

KPHD

Kennewick Public Hospital District
Board of Commissioners
Packet

Thursday, Dec. 17, 2020
Meeting via Zoom

5:00 p.m.

Kennewick Public Hospital District
Kennewick, Benton County, Washington

Consent Agenda Dec. 17, 2020

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 Nov. 19, 2020

2. Approval of Warrant Register/Revenue Fund

3. Acceptance of Financial Report:

- a. Approval of P&L Statements Nov., 2020

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

Thursday, December 17, 2020 | 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 & Audit – Steve Blodgett, Finance Chair / Nathan Burt
 - a. November financial statements
 - b. Treasurer’s Report: Status of Audits
 - c. Finance committee
- 2. Planning Committee – Len Dreisbach and Lee Kerr
 - a. Commission vacancy report – Wanda Briggs
- 3. Adult Day Services – General Update Rick Reil or Steve Blodgett
- 4. Governance Committee Updates – Gary Long
 - a. Update 2021 committee assignments
- 5. Public Records Requests and Updates – Heidi Ellerd and Salem Thompson

EXECUTIVE SESSION: pursuant to RCW 42.30.110(1)(i) potential litigation*; pursuant to RCW 70.44.045 Commissioners – Vacancies*

III. COMMISSIONER COMMENTS

- A. Upcoming items –**

IV. BOARD MEETINGS/EVENTS/EDUCATION:

Next Regularly Scheduled Board Meeting – Thursday, January 28, 2021 @ 5:00p.m.

ADJOURNMENT

Note - Items noted with an asterisk constitute possible action by the Board of Commissioners.70.44.045

Minutes

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

Thursday, November 19, 2020 | Remote Meeting Via Zoom

CALL TO ORDER 5:00 pm

Commissioners Present: Wanda Briggs, Len Dreisbach, Marv Kinney, Gary Long, Steve Blodgett, Rick Reil.

Commissioners Excused: None (Note: Mike McWhorter’s resignation was accepted at the October meeting.)

Executive Support: Heidi Ellerd, Salem Thompson, Lee Kerr,

Due to the state of emergency and the Governor’s proclamation relating to in-person public meetings, the meeting was held with all parties participating remotely via Zoom. Commissioner Long called the meeting to order at 5:00 p.m., after confirming that all parties were connected and could hear and participate in the meeting.

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 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 – There was no public comment. There were three members of the public in attendance.

II. NEW BUSINESS:

A. Executive Report – Lee Kerr

A presentation of the feasibility studies was made to Franklin County Commissioners. Next Tuesday morning there will be a similar presentation of the study to the Benton County Commissioners.

The new space at the Spaulding building will be inspected tentatively for next week. There is no rush due to current restrictions on in person meetings due to COVID-19.

Listing the 805/807 Auburn property update: There are some things being addressed including potential purchase price.

Option agreement to purchase the Auburn Hospital location: The agreement has been received but is being reviewed for the details surrounding mental health services. Lee and Heidi will be working with LifePoint to discuss the details.

Fundraising activities related to the proposed recovery center efforts are ongoing. There is an opportunity to get this project on the governor's capital budget. Local funding opportunities also exist. A formation of a nonprofit entity for this purpose is an idea for consideration. This would be very similar to the Trios Foundation that previously existed. A local attorney has been approached to assist in the formation of a foundation for this purpose at no cost. The filing fees, etc. would be paid for by the District. Health Facilities Planning representative will continue to look for grant opportunities. Lee discussed with the Benton Franklin Community Health Alliance and it went well this week. Next Monday evening a presentation will be made to the Pasco City Council. Also the Kennewick City Council and the Kadlec Foundation will receive a presentation at their requests in the near future. Various individuals across the Tri-Cities have also expressed interest in supporting the recovery center effort.

B. Committee Reports/Recommendations

1. Finance & Audit – Steve Blodgett, Finance Chair -
 - a. October financial reports – The documents were covered by Steve Blodgett, Treasurer in Nathan Burt's absence this evening.
 - b. Treasurer's Report: Status of Audits – The financial audit is still underway. There is a draft and within the next week or two there should be a final copy available. The State accountability audit is underway. The District has submitted all requested documents. They have started doing the telephone risk assessment interviews. The final step will be the review of the financial audit which again should be completed within the next couple of weeks.
 - c. Finance committee – Nothing to report.
2. Planning Committee – Len Dreisbach and Lee Kerr. A professional fundraising firm has expressed an interest in assisting the district. It is the same one used by the local Boys and Girls Club used to raise their recent funds. This possibility is what spurred the idea of a foundation to receive funds to then be directed to the recovery center effort.
3. Adult Day Services – General Update Rick Reil. The business is still working to contact clients by phone and be reimbursed for that support. The building they occupy has an open space, but at this time there is no plans for expansion. While clients are not physically at the site, there is an effort underway to update the lighting to be more efficient and reduce the power bill overall.

