



Two Rivers
HEALTH DISTRICT

KENNEWICK PUBLIC HOSPITAL DISTRICT

**Board of Commissioners
Packet**

**Thursday, June 30, 2022
Meeting via Zoom**

5:00 p.m.

Kennewick Public Hospital District
Kennewick, Benton County, Washington
Consent Agenda
June 30, 2022

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, May 26, 2022

Minutes

Kennewick Public Hospital District
Thursday, May 26, 2022 | Remote Meeting Via Zoom
5:00 PM

Attendance: Gary Long, Steve Blodgett, Mark Brault, Marv Kinney, Wanda Briggs, Rick Reil, Sheila Dunlop, Lee Kerr, Nathan Burt, Heidi Ellerd, and Salem Thompson.

CALL TO ORDER Gary Long called the Meeting to order at 5:02 pm

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 5:02 pm 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:

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

B. Public Comment: None.

II. NEW BUSINESS:

A. Reports

1. Lee Kerr – Superintendent, General Update
A proposed recovery center will not likely be located in the old Trios location at Auburn St. There are a few other options Benton County is looking at. A successful closing of the 805/807 Auburn property was achieved with the help of many hands.
A small group of public hospital districts no longer running hospitals but doing other public work have invited Lee and Gary to a virtual collaboration meeting later in June.
2. Legal Report - Heidi Ellerd, Legal Counsel
 - a. Updates – Open public meetings and public records requests.
Work continues on fulfilling existing requests by installment and a few new requests.
Beginning in June, a physical location will need to be available for monthly commission meetings.

MOTION TO AUTHORIZE LEE KERR TO FIND A SUITABLE PHYSICAL LOCATION FOR BOARD MEETINGS MOVING FORWARD HAVING A/V CAPACITY FOR REMOTE/ZOOM ACCESS AND AUTHORIZE LEE KERR TO SIGN ANY AND ALL DOCUMENTS TO RESERVE THE LOCATION FOR BOARD MEETINGS AND

AUTHORITY TO GIVE NOTICE TO THE PUBLIC OF THE NEW MEETING LOCATION PRIOR TO THE NEXT BOARD MEETING. SECONDED. NO DISCUSSION. MOTION CARRIED.

Heidi Ellerd discussed new legislation that requires posting of a sign at all board meetings about open carry, RCW 9.41.305.

3. Administrative Report, Salem Thompson, Board Coordinator
 - a. Records project update – Work is progressing with more boxes identified for destruction with DAN codes. The form for signing off for destruction has been sent to RCCH for countersignature and delivery to CI/VRC. A copy will be retained by the District. A grant for digitizing records was submitted to the WA State Archives last week. Awards will be announced in September.

B. Committee Reports/Recommendations

1. Finance Committee – Steve Blodgett, Finance Chair / Nathan Burt
 - a. Acceptance of March and April financial statements– Overview by Nathan Burt

MOTION TO APPROVE THE MARCH FINANCIALS WHICH INCLUDES PAYMENTS AND DISBURSEMENTS AS SUBMITTED. SECONDED. NO DISCUSSION MOTION CARRIED.

MOTION TO APPROVE THE APRIL FINANCIALS WHICH INCLUDES PAYMENTS AND DISBURSEMENTS AS SUBMITTED. SECONDED. NO DISCUSSION, MOTION CARRIED.

- b. Approval of payments and disbursements. These were approved within the motion to approve the financials.
 - c. Treasurer’s Report – Steve Blodgett discussed the work on the audit.
 - d. 2021 Audit update. Work continues to go well. ADS has been compliant in providing the requested supporting documents.
2. Governance Committee Updates – Gary Long
 - a. Report on sale of 805/807 Auburn – Covered above in Lee’s report.
 - b. Discussion: Public meeting place starting June meeting and continuance of virtual option – This was covered earlier in the meeting. Lee, Salem, and Dr. Dunlop will follow up on options and equipment. Congratulations to Mark Brault for his recent honor as Tri-Citian of the Year. Also noted there are former Kennewick Man of the Year winners on our Board as well.
3. Planning Committee – Wanda Briggs
 - a. General update – The Community Needs Health Assessment draft will be available this fall. Issues around housing and homelessness and mental health are expected to be in the forefront. Grace Clinic desires to expand dental services and will provide a proposal for the planning committee to consider. There has not been a proposal from ADS yet on what the District could do to help/collaborate. Dr. Dunlop discussed a possible partnership between medical students in DO programs and patients at ADS providing the students with supervised experience and ADS clients with additional services, likely 1-2 days per month.
 - b. Discussion on full Board Strategic Planning Retreat – A retreat will likely take place in the fall rather than the summer.
4. Adult Day Services – General Update: Rick Reil/Steve Blodgett

Services continue at expected levels with new admissions occurring regularly. They are working on preparing their newly acquired building for tenants and taking care of some deferred maintenance on the building's exterior.

C. Executive Session - NONE

IV. COMMISSIONER COMMENTS

D. Upcoming items

V. BOARD MEETINGS/EVENTS/EDUCATION:

Next Regularly Scheduled Board Meeting – Thursday, June 30, 2022 @ 5:00p.m. via Zoom and in-person, details TBD.

