



Two Rivers
HEALTH DISTRICT

KENNEWICK PUBLIC HOSPITAL DISTRICT

**Board of Commissioners
Packet**

**Thursday, April 29, 2021
Meeting via Zoom**

5:00 p.m.

Kennewick Public Hospital District
Kennewick, Benton County, Washington
Consent Agenda
April 29, 2021

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. Board Meeting March 25, 2021**

2. Approval of Warrant Register/Revenue Fund

3. Acceptance of Financial Report:

- a. Approval of P&L Statements March, 2021**

**KENNEWICK PUBLIC HOSPITAL DISTRICT
BOARD OF COMMISSIONERS
BOARD MEETING
AGENDA**

Thursday, April. 29, 2021 | Remote Meeting Via Zoom

CALL TO ORDER

I. DISTRICT BUSINESS:

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

II. NEW BUSINESS:

A. Executive Report – Lee Kerr

B. Committee Reports/Recommendations

- 1. Finance Committee – Steve Blodgett, Finance Chair / Nathan Burt
 - a. March financial statements
 - b. Treasurer’s Report: 2020 Audit schedule and Eide Bailly agreement
 - c. 2019 State Accountability Audit - Exit conference completed
 - d. Recommendation to pay improvement assessment from the owner’s association of the 805/807 properties \$11,808.94*
- 2. Planning Committee – Wanda Briggs and Lee Kerr
 - a. Communications intern recommendation
 - b. Recovery Center discussion
- 3. Adult Day Services – General Update Rick Reil or Steve Blodgett
 - a. Plan to reopen June 1st
- 4. Governance Committee – Gary Long
 - a. Upcoming items
- 5. Public Records Requests, and Records Management – Heidi Ellerd and Salem Thompson

III. EXECUTIVE SESSION: Pursuant to RCW 42.30.110(1)(i) potential litigation*

IV. COMMISSIONER COMMENTS

V. BOARD MEETINGS/EVENTS/EDUCATION:

Next Regularly Scheduled Board Meeting – Thursday, May 27, 2021, @ 5:00 p.m.

ADJOURNMENT

*Note - Items noted with an asterisk constitute possible action by the Board of Commissioners.

Minutes

**KENNEWICK PUBLIC HOSPITAL DISTRICT
BOARD OF COMMISSIONERS
BOARD MEETING
MINUTES**

Thursday, March. 25, 2021 | Remote Meeting Via Zoom

CALL TO ORDER 5:01 pm

Attendance: Gary Long, Steve Blodgett, Marv Kinney, Mark Brault, Rick Reil, Wanda Briggs, Len Dreisbach (joined meeting at 5:42pm), Lee Kerr, Heidi Ellerd, Nathan Burt, and Salem Thompson.

I. DISTRICT BUSINESS:

A. Approval of Consent Agenda

The materials listed under the Consent Agenda are considered routine by the Board of Commissioners and are adopted by one motion. There will be no separate discussion of the following items

- Approval of the previous month's Board minutes
- Approval of warrant register/revenue fund
- Acceptance of the financial report

However, an item may be removed from the Consent Agenda and considered separately if the Board members desire further discussion. As of this date, the Board of Commissioners unanimously approves by a majority vote the payment of those items included in the Consent Agenda and further described as follows:

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

B. Public Comment – NONE.

II. NEW BUSINESS:

A. Executive Report – Lee Kerr

Lee provided an overview of activities related to meetings he attended to support the proposed recovery center effort and discussions with Life Point to fulfill the Community Care Agreement's requirements.

There is a need for some tenant improvements to the office space leased by the District at the Spaulding Building prior to holding our meetings there. A letter has been prepared to propose the improvements and develop a timeline for occupancy. The goal would be to occupy the area by the last Thursday in May.

A representative from Trios has been identified to work on the District's records held at CI. An initial meeting was held via Zoom, and there have been some emails exchanged. The goal is to develop a scope and timeline to review the boxes/documents to ensure adherence to the District's records retention requirements.

