



Two Rivers
HEALTH DISTRICT

KENNEWICK PUBLIC HOSPITAL DISTRICT

**Board of Commissioners
Packet**

**Thursday, February 29, 2024
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
Thursday, February 29, 2024 | Hybrid Meeting in person at
Trios Care Center at deBit – First Floor Conference Room
320 W. 10th Ave., Kennewick, Washington, 99336

5:00 PM

AGENDA

I. District Business:

A. Approval of Consent Agenda**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 Meeting Minutes of Regular meeting held January 25, 2024*

B. Public Comment –

II. NEW BUSINESS:

A. Reports

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

C. Committee Reports/Recommendations.

1. Finance Committee – Gary Long, Finance Chair / Nathan Burt
 - a. Acceptance of the January 2024 financial statements* – Overview by Erica Davis/Nathan Burt
 - b. Approval of the January 2024 payments and disbursements*
 - c. Treasurer’s Report – Gary Long
 - d. Signature authority for Marv Kinney and Gary Long for Sunshine Fund at Key Bank*
 - e. 2023 Audit Status
 - f. Discuss last years findings and remediations
2. Governance Committee Updates – Mark Brault
 - a. Resolution 2024-4 Removing Current Treasurer and Appointing Gary Long, Commissioner as Treasurer *
 - b. Current Officers – Appointment of Secretary*
 - c. Commissioner Vacancy Process – Update by Lee Kerr, Superintendent
 - d. Authorization to issue Notice of Vacancy*
3. Planning Committee – Wanda Briggs
 - a. General Update
4. Adult Day Services – General Update: Rick Reil
 - a. Presentment of the ADS 2024 Budget for approval* – Salem Thompson, ADS Executive Director and Rick Reil, President of ADS Board.

III. Executive Session RCW 42.30.110 (1)(h) To evaluate the qualifications of a candidate for appointment to elective office*

Potential Designation of Nominee*

IV. COMMISSIONER COMMENTS

V. Upcoming items – NONE

VI. BOARD MEETINGS/EVENTS/EDUCATION -

Next Regularly Scheduled Board Meeting – Thursday, March 28, 2024 @ 5:00

Minutes

Kennewick Public Hospital District

Thursday, January 25, 2024, | Hybrid Meeting 5:00 pm Via Zoom and in person at
Trios Care Center at deBit – First Floor Conference Room
320 W. 10th Ave., Kennewick, Washington, 99336

MINUTES

Attendance: Gary Long, Mark Brault, Marv Kinney, Rick Reil, Sheila Dunlop, Lee Kerr, Erica Davis, and Heidi Ellerd.

CALL TO ORDER

Commissioner Brault called the meeting to order at 5:00 pm. The commissioners recognized the life of Steve Blodgett and his dedication and expertise that he gave to the District. He will be greatly missed.

I. DISTRICT BUSINESS:

A. Approval of Consent Agenda

IT WAS MOVED AND SECONDED TO APPROVE THE CONSENT AGENDA. NO DISCUSSION MOTION CARRIED.

B. Public Comment – NONE

II. NEW BUSINESS:

A. Reports

1. Lee Kerr – Superintendent, General Update – Resignation of Steve Blodgett. The commission will need to nominate at least one candidate at the next meeting to fill his position. Commissioner compensation increased January 1, 2024 to \$161 per day. The invoice was received and the District’s cost for 2023 election was higher than expected. Lee reported on his quarterly meeting with the CEO of RCCH/Trios. The District received a \$5000 grant to pay the District dues for Association of Washington Public Hospital Districts. Letter received from Attorney General’s office regarding Reproductive Privacy Act requesting a response. Lee reported on Surety Bond/Reserve Account that the District is required to have pursuant to WAC 296-15-151.

IT WAS MOVED AND SECONDED TO APPROVE PAYMENT OF THE ELECTION COSTS FOR 2023. NO DISCUSSION MOTION CARRIED.

2. Legal Report - Heidi Ellerd, Legal Counsel
 - a. Updates – Records Requests – Nothing new to add.
3. Administrative Report, Salem Thompson, Board Coordinator
 - a. Records project update – no report.
 - b. The WA Archives Grant work – no report.

III. DISTRICT BUSINESS:

B. Committee Reports/Recommendations-

1. Finance Committee – Nathan Burt/Gary Long

- a. Acceptance of November/December financial statements – Overview by Erica Davis

IT WAS MOVED AND SECONDED TO APPROVE THE NOVEMBER 2023 FINANCIAL STATEMENTS, AS PRESENTED NO DISCUSSION. MOTION CARRIED.

