



Two Rivers
HEALTH DISTRICT

KENNEWICK PUBLIC HOSPITAL DISTRICT

**Board of Commissioners
Regular Meeting Packet
Thursday, May 29, 2025
Hybrid Meeting
5:00 pm**

via Zoom and in person at:

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

Kennewick Public Hospital District
Kennewick, Benton County, Washington

Consent Agenda
May 29, 2025

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:
Meeting Minutes, April, 24, 2025

Kennewick Public Hospital District
Thursday, May 29, 2025 | Hybrid Meeting
5:00 PM
AGENDA

I. District Business:

- A. Approval of Consent Agenda***
- B. Public Comment –**

II. NEW BUSINESS:

A. Reports

- 1. Presentation of appreciation plaque to Dr. Sheila Dunlop
- 2. Lee Kerr – Superintendent, General Update
- 3. Legal Report - Heidi Ellerd, Legal Counsel
 - a. Updates – Records Requests
- 4. Administrative Report, Salem Thompson, Board Coordinator

B. Committee Reports/Recommendations

- 1. Finance Committee – Gary Long/Erica Davis
 - a. Overview of April 2025 Financials – Erica Davis
 - b. Acceptance of April 2025 Financial statements*
 - c. Approval of April 2025 payments and disbursements*
 - d. Treasurer’s Report – Gary Long
 - e. Key Bank Accounts (L&I)
- 2. Governance Committee Updates – Mark Brault
 - a. MRSC Rosters – Use discussion
 - b. Future Focus on ADS* (motion as result of workshop discussion 4.16.25)
- 3. Planning Committee – Wanda Briggs
 - a. General update
- 4. Adult Day Services – Rick Reil/Spencer Harris/Wanda Briggs
 - a. General update

III. COMMISSIONER COMMENTS

IV. Upcoming items – NONE

V. BOARD MEETINGS/EVENTS/EDUCATION

Next Regularly Scheduled Board Meeting – Thursday, June 26, 2025 @ 5:00p.m.

Close of Meeting

Kennewick Public Hospital District
Thursday, April 24, 2025 | Hybrid Meeting
5:00 PM
MINUTES

Attendance: Mark Brault, Rick Reil, Gary Long, Wanda Briggs, Marv Kinney, Spencer Harris, Lee Kerr, Heidi Ellerd, Salem Thompson
Absent: Shannon Phipps, D.O., Erica Davis

I. District Business:

A. Approval of Consent Agenda*

IT WAS MOVED AND SECONDED TO APPROVE THE CONSENT AGENDA INCLUDING MEETING MINUTES FROM THE REGULAR MEETING MARCH 27, 2025 AND THE SPECIAL MEETING APRIL 16, 2025. ALL IN FAVOR. NO DISCUSSION. MOTION CARRIED.

B. Public Comment – NONE

II. NEW BUSINESS:

A. Reports

1. Presentation of appreciation plaque to Dr. Sheila Dunlop – Postponed till May meeting.
2. Lee Kerr – Superintendent, General Update
Lee reported that an invitation for an in-person walkthrough of the recovery center is still available for any interested commissioner. A link to a virtual walkthrough of the center is reportedly available on the Tri City Herald website.
Bankruptcy is still open, may need to do a motion to close so this will be looked at further.
The RPA compliance information is still pending and when finalized it will be published.
3. Legal Report - Heidi Ellerd, Legal Counsel
 - a. Updates – Records Requests – Nothing new to report.
4. Administrative Report, Salem Thompson, Board Coordinator
- Nothing new to report.

B. Committee Reports/Recommendations

1. Finance Committee – Gary Long
 - a. Overview of March 2025 Financials – Gary Long
 - b. Acceptance of March 2025 Financial statements
IT WAS MOVED AND SECONDED TO APPROVE THE MARCH 2025 FINANCIAL STATEMENTS AS PRESENTED. ALL IN FAVOR. NO DISCUSSION. MOTION CARRIED.
 - c. Approval of March 2025 payments and disbursements
IT WAS MOVED AND SECONDED TO APPROVE THE MARCH 2025 PAYMENTS AND DISBURSEMENTS AS PRESENTED. ALL IN FAVOR. NO DISCUSSION. MOTION CARRIED.
 - d. Treasurer’s Report – Gary Long
 - e. Key Bank Accounts (L&I) –Gary states there is an amount for outstanding checks that should be provided to the state for unclaimed property. A discussion followed on how to appropriately do this.