B. Committee Reports/Recommendations

1. Finance Committee – Steve Blodgett, Finance Chair / Nathan Burt
 - a. February financial statements – Nathan provided a review of the statements. In

particular, the District's bill for the Benton County elections was discussed. Heidi is following up to clarify whether or not the bill was appropriate since the District did not have a commissioner up for election in 2020.

- b. Treasurer's Report: Update on 2019 Audit, Upcoming 2020 Audit schedule.
The finance committee had a representative from Eide Bailly attend their meeting this month. It was a good and helpful discussion, and the 2019 audit is now final. The 2020 audit will start in the next month or so. The state audit will wrap up very soon since this is complete.
- c. 2020 auditor selection – The finance committee recommends continuing with Eide Bailly for the 2020 audit. Once a proposal with the cost is received from Eide Bailly, a formal motion will be entertained.

2. Planning Committee – Wanda Briggs and Lee Kerr

a. Discussion on future options for the District

The committee met this month and discussed how it could be more productive for the District. The current properties, 805/807 sale, Adult Day Services, and the proposed recovery center are the three areas of action. Rick Reil will be looking into the needs and goals of Adult Day Services. Marv Kinney will be taking on more responsibility connected to the 805/807 building and any Spaulding suite occupancy needs. Wanda will be taking on the public communications piece working closely with Gary and Lee.

Rick reported he had initiated the discussion with Adult Day Services.

There is a potential for the District to have a communications intern for the summer. Wanda and Salem met with the program coordinator from WSU, and the planning committee will develop a plan to utilize such an opportunity best. Funds from the Richmond Trust could qualify to be used for this program. More information will be provided at the next meeting.

3. Adult Day Services – General Update Rick Reil or Steve Blodgett

The financial position is strong. The facility is still closed, but a reopening plan will be discussed in the near future.

4. Governance Committee – Gary Long

a. Richmond Trust Resolution 2021-3– Read by Gary Long.

IT WAS MOVED AND SECONDED TO APPROVE THE RESOLUTION 2021-3 A RESOLUTION RELATING TO EXPENDITURES OF INCOME FROM THE PAUL G. AND MABEL RICHMOND ENDOWMENT FUND. NO DISCUSSION. MOTION CARRIED.

b. Election registration

Commissioners running for election this year are Mark Brault and Wanda Briggs. Please make sure you register by the deadline in May.

c. Final reminder for PDC filing – Each commissioner must file on time.

d. Discussion on Phase 3 opening

Phase 3 provides 50% capacity and requires physical distancing requirements. Some entities in the area are meeting in person at the specified capacity. A Zoom or other remote option is required to be available. Heidi will prepare a resolution and policy for the District to consider at the next meeting for the option of meeting in person.

5. Public Records Requests and Updates – Heidi Ellerd and Salem Thompson

The District's business license was renewed. Still working on fulfilling existing records requests.

EXECUTIVE SESSION: Pursuant to RCW 42.30.110(1)(i) potential litigation

At 5:59 pm executive session was called for 15 minutes. The public in attendance was placed in the Zoom waiting room.

The meeting re-opened at 6:14pm - The public was admitted back to the meeting. No action was taken.

III. COMMISSIONER COMMENTS

A. Upcoming items – No additional comments.

IV. BOARD MEETINGS/EVENTS/EDUCATION:

Next Regularly Scheduled Board Meeting – Thursday, April. 29, 2021, @ 5:00 p.m.

ADJOURNMENT 6:20pm

Financials

Management Reports

Kennewick Public Hospital District
For the period ended March 31, 2021

Prepared by

Epic Tax Solutions a Subsidiary of Epic Trust Financial Group

Prepared on

April 19, 2021

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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 1013 Home Health Escrow—Funds held in escrow to ensure against debt to purchasers from 2018 sale of Home Health entity. Expires June 2021. District has no interest or control of these funds.