IT WAS MOVED AND SECONDED TO APPROVE THE DECEMBER 2023 FINANCIAL STATEMENTS, AS PRESENTED NO DISCUSSION. MOTION CARRIED.

Approval of payments and disbursements – A general overview was given by Erica Davis.

IT WAS MOVED AND SECONDED TO APPROVE THE NOVEMBER 2023 PAYMENTS AND DISBURSEMENTS, AS PRESENTED. NO DISCUSSION. MOTION CARRIED.

IT WAS MOVED AND SECONDED TO APPROVE THE DECEMBER 2023 PAYMENTS AND DISBURSEMENTS, AS PRESENTED. NO DISCUSSION. MOTION CARRIED.

- b. Treasurer's Report – provided by Gary Long – want to get an engagement letter for Eide Bailey in place. ADS budget will need to be approved at February 2024 meeting. Gary discussed two resolutions for Richmond Trust and the Surety Bond/Reserve Account.

IT WAS MOVED AND SECONDED TO APPROVE RESOLUTION 2024-2 AS PRESENTED. NO DISCUSSION. MOTION CARRIED.

IT WAS MOVED AND SECONDED TO APPROVE RESOLUTION 2024-3 AS PRESENTED. NO DISCUSSION. MOTION CARRIED.

2. Governance Committee Updates – Mark Brault

- a. Mark discussed a resolution to change November/December 2024 meeting dates. He also discussed election of officers and the treasurer position.

IT WAS MOVED AND SECONDED TO APPROVE RESOLUTION 2024-1 AS PRESENTED. NO DISCUSSION. MOTION CARRIED.

IT WAS MOVED AND SECONDED TO APPOINT GARY LONG AS TREASURER. NO DISCUSSION. MOTION CARRIED.

3. Planning Committee – Wanda Briggs General update- Wanda discussed the ideas from their latest meeting. Mark Brault recused himself from the meeting. Wanda asked the board to approve a contribution for Grace Clinic for \$7,500 (for glucose monitors for a pilot program).

IT WAS MOVED AND SECONDED TO APPROVE \$7500 TO GRACE CLINIC. NO DISCUSSION. MOTION CARRIED.

4. Adult Day Services – Rick Reil General update–Rick reported on the latest meeting he attended and current ADS business.

**C. Executive Session- Potential Litigation RCW 42.30.110(1)(i) for fifteen minutes
The meeting closed for an executive session at 5:56 pm.**

The meeting opened at 6:11 pm.

No action was taken.

IV. COMMISSIONER COMMENTS

A. Upcoming items – NONE

V. MEETINGS/EVENTS/EDUCATION:

Next Regularly Scheduled Board Meeting – Thursday, February 29, 2024 @ 5:00p.m.

Close of Meeting – 6:21 PM

Management Reports

Kennewick Public Hospital District
For the period ended January 31, 2024

Prepared by

Epic Tax Solutions a Subsidiary of Epic Trust Financial Group

Prepared on

February 12, 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

January 2024

	Jan 2024	Total Jan 2024 (YTD)
REVENUE		
100 Property Tax Revenue	5,489.63	5,489.63
110 Grant Income	5,000.00	5,000.00
Total Revenue	10,489.63	10,489.63
COST OF GOODS SOLD		
200 Community Care Agreement	4,391.74	4,391.74
Total Cost of Goods Sold	4,391.74	4,391.74
GROSS PROFIT	6,097.89	6,097.89
EXPENDITURES		
305 Bank Fees	345.55	345.55
315 Commissioner Mtg Stipend	384.00	384.00
320 Facilities Expense		
323 Utilities	55.00	55.00
Total 320 Facilities Expense	55.00	55.00
326 Insurance	51.70	51.70
330 Legal and Professional		
331 Attorney Fees	443.22	443.22
332 Accounting	1,730.00	1,730.00
335 Administrative Support	2,500.00	2,500.00
336 Other Professional Fees	965.07	965.07
Total 330 Legal and Professional	5,638.29	5,638.29
340 Office Expenses	994.21	994.21
342 Public Records Request	1,450.00	1,450.00
343 Records Management	400.00	400.00
360 Superintendent Compensation	3,300.00	3,300.00
Total Expenditures	12,618.75	12,618.75
NET OPERATING REVENUE	-6,520.86	-6,520.86
OTHER REVENUE		
900 Richmond Trust Income	4,041.78	4,041.78
950 Worker's Comp Reimbursements	14,886.81	14,886.81
960 Interest and Dividend Income	5,531.12	5,531.12
Total Other Revenue	24,459.71	24,459.71
OTHER EXPENDITURES		
800 Workers Comp Claims Paid	6,282.31	6,282.31
Total Other Expenditures	6,282.31	6,282.31
NET OTHER REVENUE	18,177.40	18,177.40
NET REVENUE	\$11,656.54	\$11,656.54