The budget is still being finalized. Rick and Steve met with the Director, Barb Edwards to discuss how to budget due to the unusual circumstances. Their goal was to have a budget available this evening. They need some additional time to complete. Rick and Steve assisted in helping ADS come up with a formula for projections. A budget will be available before the December board meeting.

Rick also reported the audit ADS had from the ALTC organization went well and was very positive all around.

3.5 Resolution for small works roster 2020-7

Amending 2018's resolution to reflect new limits

Rick Reil read the resolution.

Motion to approve resolution 2020-7. Seconded. Discussion:. Motion Carried.

4. Governance Committee Updates – Gary Long
 - a. Commission vacancy discussion – There are options to fill the position. One person from the community has expressed interest and provided a resume. Whomever is appointed will have to run in 2021 for a full six-year term.
Discussion to have the planning committee review candidates. It is suggested to have Wanda chair this effort of the committee due to her long experience and community

connections. Gary suggests the committee present the best candidates to the commission. The timeframe for appointing a commissioner is 90 days.

b. 2021 Officers – No commissioner has approached Gary to make a change. Each commissioner was asked in turn and all were in favor to keep the officers the same.

c. 2021 Committees – Governance will stand as is in light of keeping officers the same. Planning and Finance Committee would likely be on hold until the appointment of a new commissioner.

5. Public Records Requests and Updates – Heidi Ellerd and Salem Thompson. Heidi's office is working to fulfill current requests. Gary has asked Heidi's office to look into the possibility of using DocuSign to sign District business during COVID-19 and going forward.

a. Update on email migration plan and SharePoint – This effort has been completed. The District letterhead has been updated and available for use.

III. COMMISSIONER COMMENTS

Appreciation is expressed to Lee Kerr for his efforts on behalf of the District. He is doing a stellar job in attending all the meetings, making presentations, and overall representing the vision and mission of the district very effectively.

Happy Thanksgiving to all.

Wanda regarding the officers, glad to have everyone staying in place, and asks if Gary is indeed willing to serve as President again. Gary affirms that he is happy to serve.

A. Upcoming items –

IV. BOARD MEETINGS/EVENTS/EDUCATION:

Next Regularly Scheduled Board Meeting – Thursday, December 17, 2020 @ 5:00p.m.

ADJOURNMENT – 6:25pm

Financials

Kennewick Public Hospital District
Statement of Cash Flows
November 2020

	<u>Nov 20</u>
OPERATING ACTIVITIES	
Net Income	10,248.55
Adjustments to reconcile Net Income to net cash provided by operations:	
2020 - Accounts Payable	92,458.35
2023 - US Bank Corp Payment Systems	16.28
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Net cash provided by Operating Activities	102,723.18
Net cash increase for period	102,723.18
Cash at beginning of period	822,375.42
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Cash at end of period	<u>925,098.60</u> ¹

Kennewick Public Hospital District
Statement of Cash Flows
November 2020

1. 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 notes to the financial statements.
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Kennewick Public Hospital District
Statement of Net Position
As of December 9, 2020

	Dec 9, 20
ASSETS	
Current Assets	
Checking/Savings	
1010 - US Bank Checking 4037	551,620.78
1020 - Health Initiative Reserves 2765	341,000.00
1030 - Restricted - US Bank 6221	3,725.24
1040 - Key Bank Worker's Comp	23,434.02
Total Checking/Savings	919,780.04
Total Current Assets	919,780.04
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	301,242.06
2001 - Richmond Trust (Restricted)	676,291.07
Total Other Assets	977,533.13
TOTAL ASSETS	1,897,313.17
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2020 - Accounts Payable	474,253.17
Total Accounts Payable	474,253.17
Credit Cards	
2023 - US Bank Corp Payment Systems	-2,664.25
Total Credit Cards	-2,664.25
Total Current Liabilities	471,588.92
Long Term Liabilities	
2100 - Loan from ADS	289,240.33
Total Long Term Liabilities	289,240.33
Total Liabilities	760,829.25

12:43 PM

12/09/20

Accrual Basis

Kennewick Public Hospital District
Statement of Net Position
As of December 9, 2020

	<u>Dec 9, 20</u>
Equity	
3001 · Net Assets	448,072.41
3200 · Retained Earnings	302,624.48
Net Income	385,787.03
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Total Equity	1,136,483.92
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TOTAL LIABILITIES & EQUITY	1,897,313.17 ¹
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Kennewick Public Hospital District
Statement of Net Position
As of December 9, 2020

1. 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 notes to the financial statements.
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Kennewick Public Hospital District
Statement of Financial Activity
November 2020