Close of Meeting 6:31 pm

Kennewick Public Hospital District
Thursday, June 30, 2022 | Hybrid Meeting Remote
Meeting Via Zoom
5:00 PM
AGENDA

I. District Business:

II. Regular Board Meeting Business

A. Approval of Consent Agenda*

B. Public Comment

III. 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
 - a. Records project update

B. Committee Reports/Recommendations

1. Finance Committee – Steve Blodgett, Finance Chair / Nathan Burt
 - a. Acceptance of May financial statements* – Overview by Nathan Burt
 - b. Approval of payments and disbursements*
 - c. Treasurer’s Report – Steve Blodgett
 - d. 2021 Audit – update
2. Governance Committee Updates – Gary Long
 - a. AWPHD (public hospital districts without hospitals) meeting update
3. Planning Committee – Wanda Briggs
 - a. General update
 - b. Discussion on full commission Strategic Planning Retreat
4. Adult Day Services – General Update: Rick Reil/Steve Blodgett
Potential confirmation of appointment interim Executive Director*

C. Executive Session

IV. COMMISSIONER COMMENTS

A. Upcoming items

V. BOARD MEETINGS/EVENTS/EDUCATION:

Next Regularly Scheduled Board Meeting – Thursday, July 28, 2022 @ 5:00p.m. (Hybrid)

Close of Meeting

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

Financials

ACH Report

Kennewick Public Hospital District

From 5/1/2022 to 5/31/2022



Source Code	Date	Debit	Credit	Description	Status
Direct Deposit					
	5/6/2022	7,964.00		Payroll Number: 10	
	5/10/2022		512.00	Steve Blodgett	
	5/10/2022		896.00	Wanda Briggs	
	5/10/2022		3,300.00	Leland Kerr	
	5/10/2022		256.00	Marv Kinney	
	5/10/2022		2,500.00	Salem Snowdy	
	5/10/2022		500.00	Debra L Clark	
	Total:	7,964.00	7,964.00		
	Grand Total:	7,964.00	7,964.00		

Management Reports

Kennewick Public Hospital District
For the period ended May 31, 2022

Prepared by

Epic Tax Solutions a Subsidiary of Epic Trust Financial Group

Prepared on

June 6, 2022

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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 With Year to Date

May 2022

	May 2022	Jan - May, 2022 (YTD)	Total
REVENUE			
100 Property Tax Revenue	171,881.87		877,612.27
Total Revenue	171,881.87		877,612.27
COST OF GOODS SOLD			
200 Community Care Agreement	137,505.50		702,115.51
Total Cost of Goods Sold	137,505.50		702,115.51
GROSS PROFIT	34,376.37		175,496.76
EXPENDITURES			
305 Bank Fees	402.15		2,010.97
315 Commissioner Mtg Stipend	1,664.00		14,720.80
320 Facilities Expense			
321 Building Association Dues	381.85		1,834.97
323 Utilities	224.41		1,443.41
325 Repairs and Maintenance			220.91
Total 320 Facilities Expense	606.26		3,499.29
326 Insurance	365.20		1,151.00
330 Legal and Professional			
331 Attorney Fees	937.65		5,446.50
332 Accounting	1,457.00		7,285.00
333 Audit Expense			9,000.00
335 Administrative Support	2,500.00		12,200.00
336 Other Professional Fees	781.95		4,501.25
Total 330 Legal and Professional	5,676.60		38,432.75
339 Licenses and Taxes			64.85
340 Office Expenses	180.80		1,796.91
346 Public Records Request	2,812.75		9,415.40
346.5 Records Management	500.00		1,475.00
360 Superintendent Compensation	3,300.00		15,600.00
Total Expenditures	15,507.76		88,166.97
NET OPERATING REVENUE	18,868.61		87,329.79
OTHER REVENUE			
900 Richmond Trust Income			4,750.43
930 Gain on Disposal of Assets	123,049.34		123,049.34
950 Worker's Comp Reimbursements	11,061.87		67,383.59
960 Interest and Dividend Income	3.36		7.77
Total Other Revenue	134,114.57		195,191.13
OTHER EXPENDITURES			
800 Workers Comp Claims Paid	12,249.22		68,048.01
810 Interest Expense			7,799.17
Total Other Expenditures	12,249.22		75,847.18
NET OTHER REVENUE	121,865.35		119,343.95