Statement of Financial Position

As of January 31, 2024

	Total
ASSETS	
Current Assets	
Bank Accounts	
1010 US Bank Checking 4037	127,160.39
1020 Health Initiative Reserves 2765	2,000.00
1030 US Bank 6221	100.00
1040 Key Bank Worker's Comp	16,184.74
1050 Cash Equivalents	
1055 Local Government Investment Pool	929,261.19
Total 1050 Cash Equivalents	929,261.19
Total Bank Accounts	1,074,706.32
Other Current Assets	
1105 Tax Receivable	705.00
Total Other Current Assets	705.00
Total Current Assets	1,075,411.32
Other Assets	
2001 Richmond Trust (Restricted)	582,272.29
Total Other Assets	582,272.29
TOTAL ASSETS	\$1,657,683.61
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2020 Accounts Payable	71,427.63
2021 AP - ADS	3,240.00
Total Accounts Payable	74,667.63
Credit Cards	
2024 U.S. Bank CC (4195)	801.21
Total Credit Cards	801.21
Total Current Liabilities	75,468.84
Long-Term Liabilities	
2100 Loan from ADS	62,550.89
Total Long-Term Liabilities	62,550.89
Total Liabilities	138,019.73
Equity	
3200 Net Position	597,282.59
3210 Restricted - Expendable	341,000.00
3220 Restricted - Expendable Richmond Trust	569,724.75
Net Revenue	11,656.54

	Total
Total Equity	1,519,663.88
TOTAL LIABILITIES AND EQUITY	\$1,657,683.61

Statement of Cash Flows - Last Month

January 2024

	Total
OPERATING ACTIVITIES	
Net Revenue	11,656.54
Adjustments to reconcile Net Revenue to Net Cash provided by operations:	
2020 Accounts Payable	-519,907.41
2024 U.S. Bank CC (4195)	475.57
Total Adjustments to reconcile Net Revenue to Net Cash provided by operations:	-519,431.84
Net cash provided by operating activities	-507,775.30
NET CASH INCREASE FOR PERIOD	-507,775.30
Cash at beginning of period	1,582,481.62
CASH AT END OF PERIOD	\$1,074,706.32

Check Detail

January 2024

Date	Transaction Type	Num Name	Memo/Description	Clr	Amount
1010 US Bank Checking 4037					
01/02/2024	Expenditure	U.S.Bank CC (4195)	ACH Debit(s)	R	-325.64
			ACH Debit(s)		-325.64
01/04/2024	Expenditure	Mutual of Enumclaw	ACH Debit(s)	R	-51.70
			ACH Debit(s)		51.70
01/09/2024	Expenditure	EFT Payments (See Detailed List)	ACH Debit(s)	R	-6,584.00
			Rick Reil ADS Meetings December		384.00
			S. Snowdy		2,500.00
			L. Kerr		3,300.00
			D, Clark		400.00
01/11/2024	Bill Payment (Check)	1700 Postmaster		R	-248.00
					-248.00
01/16/2024	Bill Payment (Check)	1701 Trios Health - V			-524,299.15

Date	Transaction Type	Num Name	Memo/Description	Clr	Amount
					-524,299.15
01/16/2024	Bill Payment (Check)	1703 Advantage IT		R	-965.07
					-965.07
01/16/2024	Bill Payment (Check)	1704 Ellerd, Hultgrenn & Dahlhauser, LLP		R	-1,893.22
					-1,893.22
01/16/2024	Expenditure	US Bank	Miscellaneous Fee(s)	R	-78.19
			Miscellaneous Fee(s)		78.19
01/16/2024	Expenditure	Epic Tax Solutions	ACH Debit(s)	R	-1,730.00
			ACH Debit(s)		1,730.00
1040 Key Bank Worker's Comp					
01/31/2024	Check	Workers Comp		R	-6,282.31
					6,282.31

