



Two Rivers
HEALTH DISTRICT

KENNEWICK PUBLIC HOSPITAL DISTRICT

**Board of Commissioners
Packet**

**Thursday, April 25, 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, April 25, 2024 | Hybrid Meeting
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 March 28, 2024

B. Public Comment –

II. NEW BUSINESS:

A. Committee Reports/Recommendations.

1. Governance Committee Updates – Mark Brault
 - a. Reminder to complete commissioner education for open public meetings and public records (link was be sent)
 - b. Appointment of board member to ADS*
1. Finance Committee – Gary Long, Finance Chair
 - a. Acceptance of the March 2024 financial statements* – Overview by Erica Davis
 - b. Approval of the March 2024 payments and disbursements*
 - c. Treasurer’s Report – Gary Long
 - d. WSU Tri-Cities and CBC Scholarship affirmation*
 - e. 2023 Audit Status
2. Planning Committee – Marv Kinney
 - a. PR efforts overview and upcoming retreat
3. Adult Day Services – General Update: Rick Reil

B. 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

III. COMMISSIONER COMMENTS

IV. Upcoming items – NONE

V. BOARD MEETINGS/EVENTS/EDUCATION -

Next Regularly Scheduled Board Meeting – Thursday, May 30, 2024 @ 5:00

Kennewick Public Hospital District
Thursday, March 28, 2024 | Hybrid Meeting
Trios Care Center at deBit – First Floor Conference Room
320 W. 10th Ave., Kennewick, Washington, 99336
5:00 PM
MINUTES

Attendance: Rick Reil, Marv Kinney, Gary Long, Wanda Briggs, Erica Davis, Heidi Ellerd, Salem Thompson, Lee Kerr, Spencer Harris (sworn in as Commissioner)
Absent (excused) Mark Brault

At 5:00 PM Commissioner Marv Kinney called the meeting to order.

I. District Business:

A. Approval of Consent Agenda

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

A. Public Comment – NONE

II. NEW BUSINESS:

A. Appointment of new Commissioner

IT WAS MOVED AND SECONDED TO APPOINT SPENCER HARRIS FOR THE OPEN POSITION 4 OF THE KENNEWICK PUBLIC HOSPITAL DISTRICT. ALL IN FAVOR. NO DISCUSSION. MOTION CARRIED.

Lee Kerr administered the Oath of Office to Spencer Harris.

B. Reports

1. Lee Kerr – Superintendent, General Update
Lee discussed RPA compliance activities.
Lee discussed recovery center activities.
2. Legal Report - Heidi Ellerd, Legal Counsel
 - a. Records Requests (updates)
Heidi Ellerd will prepare the official oath of office for Spencer Harris to sign. Salem Thompson will set up Spencer's email address.
3. Administrative Report, Salem Thompson, Board Coordinator – No new activities to report.

B. Committee Reports/Recommendations.

1. Finance Committee – Gary Long, Finance Chair
 - a. Acceptance of the February 2024 financial statements – Overview by Erica Davis
IT WAS MOVED AND SECONDED TO ACCEPT THE FEBRUARY 2024 FINANCIAL STATEMENTS AS PRESENTED. ALL IN FAVOR. NO DISCUSSION. MOTION CARRIED.

- b. Approval of the February 2024 payments and disbursements – overview by Erica Davis.

IT WAS MOVED AND SECONDED TO APPROVE THE FEBRUARY 2024 PAYMENTS AND DISBURSEMENTS AS PRESENTED. ALL IN FAVOR. NO DISCUSSION. MOTION CARRIED.

- c. Treasurer’s Report – Gary Long –
Updates continue on the bank accounts and credit card.
Lee and Gary are following up on the required surety bonds.
 - d. 2023 Audit Status – Work continues and is going as expected. Reminder the Annual report prepared by Epic Trust is due coming up in May.
- 2. Governance Committee Updates – Marv Kinney
 - a. Reminder to file F-1s by April 15, 2024 – Spencer will need to complete this. Lee and Salem will follow up to have an orientation.
 - b. Reminder to complete commissioner education for open public meetings and public records (link will be sent). Due by the end of April. This is done every three years.
 - 3. Planning Committee – Wanda Briggs
General Update – No meeting was held but there was attendance at an AWPHD website webinar. An application was submitted for a grant from AWPHD for website support. We were instructed to complete the PR and Marketing work before we can be considered for the website grant. A startup meeting was held with the PR firm and work will continue over the next couple of months.
 - 4. Adult Day Services – General Update: Rick Reil and Salem Thompson. Financials are as expected for this time of year. A request for support will be prepared in the next couple of months.

