input at the public hearings today. No one was present and Salem Thompson left that location at 5:09 PM.

- b. Mark Brault closed the regular meeting and opened the public hearing for the levy at 5:19 PM. Gary Long gave a summary on the tax levy for collection in 2025. There was no public comment and Mark Brault closed the public hearing at 5:21 PM. Mark Brault opened the public hearing for the budget at 5:21 PM. He gave a summary of the 2025 budget for the District. There was no public comment. Mark Brault closed the public hearing at 5:22 PM and the regular meeting was re-convened.

IT WAS MOVED AND SECONDED TO APPROVE RESOLUTION 2024-9 SETTING THE TAX LEVY FOR COLLECTION IN 2025. ALL IN FAVOR. NO DISCUSSION. MOTION CARRIED.

IT WAS MOVED AND SECONDED TO APPROVE RESOLUTION 2024-10 SETTING THE 2025 BUDGET. ALL IN FAVOR. NO DISCUSSION. MOTION CARRIED.

- c. Mark Brault reported on the meeting with the health department.
- d. Lee Kerr reported on the surety bond for the District.

IT WAS MOVED AND SECONDED TO APPROVE RESOLUTION 2024-8 FOR THE SURETY BOND. ALL IN FAVOR. NO DISCUSSION. MOTION CARRIED.

- 3. Planning Committee – Wanda Briggs -
 - a. Wanda Briggs reported on the meeting the Planning Committee had on Wednesday. They recapped the District’s goals that were set and had been completed. She also discussed future goals.
- 4. Adult Day Services – General Update: Rick Reil/Spencer Harris

Rick Reil reported on renovations at ADS and Spencer Harris reported on financials for ADS.

- III. COMMISSIONER COMMENTS**
- IV. Upcoming items – NONE**
- V. BOARD MEETINGS/EVENTS/EDUCATION -**

The meeting adjourned at 5:52 PM

Next Regularly Scheduled Board Meeting – Thursday, November 21, 2024 @ 5:00pm

Management Reports

Kennewick Public Hospital District

For the period ended October 31, 2024

Prepared by

Guardian Financial Group

Prepared on

November 5, 2024

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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 1055 Local Government Investment Pool Account -The Local Government Investment Pool (LGIP) is a voluntary investment vehicle operated by the State Treasurer. Over 530 local governments have participated in the pool since it was started in 1986 to provide safe, liquid, and competitive investment options for local government pursuant to RCW 43.250. The LGIP lets local governments use the State Treasurer's resources to safely invest their funds while enjoying the economies of scale available from a \$15-26 billion pooled fund investment portfolio. LGIP's investment objectives are, in priority order: 1) safety of principal, 2) maintaining adequate liquidity to meet cash flows, and 3) providing a competitive interest rate relative to other comparable investment alternatives. LGIP offers 100% li <https://www.tre.wa.gov/wp-content/uploads/LGIP-Investment-Policy-December-2018-1.pdf>quidity to its participants and as such is classified as a 'Cash Equivalent' on the District's balance sheet. LGIP investment guidelines are spelled out in the LGIP Investment Policy found at <https://www.tre.wa.gov/wp-content/uploads/LGIP-Investment-Policy-December-2018-1.pdf>.

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.