Date	Transaction Type	Num Name	Memo/Description	Clr	Amount
01/31/2024	Expenditure	KeyBank		R	-267.36
					267.36

Contractor Payment Register Report

Kennewick Public Hospital District



Pay Period From 12/01/2023 to 12/31/2023, Pay Date: 01/10/2024, Payment # 1

#	Contractor Name	Compensation	Federal Tax	YTD	State Tax	YTD	Reimbursement	Deductions	Net pay	Check #
11	Debra L Clark	400.00	0.00	0.00	0.00	0.00		0.00	400.00	
3	Leland Kerr	3,300.00	0.00	0.00	0.00	0.00		0.00	3,300.00	
7	Rick Reil	384.00	0.00	0.00	0.00	0.00		0.00	384.00	
8	Salem Snowdy	2,500.00	0.00	0.00	0.00	0.00		0.00	2,500.00	
Payment Totals :		6,584.00	0.00	0.00	0.00	0.00	0.00	0.00	6,584.00	

Committee Recommendations and General Info.

Management's Response to Auditor's Findings:
December 31, 2022

Prepared by Management of
Kennewick Public Hospital District

Kennewick Public Hospital District – Corrective Action Plan

Financial Statement Findings

Finding 2022-001

Finding Summary: Eide Bailly LLP prepared our draft financial statements and accompanying notes to the financial statements. This finding is partially due to the limited resources in the financial reporting process due to budgetary constraints.

Responsible Individuals: NAME/TITLE KPHD Commissioners

Response: We have contracted accounting services to assist the District. We requested that our auditors, Eide Bailly LLP, prepare the financial statements and the accompanying notes to the financial statements as a part of their annual audit as we do not have the expertise in house to provide these services. We have designated a member of management to review the drafted financial statements and accompanying notes. The District has three levels of review beginning with the Treasurer, then review by the finance committee, and final approval by the board of commissioners.

Finding 2022-002

Finding Summary: Eide Bailly LLP proposed audit adjustments to the financial statements, including for accounts that were not reconciled at year-end, that were not identified by management as a result of Kennewick Public Hospital District's existing internal controls.

Responsible Individuals: NAME/TITLE KPHD Finance Committee and Benton Franklin Elder Services Board

Corrective Action Plan: We will adopt a policy for the financial statement close that includes reconciliations of major accounts with any necessary adjustments being proposed and recorded prior to the start of the financial statement audit.

Anticipated Completion Date: DATE 10/31/2023

Finding 2022-003

Finding Summary: Kennewick Public Hospital District and Benton Franklin Elder Services, doing business as Adult Day Services of the Tri-Cities, do not have an internal control system to allow for proper segregation of duties in certain areas of the accounting function.

Responsible Individuals: NAME/TITLE KPHD Commissioners and Benton Franklin Elder Services Board

Kennewick Public Hospital District – Corrective Action Plan

Response: : We recognize that the nature of our organization is such that complete segregation of duties is difficult to achieve. We further recognize that the most effective control is the Board of Commissioners’ oversight and knowledge of matters related to the operations of Kennewick Public Hospital District and Benton Franklin Elder Services, doing business as Adult Day Services of the Tri-Cities. The District has three levels of review beginning with the Treasurer, then review by the finance committee, and final approval by the board of commissioners.

Compliance Finding

Finding 2022-004

Finding Summary: The Organization (includes both Kennewick Public Hospital District and Benton Franklin Elder Services, doing business as Adult Day Services of the Tri-Cities) are required to maintain proper collateralization of deposits in qualified public depositories, as determined by the Revised Code of Washington, Chapter 39, that are not covered under the Federal Deposit Insurance Corporation (FDIC). The Organization’s deposits were not properly collateralized at December 31, 2022 with approximately \$732,000 in excess of FDIC limits and potentially at risk.

Responsible Individuals: NAME/TITLE KPHD Commissioners and Benton Franklin Elder Services Board

Corrective Action Plan: In February 2023 KPHD enacted processes and procedures to ensure that the Organization’s deposits are properly insured.. In June 2023, Benton Franklin Elder Services enacted processes and procedures to ensure that the Organization’s deposits are properly insured.