Account 1020 Health Initiative Fund—Funds held to pursue Recovery Center acquisition of Auburn Campus originally received from the sale of the District's interest in the Tri-City Cancer Center.

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.

Account 2100 Adult Day Services Loan Account—The District borrowed funds from ADS to satisfy a long-term debt owed to the Kennewick Liquidation Trust which it repays quarterly.

Account 3000 Auburn Building Account—The District retains ownership of a building located in the Kennewick Medical Dental Center which it presently uses as office space and has it listed for sale.

Statement of Activity

March 2021

	Total
REVENUE	
100 Property Tax Revenue	106,182.14
109 Other Revenue	1,155.50
Total Revenue	107,337.64
COST OF GOODS SOLD	
200 Community Care Agreement	84,945.71
Total Cost of Goods Sold	84,945.71
GROSS PROFIT	22,391.93
EXPENDITURES	
305 Bank Fees	361.02
315 Commissioner Mtg Stipend	2,176.00
320 Facilities Expense	
321 Building Association Dues	512.95
323 Utilities	409.33
Total 320 Facilities Expense	922.28
330 Legal and Professional	
331 Attorney Fees	1,843.00
332 Accounting	1,300.00
335 Administrative Support	2,200.00
Total 330 Legal and Professional	5,343.00
340 Office Expenses	19.53
346 Public Records Request	1,567.50
360 Superintendent Compensation	3,000.00
380 Payroll Expenses	
381 Benefits	25.00
Total 380 Payroll Expenses	25.00
Total Expenditures	13,414.33
NET OPERATING REVENUE	8,977.60
OTHER REVENUE	
950 Worker's Comp Reimbursements	13,712.48
Total Other Revenue	13,712.48
OTHER EXPENDITURES	
800 Workers Comp Claims Paid	8,531.94
810 Interest Expense	4,260.20
Total Other Expenditures	12,792.14
NET OTHER REVENUE	920.34
NET REVENUE	\$9,897.94

Statement of Financial Position

As of March 31, 2021

	Total
ASSETS	
Current Assets	
Bank Accounts	
1010 US Bank Checking 4037	141,035.36
1020 Health Initiative Reserves 2765	341,000.00
1030 Restricted - US Bank 6221	100.00
1040 Key Bank Worker's Comp	27,926.71
Total Bank Accounts	510,062.07
Other Current Assets	
1105 Tax Receivable	5,778.00
Total Other Current Assets	5,778.00
Total Current Assets	515,840.07
Fixed Assets	
3000 District Building	238,350.00
3010 Accumulated Depreciation	
3010-1 Accum Depr - Buildings - KPD	-238,350.00
Total 3010 Accumulated Depreciation	-238,350.00
Total Fixed Assets	0.00
Other Assets	
1013 Home Health Escrow 2021	144,979.22
1210 Prepaid Expenses	1,497.03
2001 Richmond Trust (Restricted)	676,310.45
Total Other Assets	822,786.70
TOTAL ASSETS	\$1,338,626.77
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2020 Accounts Payable	80,520.13
Total Accounts Payable	80,520.13
Other Current Liabilities	
2021.50 Current Portion ADS Loan Payable	25,482.00
Total Other Current Liabilities	25,482.00
Total Current Liabilities	106,002.13
Long-Term Liabilities	
2100 Loan from ADS	250,434.09
Total Long-Term Liabilities	250,434.09
Total Liabilities	356,436.22
Equity	
3001 Net Assets	291,809.57
3200 Net Position	740,548.48

	Total
Net Revenue	-50,167.50
Total Equity	982,190.55
TOTAL LIABILITIES AND EQUITY	\$1,338,626.77