Statement of Activity With Year to Date

October 2024

	Total	
	Oct 2024	Jan - Oct, 2024 (YTD)
REVENUE		
100 Property Tax Revenue	184,382.30	1,170,694.52
110 Grant Income		10,000.00
Total Revenue	184,382.30	1,180,694.52
COST OF GOODS SOLD		
200 Community Care Agreement	147,505.84	936,555.61
Total Cost of Goods Sold	147,505.84	936,555.61
GROSS PROFIT	36,876.46	244,138.91
EXPENDITURES		
303 Scholarship Contributions	4,000.00	8,190.40
305 Bank Fees	379.90	3,595.98
315 Commissioner Mtg Stipend	3,059.00	29,418.00
320 Facilities Expense		
322 Rent Expense		421.13
323 Utilities	55.00	550.00
Total 320 Facilities Expense	55.00	971.13
326 Insurance	50.30	13,423.74
330 Legal and Professional		
331 Attorney Fees	495.75	8,206.79
332 Accounting	1,730.00	17,300.00
333 Audit Expense		12,301.36
335 Administrative Support	2,500.00	25,000.00
336 Other Professional Fees	940.26	9,484.12
Total 330 Legal and Professional	5,666.01	72,292.27
339 Licenses and Taxes		25.00
340 Office Expenses	207.53	3,854.65
342 Public Records Request	1,810.00	12,155.00
343 Records Management	975.00	14,630.90
345 Other Operating Expenses		205.48
360 Superintendent Compensation	3,300.00	33,000.00
VOID		0.00
Total Expenditures	19,502.74	191,762.55
NET OPERATING REVENUE	17,373.72	52,376.36
OTHER REVENUE		
900 Richmond Trust Income		25,493.37
950 Worker's Comp Reimbursements	26,159.56	247,153.20
960 Interest and Dividend Income	4,052.72	48,160.86
Total Other Revenue	30,212.28	320,807.43

	Total	
	Oct 2024	Jan - Oct, 2024 (YTD)
OTHER EXPENDITURES		
800 Workers Comp Claims Paid	29,592.86	240,593.90
810 Interest Expense	682.80	3,780.05
Total Other Expenditures	30,275.66	244,373.95
NET OTHER REVENUE	-63.38	76,433.48
NET REVENUE	\$17,310.34	\$128,809.84

Statement of Financial Position

As of October 31, 2024

	Total
ASSETS	
Current Assets	
Bank Accounts	
1010 US Bank Checking 4037	254,973.91
1020 Health Initiative Reserves 2765	2,000.00
1030 US Bank 6221	100.00
1040 Key Bank Worker's Comp	11,642.04
1050 Cash Equivalents	
1055 Local Government Investment Pool	966,972.03
Total 1050 Cash Equivalents	966,972.03
Total Bank Accounts	1,235,687.98
Other Current Assets	
1105 Tax Receivable	705.00
Total Other Current Assets	705.00
Total Current Assets	1,236,392.98
Other Assets	
2001 Richmond Trust (Restricted)	582,272.29
Total Other Assets	582,272.29
TOTAL ASSETS	\$1,818,665.27
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2020 Accounts Payable	147,505.84
2021 AP - ADS	3,240.00
Total Accounts Payable	150,745.84
Credit Cards	
2024 U.S. Bank CC (4195)	889.14
Total Credit Cards	889.14
Total Current Liabilities	151,634.98
Long-Term Liabilities	
2100 Loan from ADS	32,135.40
Total Long-Term Liabilities	32,135.40
Total Liabilities	183,770.38
Equity	
3200 Net Position	595,360.30
3210 Restricted - Expendable	341,000.00
3220 Restricted - Expendable Richmond Trust	569,724.75
Net Revenue	128,809.84

	Total
Total Equity	1,634,894.89
TOTAL LIABILITIES AND EQUITY	\$1,818,665.27

Statement of Cash Flows - Last Month

October 2024

	Total
OPERATING ACTIVITIES	
Net Revenue	17,310.34
Adjustments to reconcile Net Revenue to Net Cash provided by operations:	
2020 Accounts Payable	115,482.62
2024 U.S. Bank CC (4195)	-205.73
Total Adjustments to reconcile Net Revenue to Net Cash provided by operations:	115,276.89
Net cash provided by operating activities	132,587.23
FINANCING ACTIVITIES	
2100 Loan from ADS	-10,289.81
Net cash provided by financing activities	-10,289.81
NET CASH INCREASE FOR PERIOD	122,297.42
Cash at beginning of period	1,113,390.56
CASH AT END OF PERIOD	\$1,235,687.98