Adult Day Services of the Tri-Cities Profit & Loss Budget Overview January through December 2024

	<u>2024 BUDGET</u>	<i>2023 Actual</i>	<i>2022 Actual</i>
Ordinary Income/Expense			
Income			
4010 · ALTC (SSBG) III-B	\$ 63,000.00	\$ 56,927.64	\$ 54,144.00
4011 · Private Pay	\$ 127,150.00	\$ 119,637.70	\$ 91,108.00
4013 · Donations	\$ 30,000.00	\$ 4,725.00	\$ 4,400.00
4016 · United Way Donor Designation	\$ -	\$ -	\$ 692.00
4017 · Title XIX Medicaid	\$ 1,128,000.00	\$ 1,029,492.02	\$ 960,167.00
4025 · Respite Care	\$ 28,000.00	\$ 26,545.77	\$ 11,948.00
4026 · D D Services	\$ 25,000.00	\$ 21,556.00	\$ 15,368.00
4080 · Other Income	\$ 21,804.91	\$ 3,921.01	\$ 21,805.00
4090 · Interest Income	\$ 20,000.00	\$ 14,002.10	\$ 15,281.00
4300 · RENTAL INCOME	\$ 27,310.00	\$ 37,275.54	\$ -
4400 · EMPLOYEE RETENTION CREDIT	\$ -	\$ 196,992.03	\$ -
4730 · Refunds (Income)	\$ 3,740.00	\$ 18,509.07	\$ 3,740.00
Total Income	\$ 1,474,004.91	\$ 1,529,583.88	\$ 1,178,653.00
Expense			
Bad Debt Expense	\$ 3,233.00	\$ 254.20	\$ 18,337.00
Building Property Tax	\$ 6,500.00	\$ 9,227.63	\$ -
EMPLOYEE COMPENSATION			
5000A · Salaries & Wages.	\$ 856,932.00	\$ 779,029.72	\$ 648,070.00
5000B · Payroll Accrual	\$ 10,000.00	\$ 8,125.38	\$ (0.40)
5005 · Payroll Tax Expense	\$ 100,276.00	\$ 91,160.11	\$ 60,983.00
5020 · Medical Insurance	\$ 135,000.00	\$ 131,055.30	\$ 101,544.00
5025 · Life Insurance	\$ 800.00	\$ 769.44	\$ 693.00
5026 · Dental Insurance	\$ 8,033.00	\$ 7,724.41	\$ 7,140.00
5027 · Vision Insurance	\$ 1,895.00	\$ 1,810.22	\$ 1,572.00
5030 · Retirement Plan	\$ 28,595.00	\$ 27,233.18	\$ 25,506.00
Total EMPLOYEE COMPENSATION	\$ 1,141,531.00	\$ 1,046,907.76	\$ 845,507.60
OPERATIONAL EXPENSES			
5035 · Office Supplies	\$ 6,000.00	\$ 3,636.23	\$ 6,643.00
5040 · Operating Supplies - Site	\$ 37,000.00	\$ 37,002.89	\$ 37,389.00
5050 · Audit and Accounting Expense	\$ 18,000.00	\$ 28,661.90	\$ 15,561.00
5055 · Client Meals Expense	\$ 81,000.00	\$ 77,441.57	\$ 70,462.00
5060 · Contracted Physical Therapy	\$ 7,000.00	\$ 6,630.00	\$ 6,625.00
5070 · Depreciation Expense	\$ 15,000.00	\$ 24,231.00	\$ 35,000.00
5085 · Travel Expense (Mtgs/Workshops)	\$ 10,000.00	\$ 18,548.06	\$ 6,507.00
5095 · Transportation - Client	\$ 26,000.00	\$ 23,764.00	\$ 18,639.00
5105 · Advertising and Promotion	\$ 1,200.00	\$ 543.50	\$ 1,270.00
5106- ADVERTISING EXP N BLDG	\$ 1,000.00	\$ 991.52	\$ -
5110 · Advertising - Hiring Expense	\$ 300.00	\$ 1,506.75	\$ 5.00
5115 · Rent - Building	\$ -	\$ -	\$ 6,211.00
5120 · Rent - Equipment	\$ -	\$ -	\$ 282.00
5125 · Insurance - Directors/Officers	\$ 10,500.00	\$ 10,358.00	\$ 22,525.00
5130 · Insurance Comprehensive	\$ 2,000.00	\$ 1,845.97	\$ 9,019.00

Adult Day Services of the Tri-Cities Profit & Loss Budget Overview January through December 2024