III. COMMISSIONER COMMENTS

IV. Upcoming items – NONE

V. BOARD MEETINGS/EVENTS/EDUCATION -

Next Regularly Scheduled Board Meeting – Thursday, April 25, 2024 @ 5:00

Adjourned 6:17 PM

Management Reports

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

Prepared by

Epic Tax Solutions a Subsidiary of Epic Trust Financial Group

Prepared on

April 3, 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

March 2024

	Mar 2024	Jan - Mar, 2024 (YTD)	Total
REVENUE			
100 Property Tax Revenue	96,948.94		145,187.76
110 Grant Income			5,000.00
Total Revenue	96,948.94		150,187.76
COST OF GOODS SOLD			
200 Community Care Agreement	77,559.15		116,150.21
Total Cost of Goods Sold	77,559.15		116,150.21
GROSS PROFIT	19,389.79		34,037.55
EXPENDITURES			
305 Bank Fees	333.85		1,009.38
315 Commissioner Mtg Stipend	3,567.00		6,911.00
320 Facilities Expense			
323 Utilities	55.00		165.00
Total 320 Facilities Expense	55.00		165.00
326 Insurance	51.70		155.10
330 Legal and Professional			
331 Attorney Fees	390.75		2,984.47
332 Accounting	1,730.00		5,190.00
335 Administrative Support	2,500.00		7,500.00
336 Other Professional Fees	947.86		2,822.97
Total 330 Legal and Professional	5,568.61		18,497.44
340 Office Expenses	486.96		1,705.62
342 Public Records Request	1,025.00		3,500.00
343 Records Management			1,650.00
360 Superintendent Compensation	3,300.00		9,900.00
Total Expenditures	14,388.12		43,493.54
NET OPERATING REVENUE	5,001.67		-9,455.99
OTHER REVENUE			
900 Richmond Trust Income	202.34		4,698.97
950 Worker's Comp Reimbursements	10,978.31		43,855.05
960 Interest and Dividend Income	3,991.71		13,261.70
Total Other Revenue	15,172.36		61,815.72
OTHER EXPENDITURES			
800 Workers Comp Claims Paid	15,172.67		39,226.85
Total Other Expenditures	15,172.67		39,226.85
NET OTHER REVENUE	-0.31		22,588.87
NET REVENUE	\$5,001.36		\$13,132.88

Statement of Financial Position

As of March 31, 2024

	Total
ASSETS	
Current Assets	
Bank Accounts	
1010 US Bank Checking 4037	233,771.38
1020 Health Initiative Reserves 2765	2,000.00
1030 US Bank 6221	100.00
1040 Key Bank Worker's Comp	11,664.84
1050 Cash Equivalents	
1055 Local Government Investment Pool	869,909.77
Total 1050 Cash Equivalents	869,909.77
Total Bank Accounts	1,117,445.99
Other Current Assets	
1105 Tax Receivable	705.00
Total Other Current Assets	705.00
Total Current Assets	1,118,150.99
Other Assets	
2001 Richmond Trust (Restricted)	582,272.29
Total Other Assets	582,272.29
TOTAL ASSETS	\$1,700,423.28
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2020 Accounts Payable	116,150.21
2021 AP - ADS	3,240.00
Total Accounts Payable	119,390.21
Credit Cards	
2024 U.S. Bank CC (4195)	541.96
Total Credit Cards	541.96
Total Current Liabilities	119,932.17
Long-Term Liabilities	
2100 Loan from ADS	62,550.89
Total Long-Term Liabilities	62,550.89
Total Liabilities	182,483.06
Equity	
3200 Net Position	594,082.59
3210 Restricted - Expendable	341,000.00
3220 Restricted - Expendable Richmond Trust	569,724.75
Net Revenue	13,132.88

	Total
Total Equity	1,517,940.22
TOTAL LIABILITIES AND EQUITY	\$1,700,423.28

Statement of Cash Flows - Last Month

March 2024

	Total
OPERATING ACTIVITIES	
Net Revenue	5,001.36
Adjustments to reconcile Net Revenue to Net Cash provided by operations:	
2020 Accounts Payable	74,359.15
2024 U.S. Bank CC (4195)	262.51
Total Adjustments to reconcile Net Revenue to Net Cash provided by operations:	74,621.66
Net cash provided by operating activities	79,623.02
NET CASH INCREASE FOR PERIOD	79,623.02
Cash at beginning of period	1,037,822.97
CASH AT END OF PERIOD	\$1,117,445.99