		Total
	May 2022	Jan - May, 2022 (YTD)
NET REVENUE	\$140,733.96	\$206,673.74

Statement of Financial Position

As of May 31, 2022

	Total
ASSETS	
Current Assets	
Bank Accounts	
1010 US Bank Checking 4037	935,467.04
1020 Health Initiative Reserves 2765	682,000.00
1030 Restricted - US Bank 6221	100.00
1040 Key Bank Worker's Comp	15,047.09
Total Bank Accounts	1,632,614.13
Other Current Assets	
1105 Tax Receivable	5,778.00
Total Other Current Assets	5,778.00
Total Current Assets	1,638,392.13
Other Assets	
1210 Prepaid Expenses	164.48
2001 Richmond Trust (Restricted)	710,231.38
Total Other Assets	710,395.86
TOTAL ASSETS	\$2,348,787.99
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2020 Accounts Payable	604,744.83
Total Accounts Payable	604,744.83
Other Current Liabilities	
2021.50 Current Portion ADS Loan Payable	25,482.00
Total Other Current Liabilities	25,482.00
Total Current Liabilities	630,226.83
Long-Term Liabilities	
2100 Loan from ADS	222,960.82
Total Long-Term Liabilities	222,960.82
Total Liabilities	853,187.65
Equity	
3001 Net Assets	291,809.57
3200 Net Position	997,117.03
Net Revenue	206,673.74
Total Equity	1,495,600.34
TOTAL LIABILITIES AND EQUITY	\$2,348,787.99

Statement of Cash Flows - Last Month

May 2022

	Total
OPERATING ACTIVITIES	
Net Revenue	140,733.96
Adjustments to reconcile Net Revenue to Net Cash provided by operations:	
2020 Accounts Payable	124,894.12
Total Adjustments to reconcile Net Revenue to Net Cash provided by operations:	124,894.12
Net cash provided by operating activities	265,628.08
INVESTING ACTIVITIES	
3000 District Building	238,350.00
3010-1 Accumulated Depreciation:Accum Depr - Buildings - KPD	-238,350.00
Net cash provided by investing activities	0.00
NET CASH INCREASE FOR PERIOD	265,628.08
Cash at beginning of period	1,366,986.05
CASH AT END OF PERIOD	\$1,632,614.13

Kennewick Public Hospital District

Check Detail

May 2022

DATE	NUM	NAME	AMOUNT
1010 US Bank Checking 4037			
05/02/2022	1586	Advantage IT	-2,797.02
			-2,797.02
05/02/2022	1587	State of Washington Dept. of Retirement	-25.00
			-25.00
05/02/2022	1588	Jenographics	0.00
			0.00
05/02/2022	1589	Jenographics	-427.28
			-427.28
05/02/2022	1590	U.S.Bank CC (4195)	-510.46
			-510.46
05/02/2022		Celski & Associates	-276.26
			276.26
05/02/2022		Celski & Associates	-105.59
			105.59
05/04/2022		Travelers CL Remittance Center	0.00
			0.00
05/04/2022		Mutual of Enumclaw	-190.20
			190.20
05/06/2022		EFT Payments (See Detailed List)	-7,964.00
			1,664.00
			500.00
			3,300.00
			2,500.00
05/11/2022	1585	Eide Bailly LLP	-9,000.00
			-9,000.00
05/11/2022	1591	Kuffel, Hultgrenn, Klashke, Shea & Ellerd	-3,771.85
			-3,771.85
05/11/2022	1592	Advantage IT	-612.12
			-612.12
05/11/2022	1593	Travelers CL Remittance Center	-175.00

Kennewick Public Hospital District

Check Detail

May 2022

DATE	NUM	NAME	AMOUNT
			-175.00
05/11/2022	1594	U.S.Bank CC (4195)	0.00
			0.00
05/11/2022	1595	U.S.Bank CC (4195)	-444.67
			-444.67
05/13/2022		US Bank	-103.52
			103.52
05/16/2022		Epic Tax Solutions	-1,457.00
			1,457.00
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1040 Key Bank Worker's Comp			
05/27/2022			-12,249.22
			12,249.22
05/27/2022		KeyBank	-259.17
			259.17
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Policies / Resolutions

**KENNEWICK PUBLIC HOSPITAL DISTRICT
BENTON COUNTY, WASHINGTON
RESOLUTION NO. 2022-6**

**A Resolution establishing the date, time and place of the regular meetings
of the Board of Commissioners**

WHEREAS, the Kennewick Public Hospital District Board of Commissioners find it desirable to modify previous resolutions and any policy relating to the date, time and place of the regular meetings, **NOW, THEREFORE**,

BE IT RESOLVED effective June 30, 2022, that the regular meeting of the Board of Commissioners shall be held on the last Thursday of each month. Said meetings will be held at the Numerica Pavilion Conference Room, Southridge Sports and Events Complex, 2901 Southridge Blvd, Kennewick, Washington at 5:00 p.m. **PROVIDED**, when a regular meeting date as established above is a legal holiday, said meeting shall be held at the same place at 5:00 p.m. on the Thursday immediately preceding the Thursday which is a legal holiday.

BE IT FURTHER RESOLVED that the regular meeting set for Thursday, December 29, 2022, shall be held on Thursday, December 22, 2022, at the same time and place as set forth above.

ADOPTED AND APPROVED by the Commissioners of Kennewick Public Hospital District, Benton County, Washington, at a special public meeting thereof this 30th day of June, 2022, the following Commissioners being present and voting:

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

Gary G. Long, President & Commissioner

Steve Blodgett, Secretary, Treasurer & Commissioner

Mary Kinney, Commissioner

Richard L. Reil, Commissioner

Wanda L. Briggs, Commissioner

Sheila Dunlop, Commissioner

Mark Brault, Vice President & Commissioner