	<u>2024 BUDGET</u>	<i>2023 Actual</i>	<i>2022 Actual</i>
5135 · BUILDING/ PROPERTY INS	\$ 12,000.00	\$ 10,201.00	\$ -
5140 · Utilities	\$ 16,100.00	\$ 15,322.88	\$ 12,735.00
5145 · Garbage	\$ 1,920.00	\$ 1,895.99	\$ 1,604.00
5150 · Cleaning	\$ 660.00	\$ 530.00	\$ 4,068.00
5155 · Repairs and Maintenance	\$ 5,000.00	\$ 8,638.15	\$ 18,505.00
5156 · REPAIRS & MAINTENANCE NORTH BLD	\$ 1,500.00	\$ 1,032.65	\$ -
5160 · Small Tools (under \$1000)	\$ 2,000.00	\$ 6,136.60	\$ 5,432.00
5162 · Machinery & Equip (under 1k)	\$ 400.00	\$ 421.44	\$ -
5165 · Dues and Subscriptions	\$ 3,100.00	\$ 3,183.84	\$ 1,928.00
5170 · Printing Expense	\$ 500.00	\$ 753.25	\$ 1,216.00
5180 · Grounds Maintenance	\$ 10,000.00	\$ 15,461.08	\$ 8,903.00
5185 · Professional Fees	\$ 1,200.00	\$ 28,108.95	\$ 6,137.00
5186 · Postage & Delivery	\$ 1,300.00	\$ 1,260.00	\$ 550.00
5220 · Interest Expense	\$ 25,000.00	\$ 28,866.31	\$ 26,067.00
5225 · Bank Service Charges	\$ 350.00	\$ 349.21	\$ 201.00
5235 · Refund Expense	\$ -	\$ -	\$ 3,740.00
5667 · Telephone/Computer Expense	\$ 3,000.00	\$ 2,467.16	\$ 5,623.00
60200 · Automobile Expense	\$ 840.00	\$ 615.00	\$ 205.00
61700 · Computer and Internet Expenses	\$ 10,000.00	\$ 9,336.16	\$ 2,317.00
62000 · Continuing Education	\$ 600.00	\$ 560.00	\$ 490.00
63500 · Janitorial Expense	\$ 2,500.00	\$ 2,155.68	\$ 6,801.00
8888 · ADULT DAY HEALTH SOFTWARE	\$ 8,000.00	\$ 8,000.00	\$ -
OPERATIONAL EXPENSES - Other	\$ 500.00	\$ 1,009.13	\$ 10,652.00
Total OPERATIONAL EXPENSES	\$ 321,470.00	\$ 381,465.87	\$ 353,312.00
5210 · Funded Depreciation Expense	\$ -		
Total Expense	\$ 1,472,734.00	\$ 1,437,855.46	\$ 1,198,819.60
Net Ordinary Income	\$ 1,270.91	\$ 91,728.42	\$ (20,166.60)
Other Income/Expense			
Other Expense			
Total Other Expense	\$ -	\$ -	\$ -
Net Other Income	\$ -	\$ -	\$ -
Net Income	\$ 1,270.91	\$ 91,728.42	\$ (20,166.60)

Commissioner Vacancy Procedure

RCW [42.12.080](#)

Filling nonpartisan vacancies—Special purpose districts.

A vacancy on an elected nonpartisan governing body of a special purpose district where property ownership is not a qualification to vote or that is not a qualifying special purpose district defined in RCW [42.12.070](#), shall be filled as follows unless the provisions of law relating to the special purpose district provide otherwise:

(1) After a vacancy occurs, the remaining members of the governing body must nominate at least one candidate at a meeting of the governing body. The governing body must then cause notice of the vacancy and the name of the nominated candidate or candidates to be posted in three public places in the special purpose district, including on the district's website if the district has a website, for a minimum of 15 days. During the notice period, registered voters who reside in the special purpose district may submit nominations to the remaining members of the governing body.

(2) After the notice period described in subsection (1) of this section, the remaining members of the governing body shall appoint a qualified person to fill the vacant position from the candidates nominated by either the governing body or the public at a meeting of the governing body.

(3) Where two or more positions are vacant and two or more members of the governing body remain in office, the remaining members of the governing body shall appoint a qualified person to fill one of the vacant positions under the nomination process described in subsection (1) of this section, the remaining members of the governing body and the newly appointed person shall appoint another qualified person to fill another vacant position under the nomination process described in subsection (1) of this section, and so on until each of the vacant positions is filled with each of the new appointees participating in each appointment that is made after his or her appointment.