Check Detail

March 2024

Date	Transaction Type	Num	Name	Memo/Description	Clr	Amount
1010 US Bank Checking 4037						
03/04/2024	Bill Payment (Check)	1709	Advantage IT	Computer Support	R	-947.86
						-947.86
03/04/2024	Expenditure		U.S.Bank CC (4195)	Credit Card Payment	R	-279.45
				ACH Debit(s)		-279.45
03/04/2024	Expenditure		Mutual of Enumclaw	Insurance	R	-51.70
				ACH Debit(s)		51.70
03/07/2024	Expenditure		EFT Payments (See Detailed List)	ACH Debit(s)	R	-9,045.00
				Dunlop, Kinney, Long		3,245.00
				S. Snowdy		2,500.00
				L. Kerr		3,300.00
03/14/2024	Expenditure		US Bank	Bank Fees	R	-60.44
				Miscellaneous Fee(s)		60.44
03/15/2024	Expenditure		Briggs, Wanda	Wanda Briggs	R	-322.00
				ACH Debit(s)		322.00
03/18/2024	Bill Payment (Check)	1710	Association of Washington Public Hospital Districts	2024 Dues	R	-3,200.00
						-3,200.00

Date	Transaction Type	Num	Name	Memo/Description	Clr	Amount
03/18/2024	Expenditure		Epic Tax Solutions	Accounting	R	-1,730.00
				ACH Debit(s)		1,730.00
03/27/2024	Bill Payment (Check)	1711	Ellerd, Hultgrenn & Dahlhauser, LLP	Legal Fees and Public Records Request Fees		-1,415.75
						-1,415.75
1040 Key Bank Worker's Comp						
03/31/2024	Expenditure		Workers Comp		R	-15,172.67
						15,172.67
03/31/2024	Expenditure		KeyBank		R	-273.41
						273.41

Contractor Payment Register Report

Kennewick Public Hospital District



Pay Period From 02/01/2024 to 02/29/2024, Pay Date: 03/08/2024, Payment # 3

#	Contractor Name	Compensation	Federal Tax	YTD	State Tax	YTD	Reimbursement	Deductions	Net pay	Check #
12	Sheila K Dunlop	1,796.00	0.00	0.00	0.00	0.00		0.00	1,796.00	
3	Leland Kerr	3,300.00	0.00	0.00	0.00	0.00		0.00	3,300.00	
4	Marv Kinney	644.00	0.00	0.00	0.00	0.00		0.00	644.00	
5	Gary Long	805.00	0.00	0.00	0.00	0.00		0.00	805.00	
8	Salem Snowdy	2,500.00	0.00	0.00	0.00	0.00		0.00	2,500.00	
Payment Totals :		9,045.00	0.00	0.00	0.00	0.00	0.00	0.00	9,045.00	

Contractor Payment Register Report

Kennewick Public Hospital District



Pay Period From 02/01/2024 to 02/29/2024, Pay Date: 03/18/2024, Payment # 5

#	Contractor Name	Compensation	Federal Tax	YTD	State Tax	YTD	Reimbursement	Deductions	Net pay	Check #
2	Wanda Briggs	322.00	0.00	0.00	0.00	0.00		0.00	322.00	
Payment Totals :		322.00	0.00	0.00	0.00	0.00	0.00	0.00	322.00	

Kennewick Public Hospital District

Transaction Report - US Bank Credit Card

March 2024

DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	ACCOUNT	SPLIT	AMOUNT	BALANCE
U.S. Bank CC (4195)								
Beginning Balance								
							279.45	279.45
03/04/2024	Credit Card Expenditure		Bettendorfs Printing		2024 U.S. Bank CC (4195)	340 Office Expenses	58.70	338.15
03/04/2024	Credit Card Expenditure		CI Information Management		2024 U.S. Bank CC (4195)	340 Office Expenses	30.00	368.15
03/04/2024	Credit Card Expenditure		Adobe		2024 U.S. Bank CC (4195)	340 Office Expenses	21.73	389.88
03/04/2024	Expenditure		U.S.Bank CC (4195)	ACH Debit(s)	2024 U.S. Bank CC (4195)	1010 US Bank Checking 4037	-279.45	110.43
03/19/2024	Credit Card Expenditure		Microsoft Edge		2024 U.S. Bank CC (4195)	340 Office Expenses	176.64	287.07
03/19/2024	Credit Card Expenditure		Microsoft Office		2024 U.S. Bank CC (4195)	340 Office Expenses	26.08	313.15
03/25/2024	Credit Card Expenditure		Spectrum		2024 U.S. Bank CC (4195)	323 Facilities Expense:Utilities	55.00	368.15
03/28/2024	Credit Card Expenditure		Zoom Video Communications Inc.		2024 U.S. Bank CC (4195)	340 Office Expenses	173.81	541.96
Total for U.S. Bank CC (4195)							\$262.51	
TOTAL							\$262.51	