2. Governance Committee Updates – Mark Brault

- a. Workshop discussion follow-ups – A good discussion was had on April 16 pertaining to the District's relationship with ADS. No action was taken at the meeting.
In reviewing the ADS bylaws, adding clarity regarding board members who are also KPHD commissioners and rotation within the existing board were suggested.
Additionally, there are new state requirements for nonprofit organizations, so meeting those requirements will be a part of a proposed update of the bylaws.
The District can consider developing a policy for ADS board rotation, and after discussion, it was determined to have a third commissioner serve on the ADS board.

- b. Commissioner assignments to the ADS board

Wanda Briggs has expressed a desire to serve as a third commissioner on the ADS board. Marv Kinney was also available to serve. Marv states that he concedes to Wanda Briggs.

IT WAS MOVED AND SECONDED TO APPOINT WANDA BRIGGS TO THE ADS BOARD. ALL IN FAVOR. NO DISCUSSION. MOTION CARRIED.

3. Planning Committee – Wanda Briggs

- a. General update – no meeting

4. Adult Day Services – Rick Reil/Spencer Harris

- a. General update – No financials to report this month. Rick expressed thanks for the appointment of Wanda Briggs to the ADS Board.

III. COMMISSIONER COMMENTS

IV. Upcoming items – NONE

V. BOARD MEETINGS/EVENTS/EDUCATION

Next Regularly Scheduled Board Meeting – Thursday, May 29, 2025 @ 5:00 p.m.

Close of Meeting 5:35 p.m.

Management Reports

Kennewick Public Hospital District
For the period ended April 30, 2025

Prepared by
Guardian Financial Group

Prepared on
May 5, 2025

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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

April 2025

		Total
	Apr 2025	Jan - Apr, 2025 (YTD)
REVENUE		
100 Property Tax Revenue	253,184.76	410,044.56
Total Revenue	253,184.76	410,044.56
COST OF GOODS SOLD		
200 Community Care Agreement	202,547.81	328,035.65
Total Cost of Goods Sold	202,547.81	328,035.65
GROSS PROFIT	50,636.95	82,008.91
EXPENDITURES		
305 Bank Fees	304.01	1,300.96
315 Commissioner Mtg Stipend	3,864.00	12,075.00
320 Facilities Expense		
322 Rent Expense	499.68	499.68
323 Utilities	55.00	220.00
Total 320 Facilities Expense	554.68	719.68
326 Insurance	225.30	562.20
330 Legal and Professional		
331 Attorney Fees	204.25	1,987.00
332 Accounting	1,730.00	6,920.00
335 Administrative Support	2,500.00	10,000.00
336 Other Professional Fees	894.60	3,578.40
Total 330 Legal and Professional	5,328.85	22,485.40
340 Office Expenses	261.20	2,290.71
342 Public Records Request	410.50	4,776.08
343 Records Management	450.00	2,780.00
347 Public Election Costs		14,828.42
360 Superintendent Compensation	3,300.00	13,200.00
Total Expenditures	14,698.54	75,018.45
NET OPERATING REVENUE	35,938.41	6,990.46
OTHER REVENUE		
940 Unreal. Gain (Loss) Investments		5,947.45
950 Worker's Comp Reimbursements		84,455.76
960 Interest and Dividend Income	3,656.07	16,571.58
Total Other Revenue	3,656.07	106,974.79
OTHER EXPENDITURES		
800 Workers Comp Claims Paid		90,844.98
810 Interest Expense	371.79	919.66
Total Other Expenditures	371.79	91,764.64
NET OTHER REVENUE	3,284.28	15,210.15