(4) If less than two members of a governing body remain in office, the county legislative authority of the county in which all or the largest geographic portion of the special purpose district is located shall appoint a qualified person or persons to the governing body until the governing body has two members.

(5) If a governing body fails to appoint a qualified person to fill a vacancy within 90 days of the occurrence of the vacancy, the authority of the governing body to fill the vacancy shall cease and the county legislative authority of the county

in which all or the largest geographic portion of the special purpose district is located shall appoint a qualified person to fill the vacancy.

(6) If the county legislative authority of the county fails to appoint a qualified person within 180 days of the occurrence of the vacancy, the county legislative authority or the remaining members of the governing body of the special purpose district may petition the governor to appoint a qualified person to fill the vacancy. The governor may appoint a qualified person to fill the vacancy after being petitioned if at the time the governor fills the vacancy the county legislative authority has not appointed a qualified person to fill the vacancy.

(7) As provided in chapter [29A.24](#) RCW, each person who is appointed shall serve until a qualified person is elected at the next election at which a member of the governing body normally would be elected. The person elected shall take office immediately and serve the remainder of the unexpired term.

[[2023 c 369 § 2.](#)]

NOTICE OF VACANCY

ON THE BOARD OF COMMISSIONERS OF THE

KENNEWICK PUBLIC HOSPITAL DISTRICT

NOTICE IS HEREBY GIVEN that a vacancy has occurred in position number ____ on the Board of Commissioners of the Kennewick Public Hospital District. The Board nominated candidate is:

_____. Any registered voter residing within the Kennewick Public Hospital District boundary may submit nominations to the Board in writing no later than _____, 15 days from the date of this Notice to either: **Kennewick Public Hospital District**

PO Box 6974

Kennewick, WA. 99336

or by email to: lkerr@kenkphd.com

The Board shall appoint a qualified person to fill the vacant position from the candidates nominated.

THIS NOTICE IS GIVEN ON THIS ____ DAY OF _____, 2024.

By: _____

Leland B. Kerr, Superintendent

Policies / Resolutions

**KENNEWICK PUBLIC HOSPITAL DISTRICT
BENTON COUNTY, WASHINGTON
RESOLUTION NO. 2024-4**

**A Resolution removing Kennewick Public Hospital District's
(KPHD) current Treasurer, Steve Blodgett, and appointing
Gary Long, Commissioner, as the District's Treasurer**

WHEREAS, Kennewick Public Hospital District (the "District") is a public hospital district organized and existing pursuant to the provisions of RCW Chapter 70.44; and

WHEREAS, RCW 70.44.171 authorizes the Board of the Commissioners of the District to appoint its own Treasurer; and

WHEREAS, Steve Blodgett currently serves as the Treasurer for the District, but will be removed effective February 29, 2024, and

WHEREAS, RCW 70.44.171 requires that all District funds be paid to the Treasurer and disbursed by him only on warrants issued by an Auditor appointed by the Board of Commissioners;

NOW, THEREFORE, be it resolved by the District's Board of Commissioners as follows:

SECTION 1. Steve Blodgett is hereby removed as the Treasurer for the District effective February 29, 2024, and Gary Long, Commissioner, is hereby appointed as the Treasurer for the District effective February 29, 2024. As Treasurer for the District, Mr. Long is directed to keep all monies belonging to the District in such accounts designated by him until disbursed according to law, and that until disbursement, he is granted authority to invest such funds and to carry out all the duties of the Treasurer required by applicable law.

SECTION 2. The Superintendent for the District is directed to secure and maintain in force at all times a fidelity bond insuring the faithful performance of the Treasurer for the District in an amount not less than \$250,000.00, said bond to be issued by a surety company authorized to do business in the State of Washington and the premium on such bond shall be paid by District.

ADOPTED AND APPROVED by the Commissioners of Kennewick Public Hospital District, Benton County, Washington, at a regular public meeting thereof this 29th day of February, 2024 the following Commissioners being present and voting:

**KENNEWICK PUBLIC HOSPITAL DISTRICT
BENTON COUNTY, WASHINGTON**

Mark Brault, President & Commissioner

Commissioner

Marv Kinney, Vice President & Commissioner

Richard L. Reil, Commissioner

Wanda L. Briggs, Commissioner

Sheila Dunlop, Commissioner

Gary Long, Commissioner