	Nov 20	Jan - Nov 20
Ordinary Income/Expense		
Income		
100 · Property Tax Revenue	119,826.24	1,439,182.14
Total Income	119,826.24	1,439,182.14
Cost of Goods Sold		
200 · Community Care Agreement	95,860.99	1,083,496.32
Total COGS	95,860.99	1,083,496.32
Gross Profit	23,965.25	355,685.82
Expense		
VOID	0.00	0.00
301 · Health Initiative Contributions	0.00	33,295.75
305 · Bank Fees	94.50	2,562.84
315 · Commissioner Mtg Stipend	3,200.00	27,136.00
320 · Facilities Expense		
321 · Building Association Dues	434.00	2,604.00
323 · Utilities	402.36	3,235.74
Total 320 · Facilities Expense	836.36	5,839.74
326 · Insurance	183.80	13,031.00
330 · Legal and Professional		
331 · Attorney Fees	1,869.00	96,264.42
332 · Accounting	1,300.00	14,300.00
333 · Audit Expense	0.00	18,347.70
335 · Administrative Support	2,200.00	24,200.00
336 · Other Professional Fees	0.00	3,879.49
Total 330 · Legal and Professional	5,369.00	156,991.61
339 · Licenses and Taxes	0.00	318.25
340 · Office Expenses	91.28	1,368.19
345 · Other Operating Expenses	0.00	108.54
346 · Public Records Request	946.25	10,879.00
347 · Public Election Costs	0.00	28,685.82
360 · Superintendent Compensation	3,000.00	30,000.00
380 · Payroll Expenses		
381 · Benefits	0.00	242.27
Total 380 · Payroll Expenses	0.00	242.27
Total Expense	13,721.19	310,459.01
Net Ordinary Income	10,244.06	45,226.81
Other Income/Expense		
Other Income		
900 · Richmond Trust Income	0.00	12,493.59
930 · Gain on Disposal of Assets	0.00	341,000.00
950 · Worker's Comp Reimbursements	0.00	138,653.29
960 · Interest and Dividend Income	4.49	134.30
970 · Rent Income	3,725.24	3,725.24
Total Other Income	3,729.73	496,006.42
Other Expense		
800 · Workers Comp Claims Paid	0.00	132,337.00
810 · Interest Expense	0.00	18,403.75
Total Other Expense	0.00	150,740.75
Net Other Income	3,729.73	345,265.67
Net Income	13,973.79	390,492.48

**Kennewick Public Hospital District
Statement of Financial Activity
November 2020**

1. 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 notes to the financial statements.
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Committee Recommendations and General Info.

Adult Day Services 2021 Budget

REVENUES	1/2 2019	1/2 2020	Proposed	
			2021	Less 1.2%
ALTC (SSBG) III-B	\$5,804	6346	\$12,150	
PRIVATE	\$53,738	-13967	\$39,771	
DONATIONS	\$780	1450	\$2,230	
United Way Allocations	\$1,456	817	\$2,273	
United Way Donor Designation	\$0	0	\$0	
Title XIX	\$485,101	456,386	\$941,487	
Respite Care	\$2,062	3748	\$5,810	
DD Service	7366	-2748	4618	
Interest Income	781	9132	9913	
Other Income	\$4	105,199	0	
Total	\$557,093	566363	\$1,018,252	\$1,006,033

EXPENSES	1/2 2019	1/2 2020	Proposed	
			2021	Plus 5%
Salaries & Wages	278563.6	203463.3	482026.89	
bonus	1949.04	20000	3949.04	
Administrative Services				
FICA Tax Expense	21306.47	17310.34	38616.81	
L&I Insurance Expense	1706.97	1096.32	2803.29	
Unemployment Ins Exp	937.81	12021.21	12959.02	
Medical Insurance	42336.14	40591.27	82927.41	
Dental Insurance	4442.87	3584.58	8027.45	
Vision Insurance	716.52	817.92	1534.44	
Life Insurance	423	301.5	724.5	
Retirement Plan	10433.14	8032.4	18465.54	
Office Supplies-Print	3295.69	1673.76	4969.45	
Operating Supplies	18731.4	2554.57	21285.97	
Small Tools and Minor Equipmer	622.93	0	622.93	
Client meal Expenses	43,662.27	0	43,662.27	
Contracted Physical Th	720	0	720	
Telephone/computer Expense	7306.1	3886.43	11192.53	
Postage Expense	550	500	1050	
Travel (mtgs/workshop)	3289.85	342.01	3631.86	
Transportation-Client	15000	0	15000	
Advertising Expense	2016.01	550.69	2566.7	
Rent Expense-Bldg	32694	33782	66476	
Rent Expense-Equipment	145.46	48.84	194.3	
Insurance-Comprehensive-Dir	2319.23	2162	4481.23	
Utilities Expense	7486.67	4313.96	11800.63	
Garbage Expense	530.56	792.82	1323.38	
Cleaning Expense	5430	0	5430	

Repairs and Maintenance	10740.43	971.04	11711.47
Dues and Subscriptions	1135.32	0	1135.32
Machinery & Equipment	2109.05	1917.07	4026.12
Training Expense	700	0	700
Printing Expenses	543.94	0	543.94
Grounds Maintenance	501.72	1515.06	2016.78
Professional Services	1143	4686.16	5829.16
Bank Service Charge	84	87	171
Funded Depreciation Expense	4888.02	0	4888.02
Invest expense	867.57	381.63	1249.2
Refund expense	1392	1.12	1393.12
Total Expenses		880105.77	\$924,111
		NET	\$81,922