		Total
	Apr 2025	Jan - Apr, 2025 (YTD)
NET REVENUE	\$39,222.69	\$22,200.61

Statement of Financial Position

As of April 30, 2025

	Total
ASSETS	
Current Assets	
Bank Accounts	
1010 US Bank Checking 4037	313,222.23
1020 Health Initiative Reserves 2765	2,000.00
1030 US Bank 6221	100.00
1050 Cash Equivalents	
1055 Local Government Investment Pool	509,008.09
1056 LGIP-Restricted Funds Insurance	500,000.00
Total 1055 Local Government Investment Pool	1,009,008.09
Total 1050 Cash Equivalents	1,009,008.09
Total Bank Accounts	1,324,330.32
Other Current Assets	
1105 Tax Receivable	705.00
Total Other Current Assets	705.00
Total Current Assets	1,325,035.32
Other Assets	
2001 Richmond Trust (Restricted)	603,027.10
Total Other Assets	603,027.10
TOTAL ASSETS	\$1,928,062.42
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2020 Accounts Payable	202,572.81
Total Accounts Payable	202,572.81
Credit Cards	
2024 U.S. Bank CC (4195)	815.88
Total Credit Cards	815.88
Other Current Liabilities	
2021.50 Current Portion ADS Loan Payable	14,330.42
Total Other Current Liabilities	14,330.42
Total Current Liabilities	217,719.11
Total Liabilities	217,719.11
Equity	
3200 Net Position	777,417.95
3210 Restricted - Expendable	341,000.00
3220 Restricted - Expendable Richmond Trust	569,724.75
Net Revenue	22,200.61

	Total
Total Equity	1,710,343.31
TOTAL LIABILITIES AND EQUITY	\$1,928,062.42

Statement of Cash Flows - Last Month

April 2025

	Total
OPERATING ACTIVITIES	
Net Revenue	39,222.69
Adjustments to reconcile Net Revenue to Net Cash provided by operations:	
2020 Accounts Payable	74,354.39
2024 U.S. Bank CC (4195)	159.88
2021.50 Current Portion ADS Loan Payable	-10,600.82
Total Adjustments to reconcile Net Revenue to Net Cash provided by operations:	63,913.45
Net cash provided by operating activities	103,136.14
NET CASH INCREASE FOR PERIOD	103,136.14
Cash at beginning of period	1,221,194.18
CASH AT END OF PERIOD	\$1,324,330.32

Check Detail

April 2025

Date	Transaction Type	Num	Name	Memo/Description	Clr	Amount
1010 US Bank Checking 4037						
04/02/2025	Bill Payment (Check)	1765	Ellerd, Hultgrenn & Dahlhauser, LLP		R	-2,705.58
						-2,705.58
04/02/2025	Bill Payment (Check)	1766	Adult Day Services		R	-10,972.61
						-10,972.61
04/02/2025	Expenditure		U.S.Bank CC (4195)	ACH Debit(s)	R	-656.00
				ACH Debit(s)		-656.00
04/04/2025	Expenditure		Mutual of Enumclaw	ACH Debit(s)	R	-50.30
				ACH Debit(s)		50.30
04/09/2025	Expenditure		EFT Payments (See Detailed List)	ACH Debit(s)	R	-10,114.00
				W. Briggs, M. Brault, S. Harris, M. Kinney, G. Long, R. Reil		3,864.00
				S. Snowdy		2,500.00
				L. Kerr		3,300.00

Date	Transaction Type	Num	Name	Memo/Description	Clr	Amount
				D. Clark		450.00
04/14/2025	Expenditure		US Bank	Miscellaneous Fee(s)	R	-88.46
				Miscellaneous Fee(s)		88.46
04/16/2025	Expenditure		Guardian Financial Group	ACH Debit(s)	R	-1,730.00
				ACH Debit(s)		1,730.00
04/17/2025	Bill Payment (Check)	1767	Trios Health - V			-125,487.84
						-125,487.84
04/17/2025	Bill Payment (Check)	1768	Ellerd, Hultgrenn & Dahlhauser, LLP		R	-614.75
						-614.75
04/17/2025	Bill Payment (Check)	1769	Advantage IT		R	-894.60
						-894.60
04/28/2025	Expenditure		Travelers CL Remittance Center	2nd Half of Nathan Burt's Insurance Bond	R	-175.00