Check Detail

October 2024

Date	Transaction Type	Num	Name	Memo/Description	Clr	Amount
1010 US Bank Checking 4037						
10/01/2024	Expenditure		U.S.Bank CC (4195)	ACH Debit(s)	R	-468.26
				ACH Debit(s)		-468.26
10/04/2024	Expenditure		Mutual of Enumclaw	ACH Debit(s)	R	-50.30
				ACH Debit(s)		50.30
10/07/2024	Bill Payment (Check)	1742	Trios Health - V		R	-32,023.22
						-32,023.22
10/07/2024	Bill Payment (Check)	1743	Adult Day Services		R	-10,972.61
						-10,972.61
10/07/2024	Bill Payment (Check)	1744	Advantage IT		R	-940.26
						-940.26
10/09/2024	Expenditure		EFT Payments (See Detailed List)	ACH Debit(s)	R	-9,834.00
				W. Briggs, M. Brault, S. Harris, M. Kinney, G. Long, R. Reil		3,059.00
				S. Snowdy		2,500.00
				L. Kerr		3,300.00
				D. Clark		975.00
10/15/2024	Bill Payment (Check)	1745	Ellerd, Hultgrenn & Dahlhauser, LLP		R	-2,305.75
						-2,305.75

Date	Transaction Type	Num	Name	Memo/Description	Clr	Amount
10/15/2024	Expenditure		US Bank	Miscellaneous Fee(s)	R	-106.87
				Miscellaneous Fee(s)		106.87
10/16/2024	Expenditure		Epic Tax Solutions	ACH Debit(s)	R	-1,730.00
				ACH Debit(s)		1,730.00
10/23/2024	Bill Payment (Check)	1746	Columbia Basin College		C	-4,000.00
						-4,000.00
1040 Key Bank Worker's Comp						
10/31/2024	Expenditure		Workers Comp		R	-29,592.86
						29,592.86
10/31/2024	Expenditure		KeyBank		R	-268.42
						268.42

Kennewick Public Hospital District

Transaction Report - US Bank Credit Card

October 2024

DATE	TRANSACTION TYPE	NAME	AMOUNT	BALANCE
U.S. Bank CC (4195)				
Beginning Balance				1,094.87
10/01/2024	Expenditure	U.S.Bank CC (4195)	-468.26	626.61
10/02/2024	Credit Card Expenditure	Adobe	21.73	648.34
10/15/2024	Credit Card Expenditure	FedEx Office	22.85	671.19
10/21/2024	Credit Card Expenditure	Microsoft Edge	149.46	820.65
10/21/2024	Credit Card Expenditure	Microsoft Office	13.49	834.14
10/24/2024	Credit Card Expenditure	Spectrum	55.00	889.14
Total for U.S. Bank CC (4195)			\$ -205.73	
TOTAL			\$ -205.73	

Contractor Payment Register Report

Kennewick Public Hospital District



Pay Period From 09/01/2024 to 09/30/2024, Pay Date: 10/10/2024, Payment # 15

#	Contractor Name	Compensation	Federal Tax	YTD	State Tax	YTD	Reimbursement	Deductions	Net pay	Check #
9	Mark C Brault	483.00	0.00	0.00	0.00	0.00		0.00	483.00	
2	Wanda Briggs	483.00	0.00	0.00	0.00	0.00		0.00	483.00	
11	Debra L Clark	975.00	0.00	0.00	0.00	0.00		0.00	975.00	
13	Spencer D Harris	322.00	0.00	0.00	0.00	0.00		0.00	322.00	
3	Leland Kerr	3,300.00	0.00	0.00	0.00	0.00		0.00	3,300.00	
4	Marv Kinney	483.00	0.00	0.00	0.00	0.00		0.00	483.00	
5	Gary Long	966.00	0.00	0.00	0.00	0.00		0.00	966.00	
7	Rick Reil	322.00	0.00	0.00	0.00	0.00		0.00	322.00	
8	Salem Snowdy	2,500.00	0.00	0.00	0.00	0.00		0.00	2,500.00	
Payment Totals :		9,834.00	0.00	0.00	0.00	0.00	0.00	0.00	9,834.00	