Statement of Cash Flows - Last Month

March 2021

	Total
OPERATING ACTIVITIES	
Net Revenue	9,897.94
Adjustments to reconcile Net Revenue to Net Cash provided by operations:	
2020 Accounts Payable	74,907.82
Total Adjustments to reconcile Net Revenue to Net Cash provided by operations:	74,907.82
Net cash provided by operating activities	84,805.76
INVESTING ACTIVITIES	
1210 Prepaid Expenses	19.53
Net cash provided by investing activities	19.53
FINANCING ACTIVITIES	
2100 Loan from ADS	-6,711.96
Net cash provided by financing activities	-6,711.96
NET CASH INCREASE FOR PERIOD	78,113.33
Cash at beginning of period	431,948.74
CASH AT END OF PERIOD	\$510,062.07

Policies / Resolutions

Kennewick Public Hospital District		Library Folder: Board of Commissioners Page 1 of 2				
TITLE: Open Public Meetings during COVID		Implementation Date: 04/2021 Revised Date:				
APPROVED: (Signed) _____ (Typed) Gary Long, President Date: 4/2021	Reviewed by:					
	Date:					

I. AUTHORITY:

- RCW 42.30 provides requirements for open public meetings.
- Proclamation by the Governor 20-28 et seq. prohibits holding of in-person public meetings, and 20-28.14 provides for an exemption to that prohibition as long as certain requirements are maintained.

II. REQUIREMENTS WHEN HOLDING IN PERSON PUBLIC MEETINGS

- The District must provide for remote meeting access for all public meetings held during the period of time that Proclamation 20-28 et seq. is in effect.
- The District may, at its option, include an in-person component to any public meeting that complies with the provisions of this Policy.
- All public meetings will allow for any person wishing to attend in person a public meeting with an in-person component to do so at a physical location meeting the requirements provided herein, either in a primary meeting location or an overflow physical location that provides the ability for all persons attending the meeting to hear each other at the same time.
- If at any time during a public meeting the in-person component cannot comply with each of the requirements herein, the public meeting (to include the telephonic/remote access portions) must be recessed until compliance is restored or if compliance cannot be restored then adjourned, continued, or otherwise terminated.
- If the District holds an in-person public meeting, it shall accommodate, to the extent practicable, those wishing to participate in and/or attend the public meeting (to include the press) by allowing persons to attend the meeting by listening and speaking through operable telecommunications devices, (including but not limited to an attendee's cell phone with service to connect to a conference calling service, or allowing persons to call in using an attendee's cell phone with service).
- The in-person component of the meeting shall be limited to the occupancy as provided by the Governor's guidance for Miscellaneous Venues for the phase that Benton County is in at the time of the meeting.
- The District shall post a sign at the entrance to the meeting venue so that it is immediately noticeable to all customers requiring all persons entering the meeting to wear cloth facial coverings. All attendees must adhere to the requirements of the

Kennewick Public Hospital District	Page 2 of 2
TITLE: Open Public Meetings during COVID	Implementation Date: 04/2021 Revised Date:

- Secretary of Health's Order 20-03, unless they are exempt from the requirement.
- The District shall ensure that six feet of physical distance is maintained by all attendees, and that all attendees wear a proper face covering at all times.
 - The District shall provide hand sanitizing stations for all attendees.
 - The District shall clean/sanitize the meeting room after each meeting.
 - The District shall adjust the ventilation system to bring in as much outside air as possible, and shall increase filters to MERV 13 if the HVAC system can accommodate it. Door and windows shall be open where possible and fans shall be used to improve ventilation if necessary.
 - The Superintendent, or his designated appointee, shall act as COVID-19 Program Supervisor and shall be present during every meeting to ensure masking and social distancing practices are enforced and practiced by all in-person meeting attendees.
 - Meal/food service is prohibited.
 - The District shall ensure strict adherence to all measures established by the Governor's guidance, the Department of Labor & Industries (L&I), Coronavirus (COVID-19) Prevention: General Requirements <https://lni.wa.gov/forms-publications/F414-164-000.pdf>, and the Washington State Department of Health Workplace and Employer Resources & Recommendations <https://www.doh.wa.gov/Coronavirus/Workplace> (DOH).

III. Approval by Commission

- The Commission approves an in-person component to public meetings when the above requirements are met.