Date	Transaction Type	Num Name	Memo/Description	Clr	Amount
			2nd Half of Nathan Burt's Insurance Bond		175.00
1040 Key Bank Worker's Comp					
04/24/2025	Expenditure	KeyBank		R	-210.64
					210.64

Kennewick Public Hospital District

Transaction Report - US Bank Credit Card

March 2024

DATE	TRANSACTION TYPE	NAME	ACCOUNT	AMOUNT
U.S. Bank CC (4195)				
Beginning Balance				
03/04/2024	Credit Card Expenditure	Bettendorfs Printing	2024 U.S. Bank CC (4195)	58.70
03/04/2024	Credit Card Expenditure	CI Information Management	2024 U.S. Bank CC (4195)	30.00
03/04/2024	Credit Card Expenditure	Adobe	2024 U.S. Bank CC (4195)	21.73
03/04/2024	Expenditure	U.S.Bank CC (4195)	2024 U.S. Bank CC (4195)	-279.45
03/19/2024	Credit Card Expenditure	Microsoft Edge	2024 U.S. Bank CC (4195)	176.64
03/19/2024	Credit Card Expenditure	Microsoft Office	2024 U.S. Bank CC (4195)	26.08
03/25/2024	Credit Card Expenditure	Spectrum	2024 U.S. Bank CC (4195)	55.00
03/28/2024	Credit Card Expenditure	Zoom Video Communications Inc.	2024 U.S. Bank CC (4195)	173.81
Total for U.S. Bank CC (4195)				\$262.51
TOTAL				\$262.51

Contractor Payment Summary Report

Kennewick Public Hospital District

From 4/1/2025 to 4/30/2025



Contractor Num & Name							
Check #	Pay Date	Compensation	Federal Withholding	State Withholding	Reimbursements	Deductions	Net Pay
9	Mark C Brault						
	04/10/2025	966.00	0.00	0.00	0.00	0.00	966.00
	Contractor Totals:	966.00	0.00	0.00	0.00	0.00	966.00
2	Wanda Briggs						
	04/10/2025	483.00	0.00	0.00	0.00	0.00	483.00
	Contractor Totals:	483.00	0.00	0.00	0.00	0.00	483.00
11	Debra L Clark						
	04/10/2025	450.00	0.00	0.00	0.00	0.00	450.00
	Contractor Totals:	450.00	0.00	0.00	0.00	0.00	450.00
13	Spencer D Harris						
	04/10/2025	805.00	0.00	0.00	0.00	0.00	805.00
	Contractor Totals:	805.00	0.00	0.00	0.00	0.00	805.00
3	Leland Kerr						
	04/10/2025	3,300.00	0.00	0.00	0.00	0.00	3,300.00
	Contractor Totals:	3,300.00	0.00	0.00	0.00	0.00	3,300.00
4	Marv Kinney						
	04/10/2025	644.00	0.00	0.00	0.00	0.00	644.00
	Contractor Totals:	644.00	0.00	0.00	0.00	0.00	644.00
5	Gary Long						
	04/10/2025	483.00	0.00	0.00	0.00	0.00	483.00
	Contractor Totals:	483.00	0.00	0.00	0.00	0.00	483.00
7	Rick Reil						
	04/10/2025	483.00	0.00	0.00	0.00	0.00	483.00
	Contractor Totals:	483.00	0.00	0.00	0.00	0.00	483.00
8	Salem Snowdy						
	04/10/2025	2,500.00	0.00	0.00	0.00	0.00	2,500.00
	Contractor Totals:	2,500.00	0.00	0.00	0.00	0.00	2,500.00
	Company Totals:	10,114.00	0.00	0.00	0.00	0.00	10,114.00